

I have previously advised that SIGCo's planned structural changes are imminent at the end of this year, with the preference share capital being repaid and the Board structure changing accordingly. I am now pleased to advise that, as a natural progression from these changes, we will be introducing a new initiative for 2007. This will take the form of a "Loyalty Discount", which will appear as a reduction of premiums. The intention is to reflect the loyalty of members that have been with SIGCo for a number of years (note that the applicability of the discount is determined with respect to a number of years of unbroken entries with SIGCo under the fleet umbrella). It is intended that a Loyalty Discount will continue in future years, although the basis of the discount may vary and will in any event depend on the profitability of SIGCo. Please also note that if the fleet membership meets the requirement for receiving a loyalty discount then all vessels in the fleet attaching in the forthcoming calendar year will receive the discount. We are actively making changes to our software to handle the Loyalty Discount element and are aiming to begin underwriting 2007 policies by 1st December. In the meantime I thank you for your patience in any delay in receiving the appropriate quotations.

Best regards
Neil Clemens,
President,
SIGCo