

## **American Hellenic Hull Insurance updates and business progress**

- 1. American Hellenic Hull Insurance brand grows faster than projected surpassing its main targets during its first year of operation**
- 2. AM Best rating process**
- 3. The American P&I Club's Centennial Dinner**

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### **1. Faster-than-expected growth for American Hellenic Hull Insurance brand**

American Hellenic Hull Insurance surpassed key targets during its first year of operation:

- 1,900 insured vessels
- written premium income exceeded \$10 million
- covered 35 million GT on 100% basis

During its latest Board meeting in June 2017, American Hellenic Hull Insurance Company appointed two new Directors, Mr. Angelos Kostakos of Oceanstar Management Inc. and Mr. Panagiotis Christodoulatos of Ikaros Shipping & Brokerage Co Ltd.

Mr. Kostakos is Legal, Insurance and Claims Director of Oceanstar Management Inc. and a member of the Board of Directors of the American P&I Club since 2008.

Mr. Christodoulatos is Managing Director of Ikaros Shipping & Brokerage with 30 years of experience in Shipmanagement, a member of the Board of Directors of the American P&I Club and a member of the ClassNK Greek Technical Committee.

### **2. AM Best rating process**

American Hellenic Hull Insurance is currently in the process of seeking a rating from A.M. Best, the US-based ratings agency specialized in the insurance industry. During the first meeting with A.M. Best, the company's Chairman, Mr. Vincent Solarino, confirmed the American P&I Club's unconditional support for American Hellenic.

Chief Executive Ilias Tsakiris explained the company's clear and consistent strategy towards underwriting. Additionally, the decision to extend the underwriting team beyond Cyprus and Greece was announced through the recruitment of a top level Marine Underwriter with 25 years' experience. The company continues to strengthen its organizational structure and recruits new

executives as necessary to ensure that it maintains its growth momentum and delivers on its promise of exceptional service to the market.

A.M. Best was founded in 1899 with the mission to report on the financial stability of insurers and the insurance industry. It is the oldest and most widely recognized provider of ratings, financial data and news with an exclusive insurance industry focus. Ratings are issued on approximately 3,400 companies in more than 90 countries worldwide. A.M. Best's Credit Ratings are recognized as a benchmark for assessing a rated organization's financial strength as well as the credit quality of its obligations.

### **3. The American P&I Club's Centennial Dinner**

Celebrating 100 years of operations, the American Club's Board and Managers welcomed shipowner members, business contacts and rival clubs to its Centennial Reception at Cipriani in New York on June 22<sup>nd</sup>.

The American Club was founded in 1917 as a result of British sanctions during the First World War that prevented neutral ships trading with Germany. Requisition of vessels by the US government during both the First and Second World Wars ensured that for a time the American Club was the world's biggest P&I club. But there have also been leaner times. Mr. Joseph E. M. Hughes, Chairman and Chief Executive of the Club's managers, told the more than 500 guests present: "Twenty-five years ago there were some who were skeptical that the club would make it to a hundred. But it did, and the fact that it did can be attributed, among other things, to two overarching motivators — pride and perseverance." From more than 95% of business being American, the club has been transformed to the point that two-thirds of members are now overseas-based, with the club not only operating out of New York but London, Piraeus, Shanghai, Hong Kong and most recently Houston. Mr. Hughes noted there has also been a sea change in other respects, with a more than a five-fold increase in entered tonnage; four-fold premium growth, eight-fold growth in total funds and a ten-fold increase in free reserves. The American Club has also been a leading proponent of diversification, with a notable move into the fixed premium market.

Last year, the club launched an even more ambitious subsidiary, American Hellenic Hull Insurance. On the side of this glamorous celebration, American Hellenic's CEO Ilias Tsakiris commented: "It is a great honor for us that the history of Greek shipping is inextricably linked to the global shipping industry. American Hellenic Hull remains the world's most prominent marine insurer based on and inspired by the American Club's values".

Watch a video on The American P&I Club past and present here -- <http://www.american-club.com/video.html>

## NOTES FOR EDITORS

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### **AMERICAN HELLENIC HULL INSURANCE COMPANY LTD.**

American Hellenic Hull is a private marine insurance company, which covers hull and machinery risks. It is 100% owned and financially backed by the American P&I Club and exclusively managed by Hellenic Hull Management. The company is registered in Limassol, Cyprus and has affiliated offices in Piraeus, New York, Houston, London, Shanghai and Hong Kong. Its operations commenced on 1st July 2016. American Hellenic Hull is the first marine insurance company licensed in Cyprus under the requirements of the Solvency II regime. The Solvency II Capital Requirement establishes the amount of capital to be held by an insurance entity in order to ensure that ruin occurs no more often than once in every 200 cases or, alternatively, that the company will still be in a position, with a probability of more than 99.5% to meet its obligations to policy holders and beneficiaries for the following 12 months. American Hellenic has successfully passed additional financial and operational stress tests, ensuring that it has sufficient capital to meet projected obligations for 36 months, thus providing a high level of protection to policy holders.

### **SOLVENCY II**

Solvency II is the new framework for EU insurance legislation regulating a single EU insurance market with the overriding aim of enhancing consumer protection. The third-generation Insurance Directives established an 'EU passport' or single license for insurers to operate in all member states. Solvency II marks a fundamental review of the rules for the European insurance industry and establishes new EU-wide capital requirements and risk management standards. Solvency II aims to achieve consistency across the European insurance market in aspects such as balance sheets and regulatory supervision. It also introduces stronger standards of governance, accountability and transparency for insurers as well as risk-based assessments of an insurance entity's capital adequacy.