

Insurance and Compliance Issues

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Marine Insurance

Hull

P&I

Cargo

The M/V SEAGRAN hits the Gwangan Bridge Busan, Korea. 28 February 2019



Other Forms of Insurance

Workers' compensation
insurance for industrial accidents

Cyber insurance

Epidemic insurance for business
interruption

Current Trends in Premiums

Overall: Up 6.4% since 2020 (IUMI)

Ocean Hull: Up 4.1% since 2021 (IUMI)

P&I: Recent years about 3.3% (AON)

Workers Comp: Highly Regulated By state
(individual states within the United States)

Other important trends. Hull Insurers Not Including in Policy



CYBER INSURANCE



EPIDEMIC INSURANCE

Factors Impactin g Premium S

Demand

Risk

- Cost of Vessels
- Cost of Materials
- Cost of Labor
- Return on Investment
- Increased Risk and Uncertainty of Risk

What's Going On?

- Inflation: 2021 – 4.3%; 2022* – 8.8%; 2023* – 6.5%; 2024* 4.1% (IMF)
- Turmoil in financial markets: DJIA 2020 + 7.2%; 2021 + 18.7%; 2022** -16.5% (Macrotrends)
- Shortage of Maritime Labor (anecdotal)
- Cost of Oceangoing Container Ships Up 35% (IUMI)
- Current Decreased Demand in Oceangoing Containers: Two weeks up to Oct. 10 idled container ships up 51 to 76 (Alphaliner)

*Predicted

** YTD 21 October, 2022

Other Risks: War and Piracy

Expanded war risk: Sea of Azov; much of the Black Sea; Russian Territorial Waters

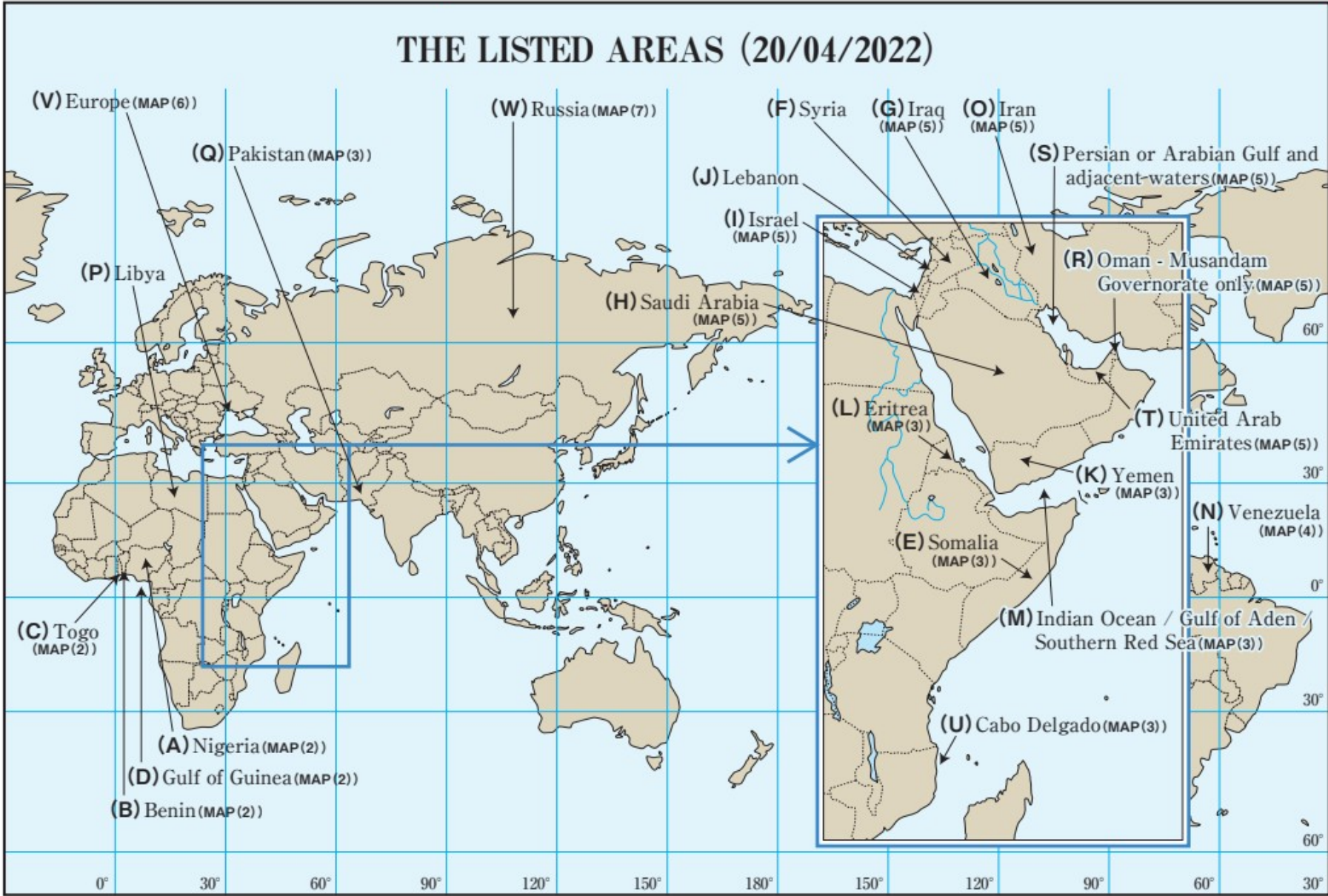
Check the Lloyd's War Risk list – Don't go if policy doesn't authorize.

If you must, contact insurer who will ask for additional premiums.

Follow BMP5 "Best Management Practices" For Piracy

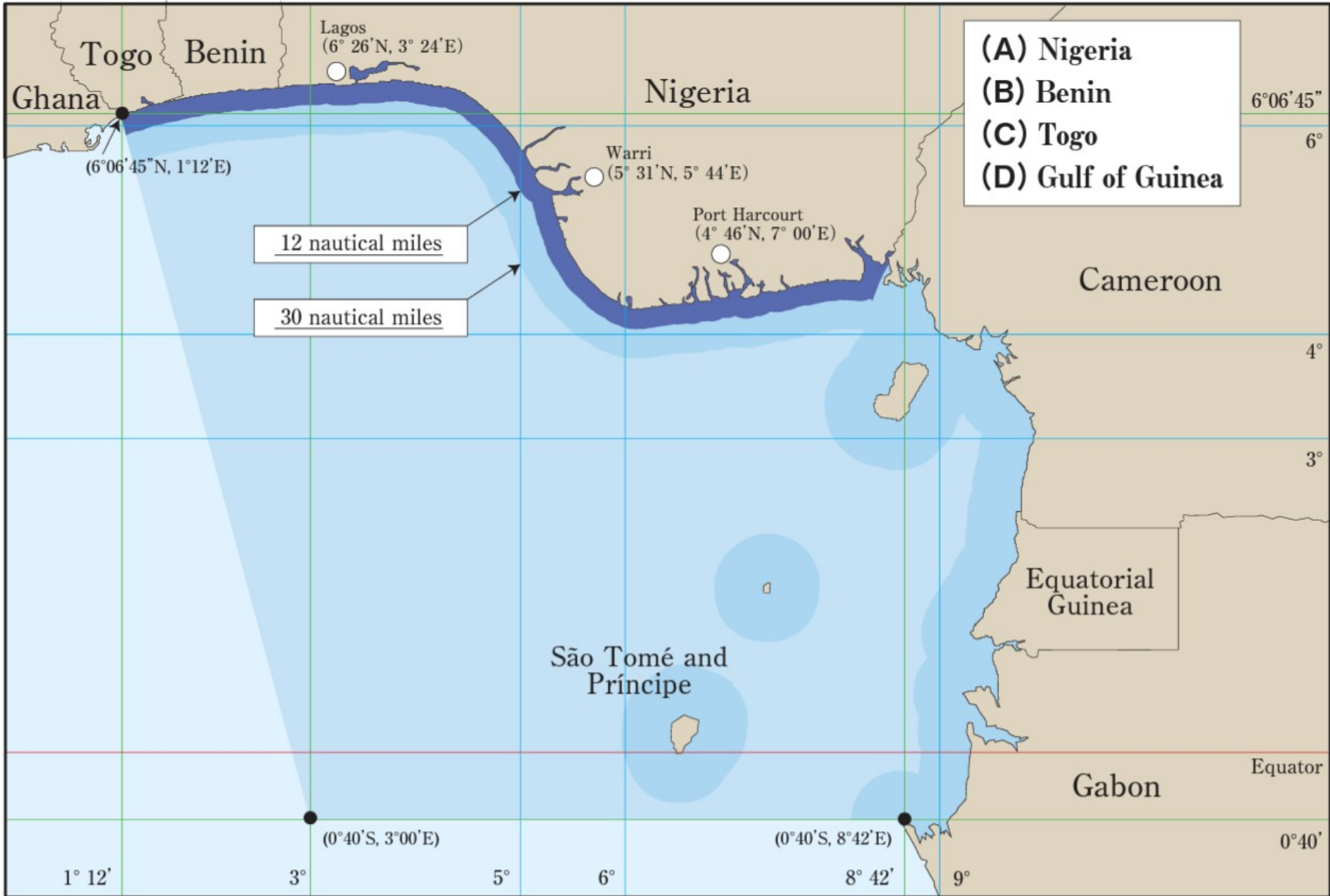
[MAP (1)]

Please read carefully "Navigation Limitations for Hull War, Strikes, Terrorism and Related Perils" to check "THE LISTED AREAS" with proper nautical/Admiralty charts.
This map shown herein is only for your information and you should not rely upon this map for geographical accuracy.



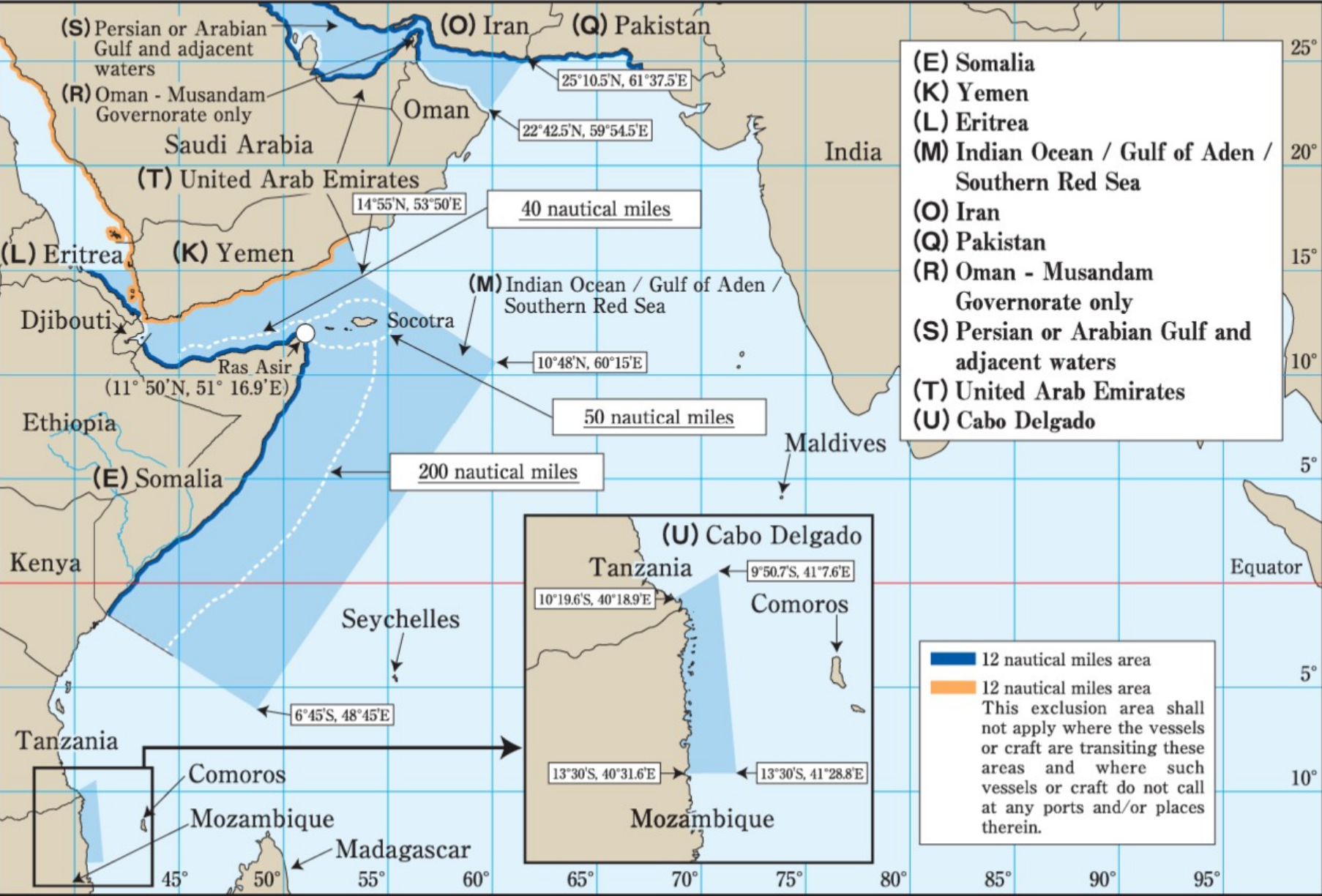
[MAP (2)]

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[MAP (3)]

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[MAP (4)]

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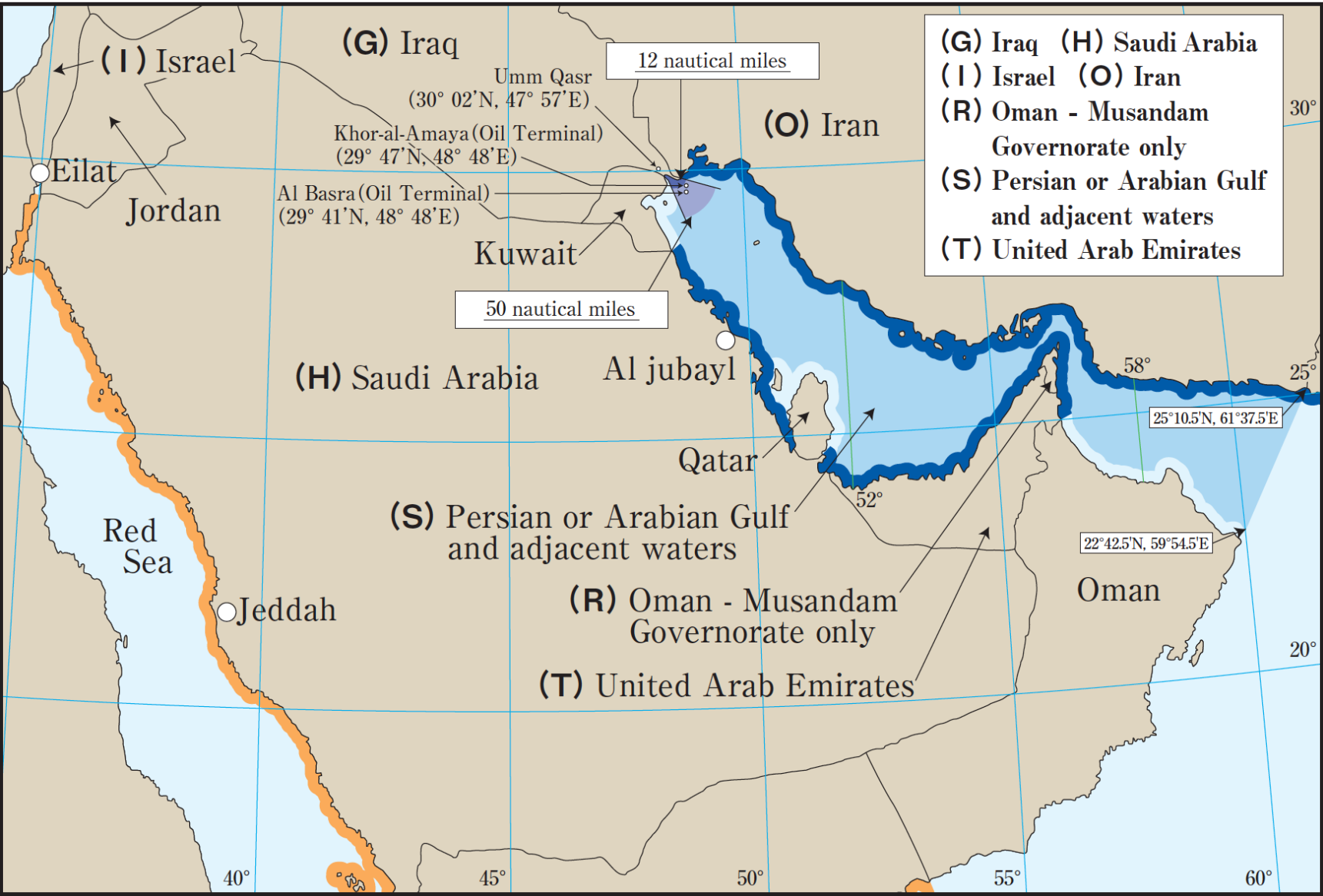
(N) Venezuela

Including all offshore installations located within its Exclusive Economic Zone, which is deemed to extend 200 nautical miles from the coast of mainland Venezuela.
But this area;
(i) shall not include any installations in the above area which are in the territorial waters, out to 12 nautical miles, of Islands, Dependencies or Countries which are not owned by Venezuela
(ii) shall not apply to vessels or craft transiting Venezuelan waters. However, when transiting, such vessels or craft shall not call at any port or place or interrupt their passage to engage in the transfer of cargo, stores, personnel or the like.

For Hull AP / LOT AP / Crew AP, no advices of calls to Venezuela other than Lake Maracaibo & Gulf of Venezuela South of 11°North, are required to be made by the Assured.

[MAP (5)]

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[MAP (6)]

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[MAP (7)]

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