

## For Information Only

### CONTINUITY BONUS CLAUSE

At the renewal date of this policy on ..... ,

- if the overall loss ratio is below or equal to 50% on Net Premium to French Marine International Underwriters for the expiring year,

and,

- if the 1998/99 policy year is renewed with [enter name of underwriting company] with a share of at least same or greater than the expiring order ,

The underwriters will reimburse 10 % of net annual premium for the policy year of 1997/8.

The L/R will be calculated two months after such a renewal has taken place by dividing the amount of claim by the amount of premium.

To calculate the above mentioned amount of premium, the French Marine International Underwriters will take into account the net premiums received by the French Marine International Underwriters after all adjustments for additional and/or return premiums.

To calculate the above mentioned amount of claim, French Marine International Underwriters will include all paid and outstanding claims known to the assured at the time the overall loss record is submitted to the Underwriters hereon.

Paid and outstanding claim amount to be approved by French Marine International Underwriters Ltd.

The return of premium is due to be paid 3 months after the renewal has been confirmed or in case of dispute on the claim amounts within 1 month from the time the underwriters agree with the Assured on the amount of each claim.

### CONTINUITY BONUS CLAUSE

Provided that thier share has been renewed for at least the same percentage on the 1st of January 2000, Underwriters hereon agree that if the overall fleet loss ratio to underwriters hereon for the period 01/01/99 to 31/12/99 of this fleet policy does not exceed 45 %, the Assured(s) shall receive a return of premium equal to 15 % of net earned premiums to underwriters hereon generated during and for the period of this fleet policy.

If the loss ratio is between 45 % and 60 %, the performance credit will be reduced proportionally as follows :  
"for each percentage loss ratio is more than 45 % an equal percentage will be deducted from the performance credit until a loss ratio of 60 % is reached, for which no performance credit is allowed".

Net earned premiums to underwriters hereon, to be computed as follows :

Gross navigating premiums, plus additional premiums, less commissions, brokerage, lay-up returns and other returns of premium.

Loss ratio to underwriters hereon to be computed as follows :

At time of computation, the total of claims paid, net of salvages and/or recoveries made, and outstanding claims, in percentage of net earned premiums to underwriters hereon.

Such return premium shall be computed and be due to the Assured(s) nine (9) months after the expiry of this fleet policy, provided all claims for lay-up returns, all additional premiums, all changes or amendments under this fleet policy in respect of or having influenced on the premiums under this fleet policy, and estimated of all outstanding claims under this fleet policy have been agreed prior thereto.

However, nothing in this clause shall be deemed to preclude the Assured(s) from presenting revised or further estimates and/or claims, subject to adjustment of the loss ratio as calculated above and bonus payment or repayment if applicable.

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If at actual expiry of this fleet policy the number of vessels are less than 30, the bonus for the period of this fleet policy is reduced to 10 %.

### CONTINUITY CLAUSE

Provided that this reinsurance is renewed with the same Leading Underwriter for not less than the expiring order, it is agreed that there shall be payable at expiry a continuity commission in respect of this insurance calculated at 10 % applied as a percentage of the nett premium paid by the original Assured, after all adjustments for additional and/or return of premium.

### CONTINUITY CLAUSE

Provided that this reinsurance is renewed with the same Leading Underwriter and market for not less than the expiring order it is agreed there shall be payable at expiry a Continuity Commission in respect of this cover calculated at 5 % applied to a percentage as specified hereinafter, of the net premium received by Underwriters hereon, after all adjustments for additional and/or return premiums.

The percentage of net premium referred above shall be the percentage credit to Underwriters calculated on Joint Hull basis (i.e. for three expired years and current if adverse and adjusted for deterioration or improvement in four earlier years), such percentage being applied to the current year net premium. If such percentage credit is below 40 % no such commission will be payable.

### CONTINUITY COMMISSION CLAUSE

In consideration for the renewal of the Hull & Machinery policy expiring [enter date n] with the same leading Underwriter and the London Market for not less than the expiring order it is agreed that there shall be payable at inception and [enter date n+1] a Continuity Commission in respect of this contract calculated at 10.00 % of the nett annual premium to be received by Underwriters hereon.

In the event that the credit balance (Calculated on Joint Hull Basis from [enter date] is below 40 % at [enter date ] or at the expiry of this insurance the nett annual Continuity Commission is repayable to Underwriters.

### CONTINUITY COMMISSION CLAUSE

Provided that this insurance is renewed with the same leading Underwriter for not less than the expiring order, it is agreed that there shall be payable at inception of the policy a Continuity commission in respect of this contract calculated at 15 % of the gross premium to be received by Underwriters hereon.

### CONTINUITY PROFIT COMMISSION CLAUSE

Provided that this insurance is renewed with the same underwriters for not less than the expiring order, it is agreed there shall be payable at expiry a Continuity Profit Commission, calculated at 10 % of the credit to underwriters, determined as follows :

Net premium (after adjustments for discount and/or return premiums)

Less :

Claims paid plus claims outstanding

If such percentage credit is below 60 %, no Continuity Profit Commission will be payable.

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For the purpose of this clause the percentage credit to Underwriters shall be calculated on the joint Hull Basis (i.e. for three expired years and current if adverse and adjusted for deterioration or improvement in the four earlier years). Joint Hull Statistics shall commence from the first year in which this clause is applied, and build up to three years (plus current if applicable) as time goes on.