



DUPI COPENHAGEN

*Penge & Paragraffer
-Konkurrencefordele og P&I*

Tivoli hotel og kongres center

28 oktober 2010



Maritime Development Center of Europe

Søfart



Agenda

- Om DUPI Copenhagen
- Om P&I
- Sammenligning af P&I udbydere
- Brug af klub

Konkurrencefordele?

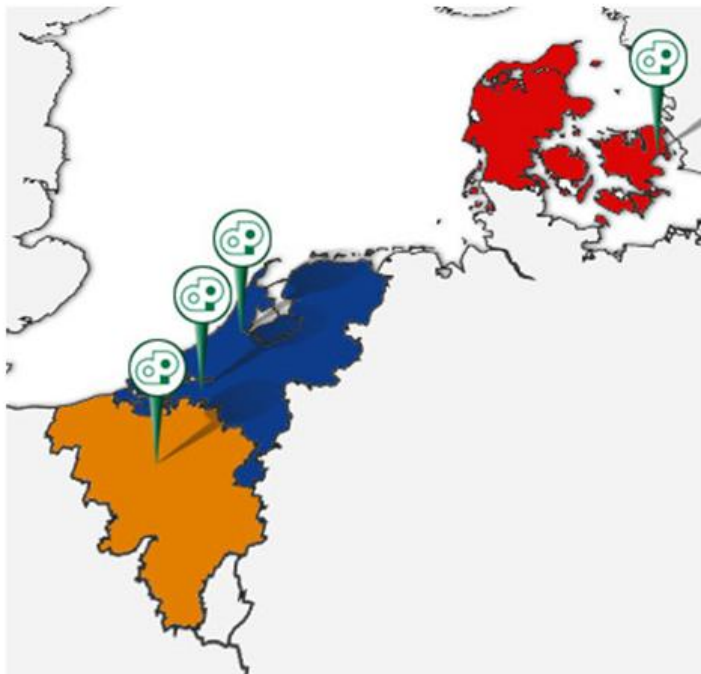


Welcome to dupi.com



Rotterdam
Amsterdam
Copenhagen
Antwerp

Press release: new player in the marine insurance market



We are one of the world's largest *independent* P&I brokers and P&I Correspondents and provide specialised and personal service to the entire shipping industry, amongst which a wide range of direct clients, brokers and insurers around the globe.

We have access to all markets including our own dedicated facilities, enabling us to assist regardless the nature of your operation.

We welcome you to our website, which we trust will lead you through the full scope of our services.

Rotterdam

Amsterdam

Copenhagen

Antwerp





Dutch P&I is a full service P&I broker, providing tailor-made insurance covers, claims handling and legal defense.

As correspondent we represent the majority of P&I clubs and insurers.

- One of the largest dedicated P&I brokers.
- Own range of products:
 - Charterers liability (www.charterersliability.com)
 - Dutch Shipping Defence NV, (www.dutchshippingdefence.nl)
 - Project P&I (Bargehire 2008 facility)
 - Euro P&I (inland craft facility)
- Skilled team of brokers, claims handlers and in-house lawyers.
- Excess of Euro 30 million premium turnover per annum.
- Largest P&I correspondent in Rotterdam.
- Underwriting agent providing non-P&I marine insurances (www.dutchmarineinsurance.com).



DUPI Copenhagen started in 2001 as agents to Dutch P&I. Since 2009 fully owned by Dutch P&I. We assist with all aspects of P&I insurance including claims handling, and since 2010 we are aiming to become P&I correspondents also.



De facto obligatorisk P&I forsikring

- Lovkrav (ikke formelt krav)
- Forretningskrav (Redere, befragtere)
- Risk management krav
- Trading krav (havne)
- Politisk og samfundsmæssigt krav



IMO Liability and compensation konventioner

| | | | |
|--------------------------|-------------------------------|-------------------------------|------------------------------|
| IMO Convention 48 | SAR Convention 79 | London Convention 72 | LLMC Convention 76 |
| IMO amendments 91 | STP Agreement 71 | London Convention Protocol 96 | LLMC Protocol 96 |
| IMO amendments 93 | STP Protocol 73 | INTERVENTION Convention 69 | SUA Convention 88 |
| SOLAS Convention 74 | IMSO Convention 76 | INTERVENTION Protocol 73 | SUA Protocol 88 |
| SOLAS Protocol 78 | INMARSAT OA 76 | CLC Convention 69 | SUA Convention 2005 |
| SOLAS Protocol 88 | INMARSAT amendments 94 | CLC Protocol 76 | SUA Protocol 2005 |
| Stockholm Agreement 96 | INMARSAT amendments 98 | CLC Protocol 92 | SALVAGE Convention 89 |
| LOAD LINES Convention 66 | IMSO amendments 2006 | FUND Convention 71 | OPRC Convention 90 |
| LOAD LINES Protocol 88 | IMSO amendments 2008 | FUND Protocol 76 | HNS Convention 96 |
| TONNAGE Convention 69 | FACILITATION Convention 65 | FUND Protocol 92 | OPRC/HNS 2000 |
| COLREG Convention 72 | MARPOL 73/78 (Annex I/II) | FUND Protocol 2003 | BUNKERS CONVENTION 01 |
| CSC Convention 72 | MARPOL 73/78 (Annex III) | NUCLEAR Convention 71 | ANTI FOULING 01 |
| CSC amendments 93 | MARPOL 73/78 (Annex IV) | PAL Convention 74 | BALLASTWATER 2004 |
| SFV Protocol 93 | MARPOL 73/78 (Annex V) | PAL Protocol 76 | NAIROBI WRC 2007 |
| STCW Convention 78 | MARPOL Protocol 97 (Annex VI) | PAL Protocol 90 | HONG KONG SRC 2009 |
| STCW-F Convention 95 | | PAL Protocol 02 | HNS PROT 2010 |



P&I Markedet

Gensidige system

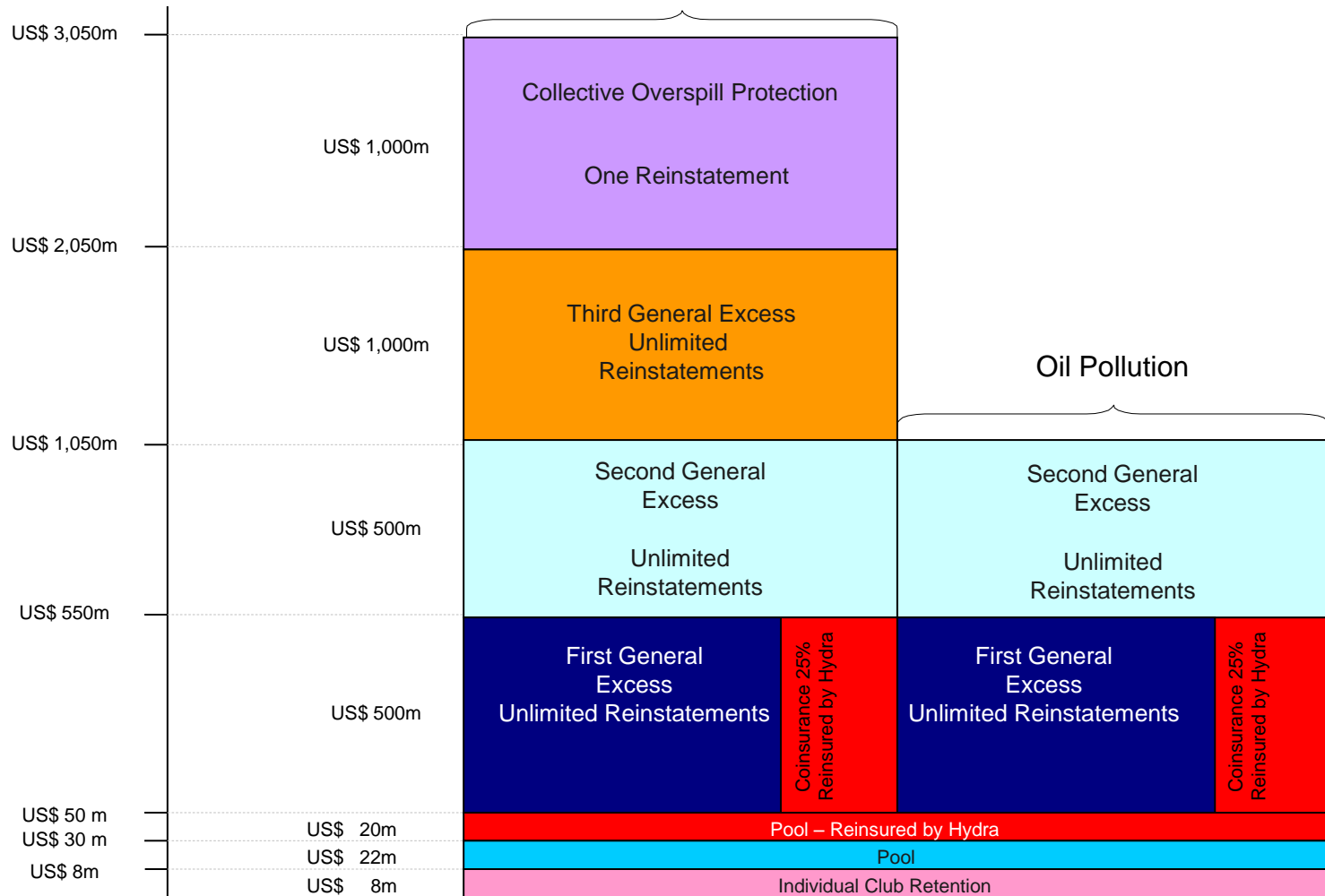
- 13 klubber
- Deling af risiko
- Fælles reinsurance over \$8mio.
- Dækning til ca. \$6,9 mia.
- Ensartede policer
- 90% af handelsflåden (GT)
- 68000 enheder

Fast præmie

- Uafhængige selskaber
- Dækning til forskellige grænser (max 0,5 – 1 mia)
- Fri bevægelighed
- Overførsel af risiko
- Primært mindre skibe
- +20.000 skibe (5 største UW)



Protection and Indemnity pooling system 2010



Total Charged premium / Original estimate

| | American Club | Britannia | Gard | Japan Club | London Club | North of England | Shipowners' Club | Skuld | Standard (Bermuda) | Steamship Mutual | Swedish | UK Club | West of England |
|-----------------------------|---------------|-----------|-------|------------|-------------|------------------|------------------|--------|--------------------|------------------|---------|---------|-----------------|
| 1989 | 100 | 96 | 100 | 104.4 | 191.7 | 160 | 92 | 175 | 200 | 100 | 212 | 166.7 | 204 |
| 1990 | 122.2 | 100 | 170.8 | 100 | 165.4 | 140 | 100 | 191.7 | 200 | 187.5 | 272 | 178.6 | 192.6 |
| 1991 | 127.8 | 76.9 | 123.1 | 84.6 | 142.3 | 125.9 | 96 | 116.7 | 132 | 140 | 160 | 121.4 | 163.3 |
| 1992 | 100 | 64.3 | 88.5 | 71.4 | 100 | 100 | 80 | 100 | 100 | 100 | 100 | 89.3 | 100 |
| 1993 | 105.6 | 67.9 | 92.9 | 83.3 | 100 | 100 | 80 | 100 | 100 | 100 | 100 | 92.9 | 100 |
| 1994 | 100 | 67.9 | 96.4 | 83.3 | 92.9 | 100 | 80 | 100 | 100 | 100 | 100 | 100 | 100 |
| 1995 | 107.3 | 72 | 88.5 | 100 | 92.9 | 100 | 80 | 100 | 88 | 100 | 100 | 92.9 | 100 |
| 1996 | 107.2 | 74 | 76.9 | 91.7 | 100 | 100 | 80 | 100 | 80 | 100 | 100 | 89.3 | 100 |
| 1997 | 100 | 80 | 76.9 | 91.7 | 92.9 | 100 | 80 | 100 | 80 | 100 | 100 | 89.3 | 100 |
| 1998 | 100 | 88 | 76.9 | 83.3 | 85.7 | 100 | 80 | 108.3 | 80 | 100 | 90 | 92.9 | 100 |
| 1999 | 116 | 92 | 92 | 95.8 | 100 | 100 | 80 | 120.8 | 88 | 114.3 | 100 | 92.9 | 100 |
| 2000 | 172 | 100 | 100 | 100 | 100 | 100 | 80 | 137.5 | 100 | 130 | 100 | 100 | 100 |
| 2001 | 128 | 100 | 100 | 91.7 | 100 | 100 | 80 | 100 | 100 | 140 | 100 | 100 | 100 |
| 2002 | 121.4 | 100 | 100 | 100 | 100 | 100 | 80 | 100 | 100 | 100 | 100 | 100 | 100 |
| 2003 | 130 | 100 | 80 | 84.6 | 100 | 100 | 80 | 100 | 100 | 100 | 100 | 100 | 100 |
| 2004 | 100 | 92.9 | 100 | 100 | 100 | 100 | 80 | 100 | 100 | 100 | 100 | 100 | 112.5 |
| 2005 | 120 | 92.9 | 96 | 100 | 100 | 100 | 80 | 100 | 100 | 100 | 100 | 100 | 112.5 |
| 2006 | 135 | 100 | 96 | 123 | 135 | 100 | 100 | 100 | 100 | 113 | 135 | 120 | 129.2 |
| 2007 | 130 | 100 | 100 | 100 | 135 | 100 | 100 | 100 | 100 | 114 | 135 | 125 | 129.2 |
| 2008 | 125 | 100 | 100 | 100 | 125 | 100 | 100 | 100 | 100 | 120 | 100 | 120 | 137.5 |
| 2009 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| 20 year average (1989-2008) | 117.38 | 88.24 | 97.74 | 94.44 | 112.94 | 106.30 | 85.40 | 112.50 | 107.40 | 112.94 | 120.20 | 108.56 | 119.04 |
| 20 year ranking (1989-2008) | 11 | 2 | 4 | 3 | 9= | 5 | 1 | 8 | 6 | 9= | 13 | 7 | 12 |
| 10 year average (1999-2008) | 127.74 | 97.78 | 96.40 | 98.51 | 108.50 | 100.00 | 86.00 | 105.83 | 98.80 | 113.13 | 107.00 | 105.79 | 112.09 |
| 10 year ranking (1999-2008) | 13 | 3 | 2 | 5 | 10 | 6 | 1 | 8 | 4 | 12 | 9 | 7 | 11 |

Kilde: HSBC 2010 P&I rapport



Fastpræmie-markedet

| | Skibe | Dækning , Mio USD | Specielt |
|---|--------|----------------------|---|
| British Marine, - Ejet af QBE | 10.900 | 500 (1 mia) | Max 10.000 GT Non US |
| Navigators - Navigators group Inc, NY | 3.000 | 50 | Max 10.000 GT coastal trade Non US, |
| Osprey, - Underwriting agent Lloyds | 1.750 | 100 | US brown water, tugs and barges |
| Raets Marine - Underwriting agent Swiss Re | 3.500 | 500 | Max 10.000 GT non trans Atlantic - Pacific |
| Ingosstrakh Insurance Co | 900 | 500 | Non US, non cruise, non large tankers |



Sammenligning af klubber

Kvantitativt

Standard & Poor ranking

Forsikringsresultat

Omkostningsniveau

Transaktionsøkonomi

- "Achieving the optimum position within the risk reward equation" (Drewry)

Kvalitativt

Medlemsbase

Serviceniveau

Relationer

Relationsøkonomi

- "Risiko er et valg – ikke en skæbne" (Bernstein)



Standard & Poor's 2009

| | AA+ | AA | AA- | A+ | A | A- | BBB+ | BBB | BBB- | BB+ | BB | BB- | B+ | B | B- |
|----------------|-----|----|-----|----|---|----|------|-----|------|-----|----|-----|----|---|----|
| British Marine | | | | X | | | | | | | | | | | |
| Raets | | | | X | | | | | | | | | | | |
| Osprey | | | | X | | | | | | | | | | | |
| Navigators | | | | | X | | | | | | | | | | |
| Britannia | | | | | X | | | | | | | | | | |
| Gard | | | | | X | | | | | | | | | | |
| North oE | | | | | X | | | | | | | | | | |
| Standard | | | | | X | | | | | | | | | | |
| Skuld | | | | | | X | | | | | | | | | |
| UK | | | | | | X | | | | | | | | | |
| Japan | | | | | | | | X | | | | | | | |
| London | | | | | | | | X | | | | | | | |
| Shipowners | | | | | | | | X | | | | | | | |
| Steamship | | | | | | | | X | | | | | | | |
| Swedish | | | | | | | | X | | | | | | | |
| West oE | | | | | | | | X | | | | | | | |
| Ingosstrakh | | | | | | | | | X | | | | | | |
| American | | | | | | | | | | | | | X | | |



Some of

Standard & Poor's criteria

Positive:

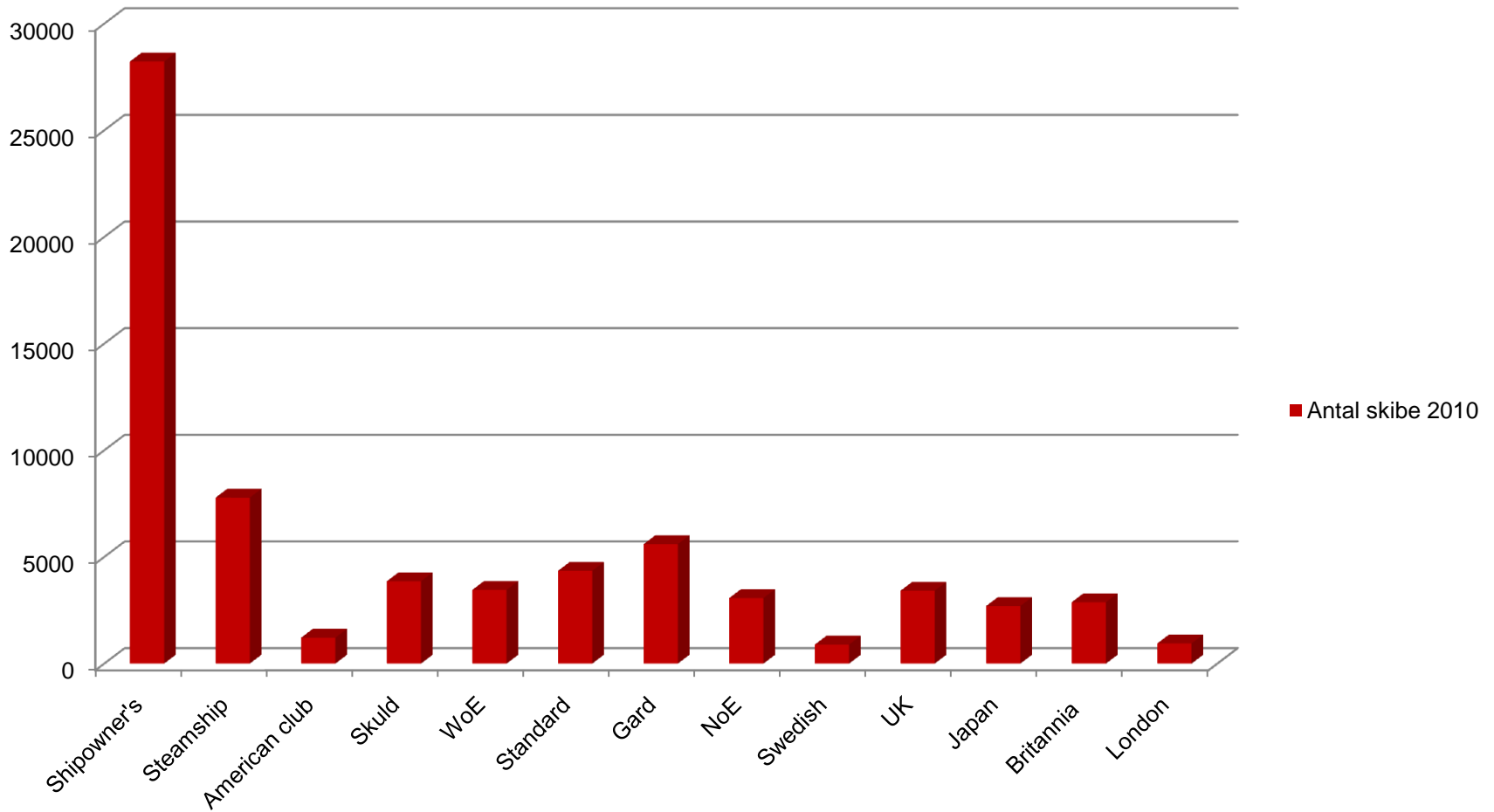
- Strong competitive position
- Financial flexibility through ability to impose increases or additional calls
- Preserve capital through a cautious investment strategy

Negative

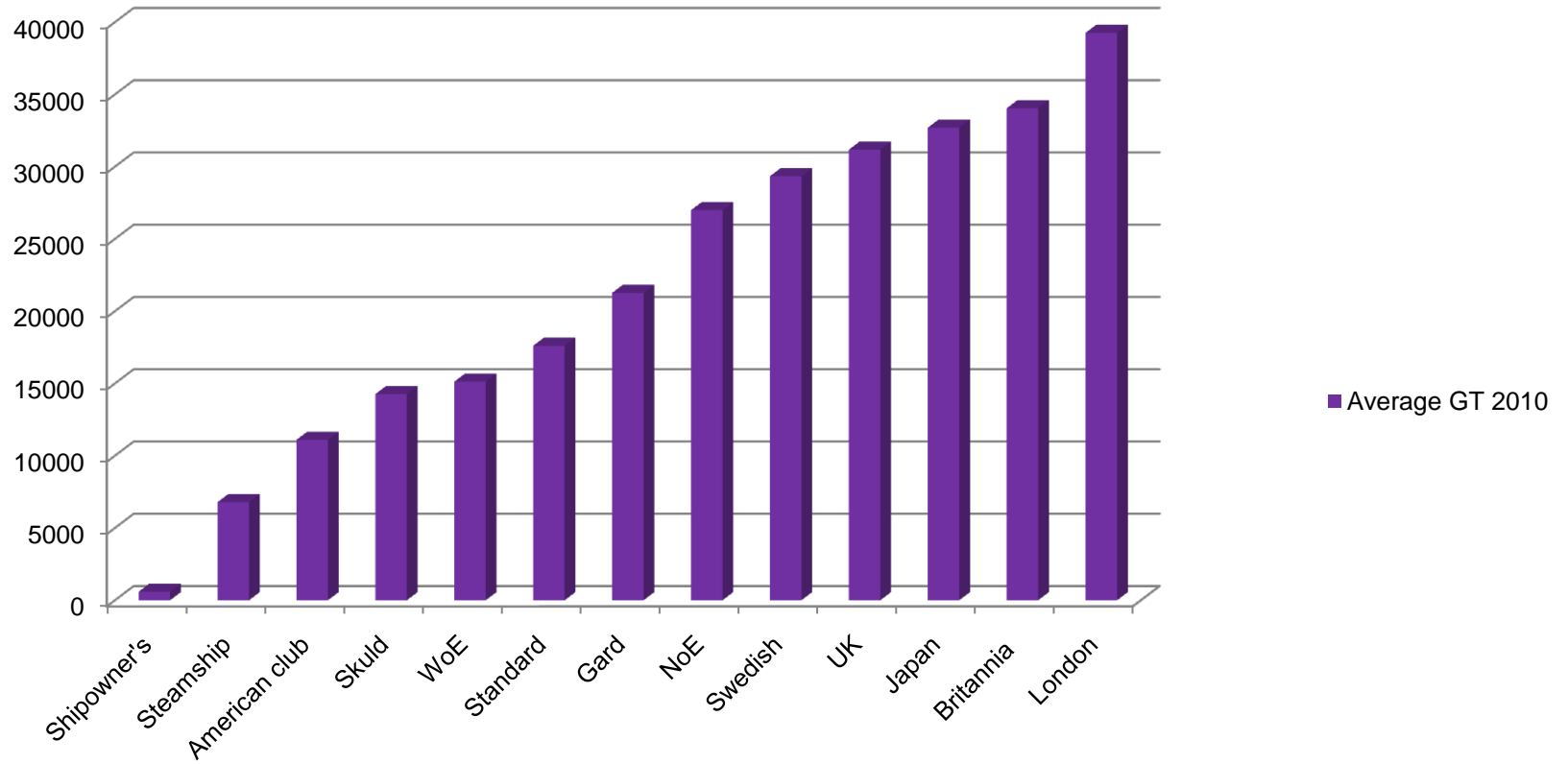
- Agressive investment policy
- Volatile operating performance
- Unbudgeted calls weaken competitive position



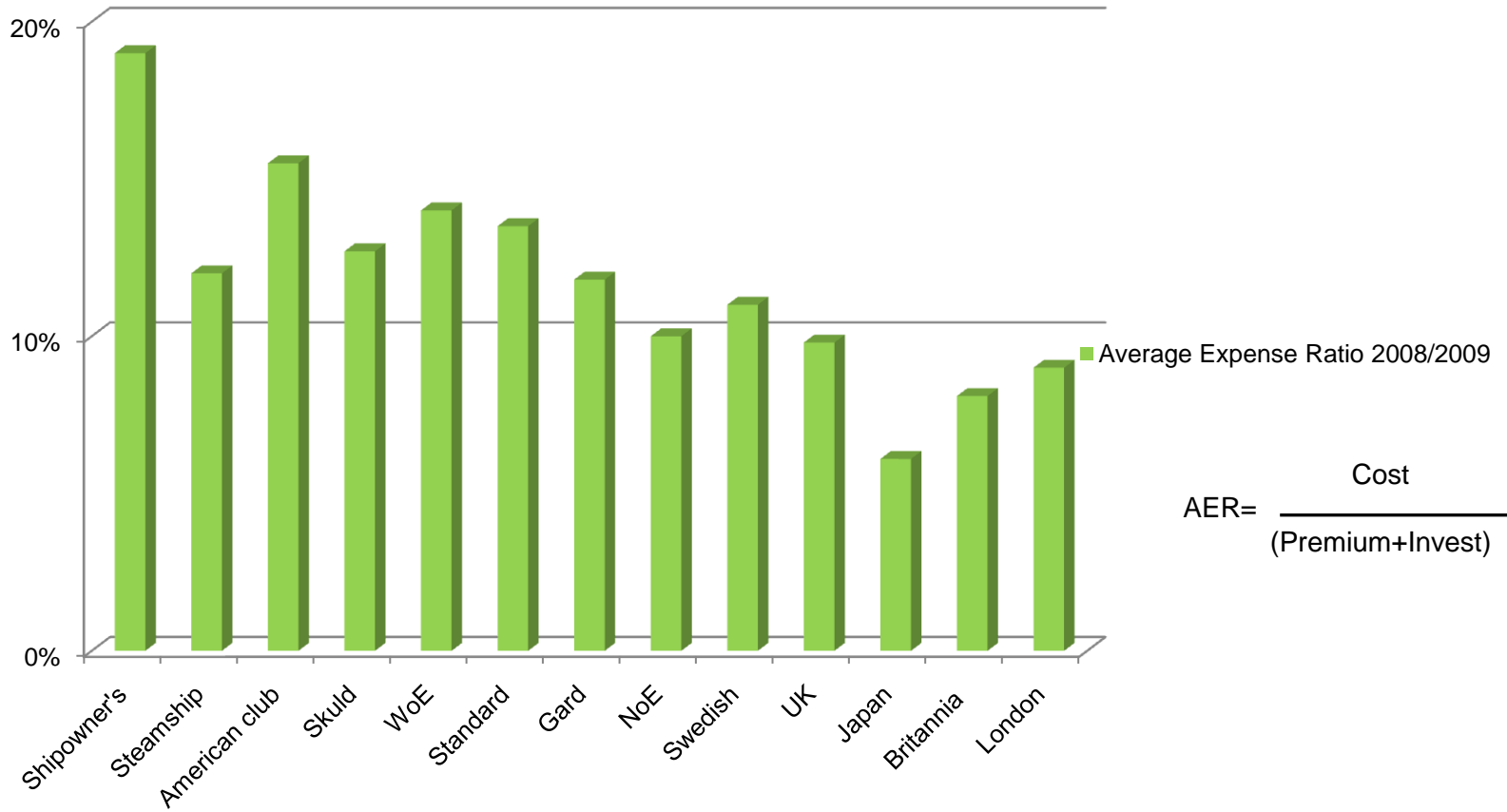
Antal skibe 2010



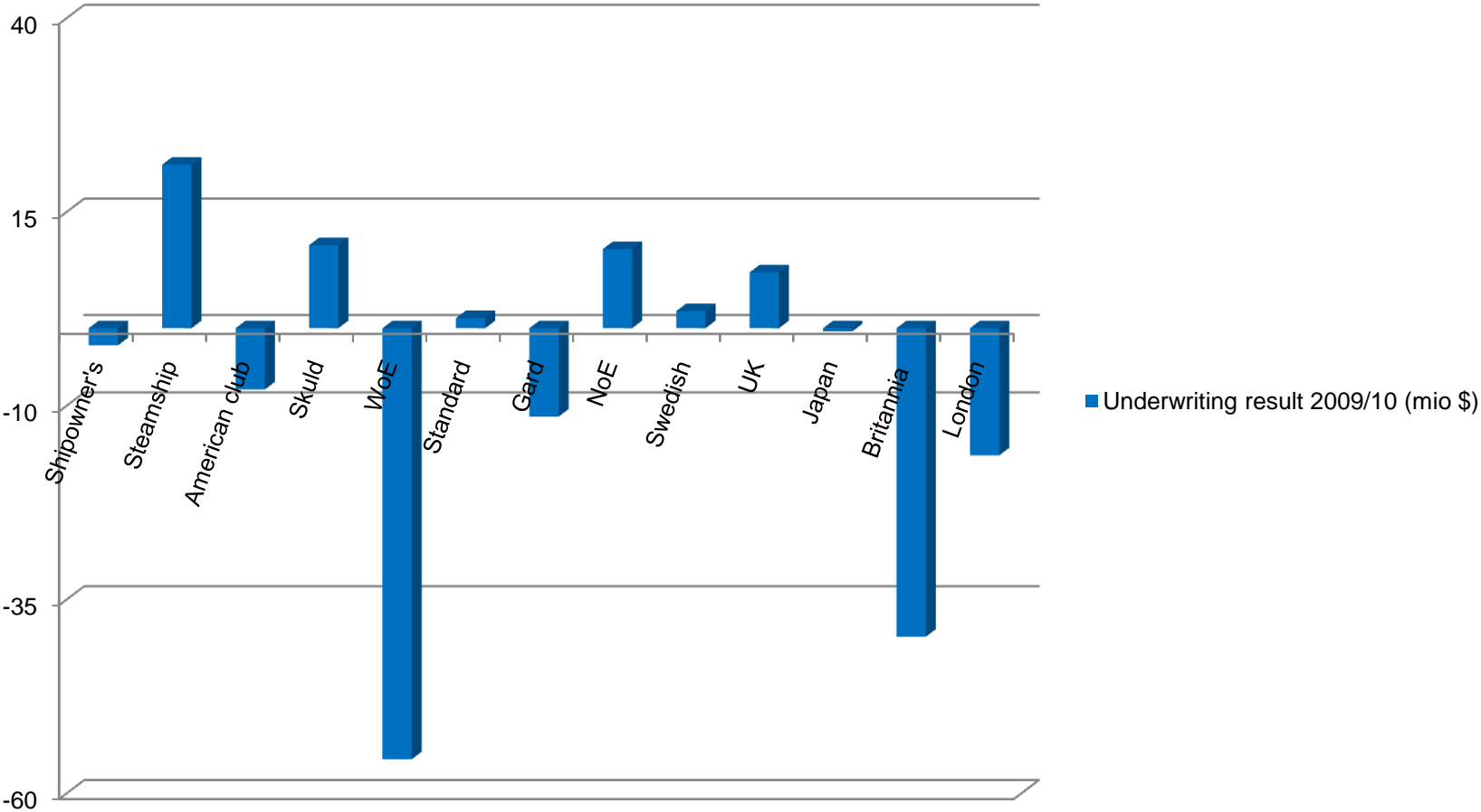
Average GT 2010



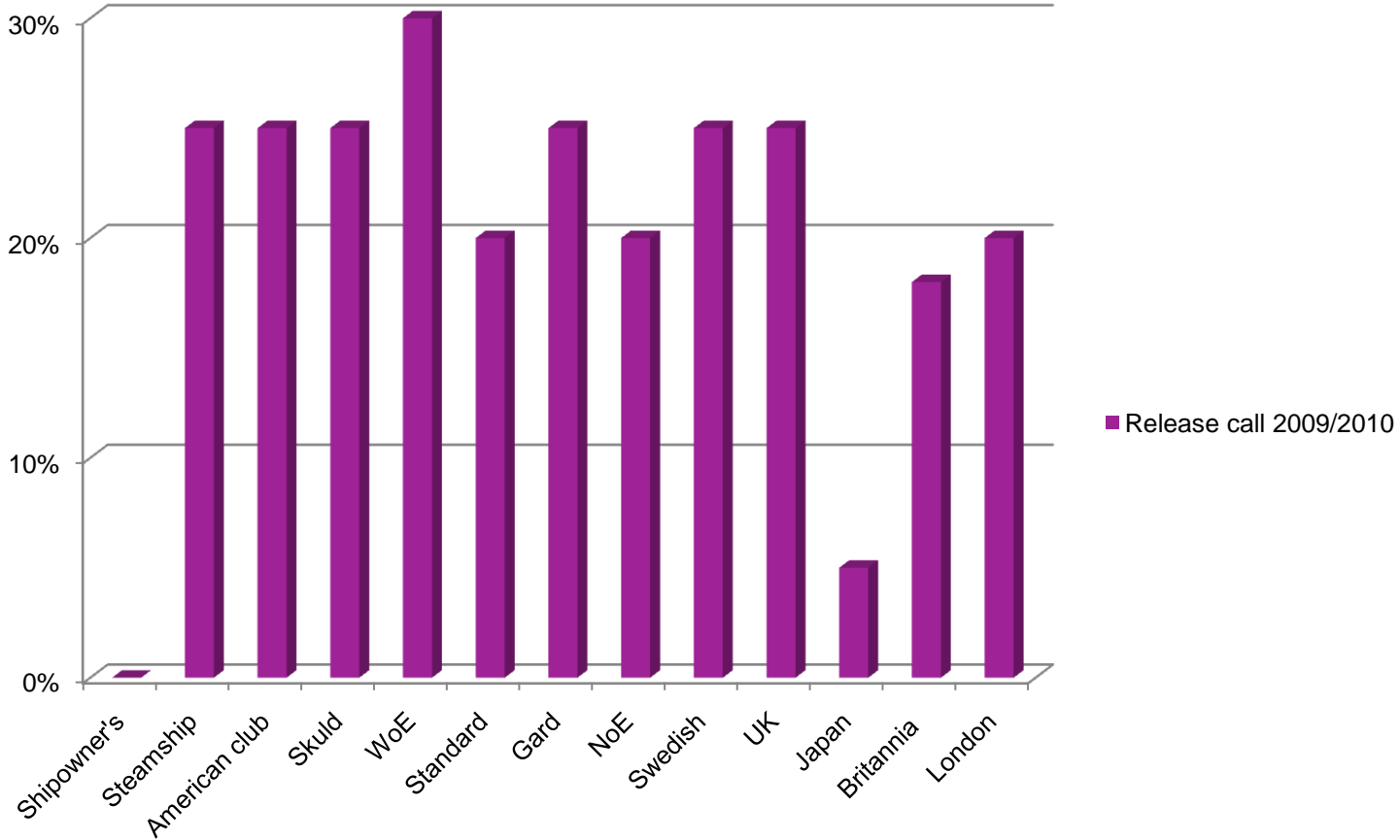
Average Expense Ratio 2008/2009



Underwriting result 2009/10 (mio \$)



Release call 2009/2010



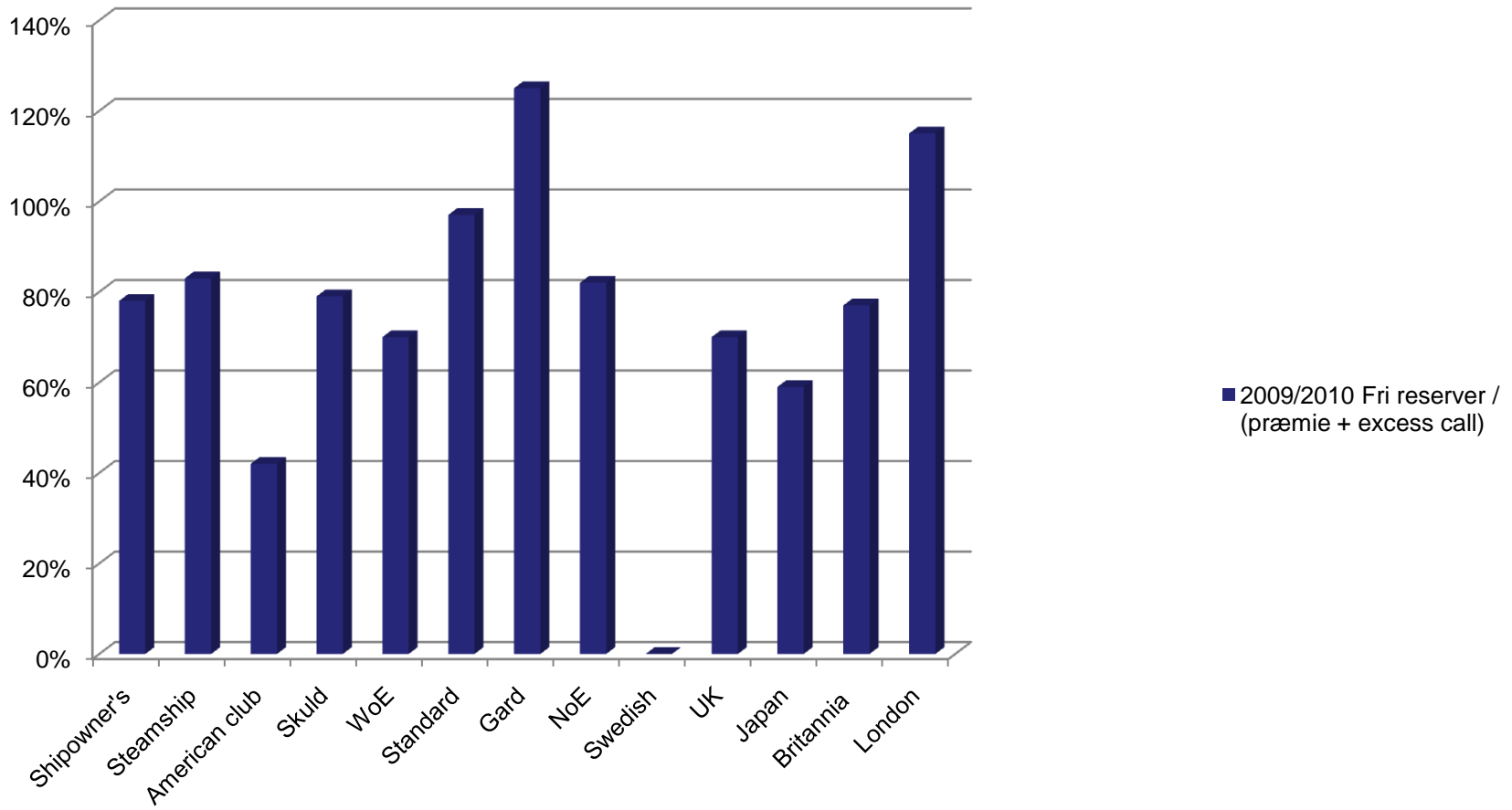
Release calls.

WILLIS MARKET REVIEW 2009/2010:

- Intended to cover IBNR only.
- Penalty for leaving clubs – Is Gard 5 times more likely to make unbudgeted supp. call than Japan Club?
- Supplementary calls across market average 4-5 % over the last 15 years. Release calls are up to 5 times this level.



2009/2010 Fri reserver / (præmie + excess call)



Kvalitative overvejelser

- Sagsbehandling
- Tvister og Interessekonflikter
- Relationer
- Forhandlingsstyrke
- Services
- Egne kompetencer
- Egen strategi for risikostyring



Sagsbehandling

- Hvem tager lead?
- Er det Pay to be paid princippet eller overtager klubben sagsbehandlingen?
- Hvad er egne ressourcer og kompetancer?
- "We are an extension of the member's office"?



Tvister og interessekonflikter

Hvor er de potentielle interessekonflikter?

- Garantistillelser
- Tilstand af skibe
- Politiske sager
- Er modparten også medlem i samme klub?



Relationer

- Er der relationer mellem reder og klub?
- På hvilke niveauer?
- Kender du klubbens forretningsgange
- Kender de dine?
- Relationer er ressourcekrævende at opbygge og vedligeholde. Hvor meget investerer du idet?



Forhandlingsstyrke

Hvad er min forhandlingsstyrke?

- Ved præmieforhandling?
- Ved uenighed og interessekonflikter
- Til at få mine sager prioriteret?
- I omnibus situationer?



Services

- Hvilket service niveau kan jeg forvente?
- Hvilket service niveau har organisationen brug for?
- Franchiser – er der kun service for sager over franchisen?



Egne kompetencer

- Egen assuranceafdeling med erfarne sagsbehandlere?
- Outsourcet sagsbehandling?
- I klubbens hænder?
- Har medarbejderne brug for hyppig dialog?
- Nøglemedarbejdere?
- Hvad er min strategi?



Fremtidige Faktorer og Scenarier

OPA90 revision (Deepwater Horizon) – Nye ansvarsgrænser?

Valuta risiko USD - Præmier og indtægter i \$ - krav i nationale valuta

EU konkurrence regler – Business as usual?

Solvens 2 - Bedre risk management, øgede frie reserver

Mega claims - Hvad sker der når vi får det helt store krav? Eller tre af dem?

Rotterdamreglerne

Release calls in the future? - Beslutter medlemmerne at ændre praksis?

Klub lukning? – Store reserver – kan de friste til afvikling?

