

SIGCo Continuity Credit - 2008

I am delighted to announce further developments to our programme, begun in 2007, of rewarding our long-term members who have contributed to our success by returning some of our profits in the form of reduced renewal premiums. The total planned discount for 2008 and subsequent years will continue to be assessed by reference to profits earned on the most recent years of business, and will henceforth be referred to as "Continuity Credit". In addition to an increase in the total discount to be given in 2008, the basis of application of the credit to each qualifying fleet will be modified to give greater recognition to the length of continuous fleet membership and the quantum of premium paid over the whole period. In 2007 a flat rate discount was applied to renewal of all qualifying fleets. Under the modified calculation applicable in 2008, the credit will be calculated for each qualifying fleet by reference to the number of years of unbroken fleet membership and the total amount of premium paid during those years. The qualifying period will remain as 4 years of unbroken fleet membership. However, once a fleet qualifies (ie for the fifth year of membership or longer), the amount of continuity credit will be adjusted so that longer periods of membership and higher total amounts paid in premium over the years increase the amount of continuity credit to be applied to the fleet renewal premium. As before, where the fleet membership qualifies for receiving a Continuity Credit then all vessels in the fleet attaching in the forthcoming calendar year will receive the credit irrespective of when the individual ship attaches during the calendar year.

We are in position to begin underwriting 2008 policies immediately, and look forward to your positive feedback from this initiative as the year progresses.

Best regards
Neil Clemens,
President,
SIGCo.