



Company No 1065393

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Marine Shipping Mutual  
Insurance Company Limited

THE COMPANIES ACT, 1985  
Company Limited by Guarantee and not having any Share Capital

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## MEMORANDUM AND ARTICLES OF ASSOCIATION OF Marine Shipping Mutual Insurance Company Limited

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Incorporated on 11th August 1972

Registered Office: The Quayside, Newcastle upon Tyne NE1 3DU



Company No 1065393

## **Certificate of Incorporation**

**No 1065393**

**I hereby Certify** that MARINE SHIPPING MUTUAL INSURANCE COMPANY LIMITED is this day incorporated under the Companies Acts 1948 to 1967 and that the Company is Limited.

Given under my hand at London the 11th August, 1972.

F. WHIPP,

*Assistant Registrar of Companies*



Company No 1065393

# MARINE SHIPPING MUTUAL INSURANCE COMPANY LIMITED

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*The Companies Act 1985*

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COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY  
SHARE CAPITAL

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## MEMORANDUM OF ASSOCIATION

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1. The Name of the Company is "Marine Shipping Mutual Insurance Company Limited".
2. The Registered Office of the Company will be situate in England.
3. The Objects for which the Company is established are:-
  - (a) To insure upon the mutual principle against every description of marine and transit risks which may be lawfully undertaken ships in which the Members of the Company are interested either as owners, part owners, managing owners, mortgagees, agents or otherwise.
  - (b) To insure and reinsure and to cover against all kinds of marine and transit insurance and protection and indemnity risks in relation to the liabilities of the Members of the Company interested in ships on the principle and basis of mutual insurance i.e. that whilst the contracts of insurance are to be contracts with the Company the premiums or payments in the nature of premiums (hereinafter called "contributions") payable in respect of such insurances are to be calculated primarily according to losses upon the same basis as if the assured were mutual insurers.
  - (c) To protect, indemnify, and underwrite, on the principle and basis of mutual insurance, and/or reinsurance, as aforesaid or otherwise the risks and liabilities of Members of the Company interested in ships, and other principals or employers or other persons whether in kindred business or otherwise in relation to all kinds of claims, losses, damages, proceedings, liability to make compensation, claims, demands and costs in respect of or arising out of injuries, whether fatal or otherwise, caused or alleged to be caused by any accident or alleged accident to seamen, workmen, servants, third parties, or others whether or not employed by such vessel owners or other persons, and for all or any of the said purposes to grant and issue policies or other instruments of assurance upon and including such terms and conditions as may be deemed expedient: provided that nothing herein contained shall authorise the Company to carry on the business of life assurance.
  - (d) To take all such steps and to do all such things as may seem expedient with a view to investigating the circumstances of any accident or injury or alleged accident or injury, all other material facts and to obtain any information or evidence which may seem to have any bearing upon any claim or demand made or to be made in respect of such accident or injury or alleged accident or injury and to oppose, resist, compromise, or satisfy wholly or in part any such claim or demand.
  - (e) To pay, satisfy, or compromise any claims made against the Company which it may seem



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expedient to pay, satisfy or compromise, notwithstanding that the same may not be valid in law.

- (f) To reinsure, or in any other way cover or provide for the liability of the Company, wholly or partially, upon any assurance guarantee or contract granted or entered into by the Company and to adopt and carry into effect all such measures as may seem expedient for mitigating the risks of the Company, with full power to become a member of any Company or subscriber to any Insurance Protecting or Indemnity Association, whether mutual or otherwise, and to undertake any risk within the scope of the business of the Company, whether by reinsurance or otherwise.
- (g) To protect and indemnify Members of the Company from and against fraudulent, or unfounded claims and to take steps to expose and defeat such claims and to punish those who are concerned in instigating, making or supporting them.
- (h) To promote the general interest and welfare of owners and underwriters of all kinds of ships or vessels.
- (i) To establish and maintain or procure the establishment and maintenance of any non contributory or contributory pension or superannuation scheme or fund for the benefit of, and to grant pensions, annuities, bonuses and gratuities to persons who are, or were at any time, employed by the Company and to contribute to such hospitals or other institutions or other funds as serve, or agree, promise or offer to serve, the Company's Members or persons in their employment, or persons to whom the Company's Members may be under any liability in case of accident or illness and to pay for the said services, and from time to time to subscribe or contribute to any charitable, benevolent, educational, or useful object or fund of a public character.
- (j) To establish agencies or branches in connection with and for the purpose of the Company's business in the United Kingdom or elsewhere as may from time to time be deemed expedient and to regulate and/or discontinue the same, and to appoint and remunerate such officers in connection therewith as may from time to time be deemed advisable.
- (k) To acquire and undertake the whole or any part of the business, property, and liabilities of any person or company carrying on any business which this Company is authorised to carry on, or possessed of property suitable for the purpose of the Company.
- (l) To enter into any partnership or arrangement in the nature of partnership, co-operation, joint adventure, reciprocal concession or otherwise with any person or company carrying on, or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.
- (m) To take or otherwise acquire and hold shares in any other company having objects together or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (n) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property, including ships and any rights or privileges which the Company may think necessary or convenient for the purposes of its business, and in particular any land, buildings, easements, machinery, plant and stock-in-trade, and to sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property, including ships, and rights of the Company.
- (o) To borrow and raise money for the purposes of the Company's business, or to secure the payment of money and the interest thereon in such manner and on such terms as may seem expedient, and in particular by issuing debentures or debenture stock, whether charged or not upon the whole or any part of the undertaking, property, and rights of the Company present and future.
- (p) To make such arrangements as may be deemed desirable to effect or place any class of insurance or reinsurance on behalf of Members of the Company and for such purposes to act as brokers, agents or otherwise as may be thought fit.
- (q) To lend money of any terms that may be thought fit and to give guarantees, that may be deemed expedient.
- (r) To make, draw, accept, indorse and execute promissory notes, bills of exchange, and other negotiable instruments.
- (s) To invest and deal with the monies of the Company not immediately required for the purpose of its business in or upon such investments or securities and in such manner as may from time to time be determined.
- (t) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company.
- (u) To do all or any of the above things in any part of the world, and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise and either alone or in conjunction with others.
- (v) To do all such things as are incidental or conducive to the attainment of the above objects, or any of them, or which may be or appear to be advantageous or profitable to the Company; and it is hereby declared that in construing this Memorandum each of the



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words "Company", "Companies", "Person" or "Persons", shall be read as including the others, and whichever word be used, it shall be deemed to include any person or persons, and any firm, partnership, or other association, society or body, whether incorporated or associated in any way whatsoever, and whether domiciled or carrying on business in the United Kingdom or elsewhere; and the word "Ship" in this Memorandum shall mean a ship, boat, hovercraft or other description of vessel or structure (including any ship, boat, hovercraft, or other description of vessel or structure under construction) used or intended to be used for any purposes whatsoever in navigation or otherwise on, under, over or in water or for the carriage or storage of goods, or the carriage of passengers, or any proportion of the tonnage thereof, or any share therein.

- (w) PROVIDED ALWAYS, and it is hereby declared, that the terms, scope and objects of, or specified in each clause of this Memorandum shall (except where otherwise expressly and specifically provided in any clause) be interpreted in their widest possible sense, and that accordingly no limitation or restriction shall be made by reference to or inference from the terms of such clause or of any other clause by the name of the Company, by any words permitting a limitation to matters or things of a like nature, or "ejusdem generis" with what is elsewhere expressed or for any other reason.

4. The liability of the Members is limited.
5. Every Member of the Company undertakes in addition to his liability for contributions in respect of losses underwritten by the Company to contribute to the assets of the Company in the event of the same being wound up during the time that he is a Member, or within one year after he ceases to be a Member for the payment of the debts and liabilities of the Company contracted before the time at which he ceases to be a Member, and the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the Contributories amongst themselves, such amount as may be required not exceeding £500.

**We**, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association.

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NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

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IAIN V.R. HARRISON, Director,  
Per Pro Harrisons (Clyde) Ltd.,  
16 Woodside Crescent, Glasgow G.3.

W.G. FILBY, Director,  
Per Pro The Ropner Shipping Co. Ltd.,  
18 Coniscliffe Road, Darlington.

R.B. STOKER, Director  
Per Pro Manchester Liners Ltd.,  
Manchester Liners House, Port of Manchester, Manchester.

DAVID ROBINSON, Director  
Per Pro Stag Line Ltd.,  
1 Howard Street, North Shields.

P.A. THRESH, General Manager,  
Per Pro Michalinos & Co. Ltd.,  
55 Bishopsgate, London EC2N 3BL.



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RAMON DE LARRINAGA, Director,  
Per Pro Larrinaga S.S. Co. Ltd.,  
Corn Exchange Building, Brunswick Street, Liverpool L2 7QE.

R.H. EVANS, Director,  
Per Pro Evan Thomas Radcliffe & Co. Ltd.,  
Empire House, Mount Stuart Square, Cardiff CF1 6QT.

R. SOUTER, Director,  
Per Pro W.A. Souter & Co. Ltd.,  
Clayton House, Regent Centre, Gosforth,  
Newcastle upon Tyne NE3 3HW.

G.A. COMMON, Director,  
Per Pro Common Brothers (Management) Ltd.,  
Exchange Buildings, Quayside, Newcastle upon Tyne 1.

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Dated the 15th day of June, 1972.

Witness to the foregoing Subscribers' signatures, nine in all.

W.L.HARRISON  
Chartered Secretary  
45 Willoughby Drive, Whitley Bay,  
Northumberland.



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**MARINE SHIPPING MUTUAL  
INSURANCE COMPANY LIMITED**

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*The Companies Act 1985*

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COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY  
SHARE CAPITAL

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ARTICLES OF ASSOCIATION  
Adopted by Special Resolution passed on 3 March 2011

INTERPRETATION CLAUSE

1. In the construction of these Articles such words and expressions as are next hereinafter mentioned shall have and bear such meaning and signification as is hereinafter assigned thereto in all cases in which the same may not be inconsistent with or repugnant to the context.

<b>Words or Expressions Interpreted</b>	<b>Meaning and Signification Assigned thereto</b>
THE BOARD	A meeting of the Directors duly called at which a quorum is present and any adjournment thereof.
THE CHAIRMAN	The Chairman for the time being of the Directors.
THE COMPANY	Marine Shipping Mutual Insurance Company Limited.
THE DAY	The day of any occurrence means the day as computed according to Greenwich Mean Time.
THE DEPUTY MANAGING DIRECTOR	The person or persons appointed by the Directors to be the Deputy Managing Director of the Company pursuant to Article 9.
THE DIRECTORS	The Directors for the time being of the Company or any of them duly acting as the board of Directors of the Company including any duly appointed Managing Director, Joint Managing Director, Deputy Managing Director and / or Executive Director.
ELECTRONIC FORM AND ELECTRONIC MEANS	Have the meanings given to those terms in section 1168 of the Companies Act 2006.



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ENTERED SHIP	A ship entered in the Register of Insurance of the Company in accordance with these Articles of Association.
THE EXECUTIVE DIRECTORS	The persons appointed by the Directors to be Executive Directors of the Company pursuant to Article 9.
GENERAL MEETING	General Meeting of the Members of the Company to be convened and held as provided by these Articles and any adjournment thereof.
HARD COPY FORM	Has the meaning given to that term in section 1168 of the Companies Act 2006.
THE JOINT MANAGING DIRECTOR	The person or persons appointed by the Directors to be a Joint Managing Director of the Company pursuant to Article 9.
THE MANAGING DIRECTOR	The person or persons appointed by the Directors to be a Managing Director of the Company pursuant to Article 9.
MEMBER	A person, Partnership, Limited Company or Organisation whose name is on the Register of Members of the Company but subject to the provisions of Articles 4 and 6 hereof.
MIDNIGHT	Midnight calculated by reference to Greenwich Mean Time.
MONTH	Calendar Month.
NOON	Noon calculated according to Greenwich Mean Time.
OFFICE	The Registered Office for the time being of the Company.
OWNER	Owner, owners in partnership, owners holding separate shares in severalty, managing owner, manager, part owner, mortgagee, trustee or charterer of a ship.
THE RULES	Rules and regulations made under Article 18.
SEAL	The Common Seal of the Company.
THE SECRETARY	The Secretary for the time being of the Company or any deputy duly appointed to carry out the functions of the Secretary for the time being.
SHIP	In the context of a Ship entered or proposed to be entered in the Company, a ship, boat, hovercraft or other description of vessel or structure (including any ship, boat, hovercraft, or other description of vessel or structure under construction) used or intended to be used for any purposes whatsoever in navigation or otherwise on, under, over or in water, or any part of such ship, or any proportion of the tonnage thereof, or any share therein.



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THE STATUTES	The Companies Act 1985, the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force.
SURVEYOR	Any person, or persons, who may from time to time be appointed by the Board to carry out surveying duties.
THE UNITED KINGDOM	Great Britain and Northern Ireland.
IN WRITING	Printing, typewriting, lithography, facsimile, Hard Copy or Electronic Form and any other mode of representing or reproducing words in visible form.

Words importing persons shall include corporations. Loss includes damages as well as total loss.

The words and references to "person", "firm", "company", "association", "society" or "club" include references to the others.

The singular shall include the plural and the plural the singular, and the masculine shall include the feminine.

Each day shall be considered to begin at Midnight and end at Midnight upon the following day.

#### **ELIGIBILITY FOR MEMBERSHIP**

2. Every person shall be eligible for membership of the Company who (being interested and having an insurable interest in a ship) personally or by an Agent insures any ship or reinsures any risks with the Company in pursuance of these Articles of Association. When a ship is entered for insurance by any person on behalf of himself and/or others, such person shall alone be entitled to enforce claims on the Company, and to be recognised as a Member within the meaning of these Articles; but nevertheless all persons on whose behalf the Insurance, or Reinsurance, shall have been effected shall be liable for all payments which the Company or the other Members thereof may become entitled to receive or recover in respect of such Insurance or Reinsurance.
3. The Directors may, notwithstanding the provisions of these Articles or of the Rules, accept entries upon such special terms as to contribution and as to the nature and extent of the risks covered and otherwise as they may think fit and may accept as such entries reinsurances from other insurers. The Directors may also reinsure any portion of the risks covered by the Company upon such terms as they may think fit.
4. In addition to the persons eligible for membership by virtue of insurance or reinsurance in accordance with the foregoing provisions the Board may admit to membership of the Company any persons who, in the opinion of the Board, it is desirable to admit to membership.
- 4A With effect from 00.00 GMT on 1 July 2011 (the "Effective Time") Article 2 shall cease to have effect and every person who, pursuant to Article 2,



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is eligible for membership of the Company and is entitled to be recognised as a Member immediately prior to the Effective Time shall (notwithstanding the fact that they no longer insure any ship or reinsure any risks with the Company after the Effective Time):

- (a) continue to be eligible for membership of the Company; and
- (b) continue to be entitled to be recognised as a Member; and
- (c) continue to have the right under Article 6 to nominate any person qualified to be a Director and remove and replace such person as a Director;

until such time as their membership of the Company is terminated by the Board in accordance with Article 4C.

4B The Board may admit to membership of the Company any persons who, in the opinion of the Board, it is desirable to admit to membership. Any persons admitted to membership under the provisions of this Article 4B shall be entitled to vote at any General Meeting of the Company.

4C The Board may, at its absolute discretion, terminate the membership of any Member or any group of Members at any time.

4D In the event that the Board terminates the membership of any person who is a Member by virtue of Article 4A:

- (a) that person shall, for the purposes of Article 4A, cease to be eligible for membership of the Company and shall cease to be entitled to be recognised as a Member; and
- (b) any person nominated by that Member as a Director pursuant to Article 6 shall, unless he has also been nominated as a Director by any other person who continues to be a Member or if the Board resolves otherwise, cease to be eligible to be a Director and the office of that Director shall be vacated immediately pursuant to Article 12 (e).

#### **DIRECTORS**

5. Until otherwise determined by the Company in General Meeting the number of Directors shall not be less than six at any one time.

6. Save for a Managing Director, a Joint Managing Director, a Deputy Managing Director, and / or an Executive Director who shall upon his appointment as a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director (as the case may be) pursuant to Article 9 or the adoption of this Article 6 (whichever is the later) be deemed appointed by the Directors as a Director no person shall be eligible for the office of Director unless he be a Member under Article 4 or the registered managing owner or manager of a ship entered with the Company or the nominee appointed by resolution of the Directors of any



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company, or group of companies, one or more members of which has an insurable interest in an entered ship.

Every such company being a member as defined by Article 2 shall be entitled to nominate any person qualified to be a Director and remove and replace such person as a Director.

A Member admitted under Article 4 may be elected a Director by the Board to hold office until the next following Annual General Meeting. Such Director shall then retire and be eligible for re-election by the Members, and if so elected shall hold office for a period of three years expiring at the third Annual General Meeting after his election but shall be eligible for re-election.

A Managing Director, Joint Managing Director, Deputy Managing Director, and / or an Executive Director shall hold office as a Director for so long as he remains in office as a Managing Director, a Joint Managing Director, a Deputy Managing Director or an Executive Director (as the case may be) or until his office as a Director is vacated pursuant to Article 12. A Managing Director, a Joint Managing Director, a Deputy Managing Director and an Executive Director shall not be subject to retirement from his office as Director by rotation.

6A Notwithstanding the provisions of Article 6, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by a decision of the Directors. Any Director appointed pursuant to this Article 6A shall not be subject to retirement in accordance with Article 7 from his office as a Director by rotation and shall hold his office as Director until it is vacated pursuant to Article 12.

7. A nominated Director shall hold office for a maximum period of three years expiring at the third Annual General Meeting after his nomination but shall be eligible for re-nomination at the end of that period.

A nominated Director, on attaining the age of sixty-five years, shall hold office until the commencement of the next Annual General Meeting but shall be eligible for re-nomination at that Meeting and at each Annual General Meeting thereafter.

#### **CHAIRMEN AND VICE-CHAIRMEN**

8. The Board shall elect a Chairman and Vice-Chairmen and determine the period for which they are to hold office. In the absence of the Chairman and Vice-Chairmen at any meeting of the Board, the Directors present shall elect one of their number to be the Chairman pro tem.

#### **MANAGING DIRECTOR/EXECUTIVE DIRECTORS**

9. The Board may from time to time appoint one or more person or persons to any executive office carrying the title of Managing Director, Joint Managing Director, Deputy Managing Director, or Executive Director for such period and on such terms as the Board may think fit, and subject to the terms of any agreement entered into in any particular case, may



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revoke any appointment so made. An individual appointed as Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director shall be deemed to be automatically appointed to the office of Director.

#### **MANAGERS**

10. The Directors may from time to time appoint any person or persons to be Managers of the Company for such period and on such terms as they may think fit and subject to the terms of any contract with the Managers or any of them, the Directors may revoke any such appointment. The Managers shall have authority to engage such professional or technical assistance on such terms as they may consider necessary in the execution of the duties of their office.

#### **SECRETARY**

11. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

#### **DISQUALIFICATION OF DIRECTOR**

12. The office of Director shall be vacated immediately upon the happening of any of the following events: if the Director:-
- (a) Becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (b) Becomes prohibited from being a Director by reason of any of the matters of the Company Directors' Disqualification Act 1986; or
  - (c) Becomes a person in respect of whom an order is made by any competent court by reason of mental disorder; or
  - (d) Be convicted of an offence other than an offence under the Road Traffic Legislation; or
  - (e) Ceases to be eligible or is removed from office; or
  - (f) Resigns his office by notice in writing to the Company immediately upon the happening of any such event; or
  - (g) Being a Managing Director, a Joint Managing Director, a Deputy Managing Director or an Executive Director has his appointment as Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director (as the case may be) revoked by resolution of the Directors pursuant to these Articles or he ceases to hold the position of Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director for any reason whatsoever.

Provided that as to (d) above, the Board shall have power to waive the operation of this sub-article.

#### **POWERS OF DIRECTORS IN MANAGEMENT OF COMPANY**

13. The business of the Company shall be managed by the Board who may exercise all such powers of the Company as are not by any Act of Parliament or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these Articles, to the provision of any Act of Parliament, and to such regulations



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not being inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made, and the generality of the powers hereby conferred upon the Directors shall not be limited to any subsequent clause or proviso conferring any express power.

14. In the event that a Director is in any way interested in a Member (whether as a director, shareholder, employee or otherwise) it is acknowledged that such relationship may result in a potential conflict with the interests of the Company (referred to for the purposes of this Article 14 as an Inherent Conflict Situation). Subject to compliance with these Articles of Association, all such Inherent Conflict Situations in existence as at the date of adoption of these Articles and any future Inherent Conflict Situations are deemed authorised, subject always to the ability of the Directors (at their discretion) to revoke such authorisation in relation to individual Directors and/or impose such restrictions or conditions as the Directors in their absolute discretion see fit. For the avoidance of doubt, authorisation of any conflict or potential conflict situations other than inherent Conflict Situations must be considered by the Directors on a case by case basis.
15. Subject to Articles 14 and 16 the Board of Directors may by resolution authorise a situation in which the interests of a Director could or actually do directly or indirectly conflict with those of the Company.
16. A Director shall not be entitled to vote on any matter relating to a case or claim involving a Ship in which he is in any way interested ("Ship Claim"). For the avoidance of doubt a Director shall be permitted to attend any meeting at which a Ship Claim is due to be discussed or considered but must absent himself from such meeting whilst a Ship Claim is being discussed or considered. If a Director should vote on such matters his vote shall not be counted and he shall not be counted in the quorum present at the meeting. Subject to the provisions of the Statutes and provided he has declared the nature and extent of his interest in such matter in accordance with the Statutes, a Director shall be entitled to vote on any actual or proposed transaction or arrangement with the Company in which such Director is interested, and shall be counted in the quorum present at the meeting at which such matter is considered or discussed.
17. Subject to the provisions of the Statutes, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
  - (i) may be a party to or otherwise interested in any transaction or arrangements with the Company;
  - (ii) may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to remuneration and otherwise as the Directors shall arrange;



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(iii) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;

(iv) may, or any firm or company of which he is a member of director may, act in a professional capacity for the Company;

(v) shall not be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall in any way be interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the statutory relationship thereby established. The nature and extent of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting interested in the proposed contract or arrangement, at the next meeting of the Directors held after he becomes so interested.

## **RULES**

18. The Board shall have power to make and from time to time to make, vary, alter, repeal and add to all or any of the Rules as they may think fit, for the guidance, regulation and conduct of the Members and the masters and crews of entered ships and providing in detail for any matters provided for generally in these Articles or by these Articles specifically made the subject of Rules and/or Regulations. Such Rules from time to time in force shall be binding on the Company and upon the Members and shall form the basis as well as these Articles for all contracts of insurance and/or reinsurance entered into with the Company.

## **MEETING OF DIRECTORS**

19. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
20. The quorum necessary for the transaction of the business of the Board, may be fixed by the Board and unless so fixed at any other number, shall be six. A Managing Director, a Joint Managing Director, a Deputy Managing Director and an Executive Director shall be entitled to attend and vote at Board meetings but shall not be counted towards a quorum of any Board meeting.
21. The continuing Directors or a sole continuing Director may act



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notwithstanding any vacancies in their body, but if and so long as the number of Directors is reduced below the minimum number fixed by, or in accordance with these Articles, the continuing Directors or Director may act for the purpose of requesting Members to make nominations and/or summoning General Meetings of the Company, but not for any other purpose. If there be no Directors or Director able and willing to act, then the Secretary shall request or any two Members may request Members to make nominations and/or summon a General Meeting.

On the requisition of Members pursuant to this provision the continuing Directors or Director shall forthwith proceed to convene a General Meeting for a date not later than eight weeks after receipt of the requisition.

22. The Board may delegate any of their powers to Committees, consisting of such Director or Directors, or to the Managers as they think fit. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations which may be imposed upon them by the Board. Any such Committee shall have power to co-opt any person to serve on such Committee, provided that there shall always be a majority of Directors on the Committee.

23. In addition to the provisions of Article 18 hereof an Executive Committee shall be constituted consisting of the Chairman, Vice-Chairmen and at least two other Directors.

The Executive Committee shall have power to exercise all the powers of the Board other than such powers as are by the Board specifically reserved to itself.

#### **REMUNERATION OF DIRECTORS AND OFFICERS**

24. The remuneration of the Directors for their ordinary and usual services (exclusive of any extraordinary services as mentioned in the following Article and of any services required of a Managing Director, a Joint Managing Director, a Deputy Managing Director and an Executive Director under the terms of his appointment pursuant to Article 9) shall be such sum as the Members at any Annual General Meeting may determine. Such sum shall be divided amongst themselves as the Directors may mutually determine, and, failing agreement, equally.

#### **EXTRA SERVICES**

25. If any Director or Officer of the Company shall be called upon to perform extra services or to travel or to go abroad for any of the purposes of the Company, or the business thereof, the Company shall remunerate the Director or Officers either by a fixed sum or otherwise, as may be determined, with all incidental expenses properly and necessarily expended by such Director or Officer for the purposes or business of the Company and any such remuneration shall be in addition to his share of any remuneration which may be due to him by the last preceding Article.

26. All acts done at any Meeting of the Board or of a Committee of Directors, or by any persons acting as Directors, shall notwithstanding that it shall



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be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid or any of them or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

#### **SEAL**

27. The Common Seal of the Company shall be kept by the Secretary at the Company's Registered Office, and shall remain in sole control of the Board and shall be employed only in pursuance of their instructions and any document to which the Seal is affixed shall be signed by a Director and counter-signed by the Secretary.

#### **VOTES OF MEMBERS**

28. No Member shall be entitled to vote or be entitled to be present at any General Meeting of the Company whose payment to the Company shall be more than two weeks overdue and unpaid.
29. On a show of hands every Member who (being an individual) is present in person or (being a partnership or corporation) is present by a properly appointed representative or proxy not being himself a Member shall have one vote and on a poll such Member's vote shall be based upon the total insured value of the ship or ships entered by such Member with the Company immediately prior to 00.00 GMT on 1 July 2011.

Where there are two or more owners of any ship entered with the Company only one owner shall be entitled to vote.

#### **PROXIES**

30. On a poll votes may be given either personally or by proxy, or in the case of a corporation by a representative duly authorised under Section 323 of the Companies Act, 2006. Any person may be appointed a proxy although he is not a Member of the Company. An instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if such appointer be a corporation under its common seal or the hand of its attorney and shall be in the usual or common form or in such other form as the Board may approve.

The instrument appointing a proxy and the power of attorney (if any) under which it is signed or an office copy or notarially certified copy thereof shall be deposited at the registered Office of the Company not less than 24 hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote. Every instrument of proxy shall be for a specific meeting or adjournment thereof and no general proxy shall be allowed.

#### **COMMUNICATIONS FROM MEMBERS**

31. All communications from the Members to the Board shall be in writing, and addressed to the Secretary. No oral communications shall be of avail for any purpose whatever, unless the Board in any particular



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instance otherwise determine or agree to accept such oral communication for a specific purpose.

#### **GENERAL MEETINGS**

32. General Meetings shall be held every year as early after the 1st January as practicable, at such time and place as shall be prescribed by the Board. Not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next. All other General Meetings shall be called Extraordinary General Meetings.

#### **HOW TO SUMMON EXTRAORDINARY GENERAL MEETINGS**

33. The Board may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in default, may be convened by such requisitionists as provided by Section 368 of the Companies Act, 1985.

#### **NOTICES**

34. An Annual General Meeting and any other meeting called for passing a Special Resolution shall be called by at least 21 clear days' notice in writing and any other meeting shall be called by at least 14 clear days' notice in writing specifying the place, the day and hour of meeting, and the nature of the business to be considered at the meeting. The non-receipt of such notice by any Member shall not invalidate the proceedings at any such meetings. All notices required to be given to the Members shall be given in accordance with the Rules but may be given using Electronic Means to an address for the time being notified for that purpose to the person giving the notice or by making it available on a website. Any notice or document served or sent by Electronic Means shall be deemed to be given at the expiration of 48 hours after the time it was sent. Every notice or document served by making it available on a website shall be deemed to have been received when the Members received or is seemed to have received notice of the fact that the notice is available on the website. In every Notice convening a meeting of the Company there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.

#### **POWERS OF GENERAL MEETING**

35. The Annual General Meeting of the Company shall be competent, without special notice of the purpose of the meeting to conduct the following business, that is to say: To receive and discuss the annual report and accounts of the Company, to elect Directors, to elect Auditors, and to fix or alter the remuneration of the Directors or Auditors.
36. Subject to the provisions of the last preceding Article the business of any General Meeting shall be restricted to that specified in the notice convening such meeting.

#### **QUORUM AT GENERAL MEETINGS**



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37. No business shall be transacted at any General Meeting unless a quorum of Members shall be present at the commencement of such business. Six Members present in person or by proxy shall be a quorum save that, if and for so long as the Company has only one Member, one Member present in person or by proxy shall be a quorum.

If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

#### **CHAIRMAN AT GENERAL MEETINGS**

38. At every General Meeting the person to preside shall be the Chairman or one of the Vice-Chairmen, and in the absence of these Directors any one Director, or Member present at the meeting elected by the majority of those present.

#### **ADJOURNMENT OF GENERAL MEETINGS**

39. The Chairman may, with the consent of any General Meeting, adjourn the same from time to time and from place to place.

40. No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, 7 clear days' notice at the least, specifying the place, the day and the hour of the meeting, shall be given as in the case of the original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

#### **DECISIONS AT GENERAL MEETINGS**

41. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands. Upon any resolution other than the adjournment of a meeting a poll may be, before or immediately upon the declaration of the result of the show of hands, demanded by the Chairman or any Member having the right to vote present at the meeting.

Unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn.



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If a poll is duly demanded it shall be taken in such manner as the Chairman directs, except where a poll is demanded on the election of a Chairman which shall be taken forthwith.

On a poll the resolution shall be deemed to have been lost unless it be carried by a majority of the insured values of vessels entered immediately prior to 00.00 GMT on 1 July 2011 by Members who are represented at the meeting and entitled to vote on a poll, and the result of such poll shall be deemed to be the resolution of the Company in General Meeting.

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.

#### **PROPOSAL FOR INSURANCE**

42. Every person eligible for Membership under Article 2 desirous of insuring a ship or reinsuring risks shall on behalf of himself and/or others interested (if any) fill up, sign and deliver to the Company a proposal in writing in that behalf, in such form and containing such particulars as the Board may from time to time prescribe, and every person interested shall be deemed thereby to authorise the Board if the proposal is accepted, to enter his name on the Register of the Members of the Company and also to register the Insurance or Reinsurance in the Register of Insurances hereinafter mentioned.

The Board may accept or reject any proposal, and their decision shall be final. The acceptance of a ship for insurance shall be deemed to be an admission of the seaworthiness of such a ship at the inception of the policy and it shall not be competent on the part of the Company to raise the question of, or dispute the seaworthiness of such a ship, unless it can be shown that with the actual fault or privity of the Member some act or acts have been done or been omitted to be done whereby the ship has been rendered unseaworthy or her state of unseaworthiness has been concealed. The determination of whether or not proven fault or privity is involved in any matter shall be decided by the Board whose decision shall be final.

#### **REGISTER OF INSURANCES**

43. The Secretary shall keep, and from time to time correct, a Register of Insurances, which shall contain the following particulars, that is to say:-

- (1) The Name of the Member.
- (2) The Names of other persons interested in the insurance of the ship.
- (3) The name of the ship insured.



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- (4) The ship's registered tonnage and year of build.
- (5) The insured value.
- (6) The date of the commencement of the insurance.
- (7) The date of the insurance having expired or determined.
- (8) Such other matters as the Board may from time to time prescribe.

44. The Secretary shall enter, or cause to be entered in the Register of Insurances, immediately on a proposal for insurances being accepted, the particulars required by the immediately preceding Article, as far as may then be practicable and shall send to the Member effecting the insurances an acceptance notice. The acceptance of a proposal for insurance shall constitute an agreement of the Company to provide such cover as may be indicated in the Notice of Acceptance.

#### **AMOUNT OF INSURANCE**

45. The value of every ship proposed for insurance and of every ship the subject of reinsurance shall be such amount as may be agreed upon between the proposer for such insurance and/or reinsurance and the Board. Such value may subsequently be varied in accordance with the Rules.

#### **COVER NOTE**

46. On acceptance of risk a Cover Note to that effect will be issued to the Member, which must be returned on receipt of the appropriate policy.
47. Every contract of insurance and/or reinsurance with the Company shall be a policy in such form as the Board shall from time to time determine always in accordance with these Articles.

48. **CANCELLATION OF INSURANCE**

The Board may in the event of any Member refusing or neglecting to comply with these Articles or any of the clauses or conditions thereof or the Rules of the Company made under the provisions of these Articles, cancel or determine an insurance or reinsurance of such Member's entered ship, and every such resolution shall take effect seven days after notice in writing of the said resolution is sent by the Secretary to the Member for whom the said insurance or reinsurance was effected and to any Mortgagee of whose Mortgage the Company has notice, and the Register of Insurances shall be altered accordingly, provided always that the Board may, for good cause shown or appearing to them, suspend or rescind, any such resolution, and the said insurance or reinsurance shall in that case in the meantime continue in full force and effect, as if such resolution had not been adopted and passed. If any Member or any assured or any person reinsured proposes to make any alteration in the character of the employment of any entered ship, the Member shall give written notice of such intention, or of such proposed alteration; and if in the opinion of the Board, the insured risks may be affected, they may



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wholly or in part suspend the risks covered and the operation of the policy related to such a ship for such period and upon such terms as they may deem fit; if such Member may desire to effect an alternative or supplementary insurance elsewhere the Member shall, if required by the Board, appoint the Company as the Member's agent for such purposes.

#### **REINSURANCE**

49. Any risks accepted for reinsurance by the Company shall be subject to these Articles and such of the Rules and Regulations by these Articles applied to direct insurance as the Board may from time to time specify.

#### **FRAUD**

50. In the case of any fraudulent or untrue account, voucher or other documents, being knowingly or negligently produced by any Member in support of his claim against the Company, the Board shall reject such claim, and the Member shall forfeit all right and title in respect of the same against the Company, and shall cease to be a Member of the Company without any claim whatever on its funds or otherwise, save only that in case the decision of the Board is disputed, the Member may demand a reference to arbitration as hereinafter provided.

#### **ENFORCING PAYMENT**

51. If any person who is or has been a Member, or has become liable to the Company on any undertaking or guarantee, has not paid the contributions or monies which, according to these Articles and/or the Rules have become due from him, he may by order of the Board be sued by the Company for the amount as for a debt due to the Company or such other legal proceedings may be adopted as the Board may deem expedient, and the certificate of the Secretary of the amount due by such Member shall be evidence of the debt due and accepted as such by the Member.

#### **APPROPRIATION OF MONIES OF DEFAULTERS**

52. The Board may at their discretion appropriate any sum of money standing to the credit of any Member in the books of the Company towards payment of any unpaid calls, contributions or other payments due from him, and all costs and charges, legal and other proceedings against such Members, which the Company may have incurred.

#### **RESERVES**

53. Any monies for the time being in the hands of the Company and not immediately required to meet any claims, expenses and outgoings to which under these Articles or the Rules the same are applicable may be carried to such reserve or reserves as the Directors think proper in accordance with the Rules. Any monies for the time being standing to the credit of any reserve or reserves may be invested or distributed in accordance with the Rules.

#### **FINAL DEFAULT AND LOSS TO FALL UPON THE MEMBERS**



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54. Any ultimate loss in respect of the payment of any call or contribution of any ship or ships, together with the costs, charges and expenses incurred by the Company in endeavouring to recover the same, shall be treated as a loss and contributed for accordingly by the Members whose ships or personnel are insured and/or reinsured in the same Fund as the ship or ships or personnel in respect of which ultimate loss is made.

#### **CESSER OF INSURANCE**

55. A Member shall cease to be insured by the Company in respect of any or all Entered Ships in the circumstances prescribed by the Rules. The effects of such cessation and the respective rights and obligations of the Company and such Member in relation thereto shall likewise be determined in accordance with the Rules.

All Ships whose entry does not cease as aforesaid shall, except as otherwise provided by the Rules, continue in insurance year after year without further application for that purpose.

Upon the cesser of insurance in respect of any Ship the Managers may release the Member concerned from liability for further contributions to calls in respect thereof upon such terms as they may deem appropriate in accordance with the Rules.

#### **SHIPS MORTGAGED**

56. Any Member on giving notice in writing or any Mortgagee of an entered ship on producing evidence of that mortgage to the Secretary, may have the particulars of that mortgage recorded in the books of the Company, provided, however, and it is hereby stipulated, that unless otherwise decided by the Board any Mortgagee requiring his mortgage to be registered shall be held liable on due notice for payment of all monies which may be due or which may hereafter become due to the Company in respect of such mortgaged ship, and if so required by the Board, before registration of his mortgage, give such approved guarantee or other security for the payment thereof as the Board may determine. Nevertheless, the Member shall meanwhile still remain liable for and shall pay all contributions due and to become due from him to the Company the same as if such mortgage had not been made. No knowledge or act of the Board or Secretary shall excuse or operate as a waiver of such written notice, as is hereinbefore required to be given.

#### **ASSIGNMENT OF POLICY**

57. No assignment or other disposition by a Member of his interest in or under any policy with the Company shall be of any effect either at law or equity to pass such interest without the license and consent in writing of the Board endorsed upon the policy, and save and except in virtue of such license and consent and to the extent thereof it shall not be competent for any person or persons other than the person in whose name the said insurance was effected as being the real assured to aver and set up any interest whatever in or under any policy issued by the Company. Nevertheless, the Board shall have power in granting any



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such license and consent to agree to the inclusion of a loss payable clause in such form as the Board may think fit.

58. The Company shall not be compelled to recognise any person interested in any ship other than the Member effecting the insurance unless the person interested gives the necessary undertaking, but the Board may at their discretion register the interest of Mortgagees or accept the assignment of policies to Mortgagees under Articles 52 and 53 and without rendering the Mortgagees liable for payments which the Company may be entitled to receive or recover in respect of such insurance and without calling upon the Mortgagees in question to give the guarantee or undertaking and/or security referred to and the exercise of this discretionary power shall not affect the Company's rights to retain or deduct unpaid calls or contributions in respect of the mortgaged ship lost or damaged from any amount which may become payable under the policy.

#### **NO LEGAL PROCEEDINGS WITHOUT CONSENT OF DIRECTORS**

59. No action or legal proceedings whatever shall, without the previous consent in writing of the Company, be taken or defended, nor shall any arbitration be undertaken (save as hereinafter provided) by any Member in respect of any ship, which may form the subject of a claim against the Company. Nor shall any legal expenses be incurred (without such consent) by any Member against any other Member in respect of any collision, salving, damage or any other claim whatsoever, whether any such claim does or does not fall within the insurance covered by the Company, and whether a claim be made against the Company or not in respect thereof, and this Article may be pleaded in bar to, and as an effectual defence against any such proceedings.

#### **COSTS OF LEGAL PROCEEDINGS**

60. Any costs and charges allowed, whether of plaintiff or defendant, shall be apportioned between the Member and the Company in the same manner as damages and in any case of doubt the apportionment shall be made by the Board whose decision shall be final.

#### **WINDING UP**

61. In the event of the Company being wound up, the assets of the Company remaining after payment of all debts and liabilities of the Company and of all costs, charges and expenses of winding up the same, shall be distributed amongst such of the Members and/or former Members of the Company and in such proportion or amounts as the Directors in their discretion shall recommend prior to such winding up and subject always to the final decision of any Liquidator.

#### **INDEMNITY**

62. Every Director and other officer of the Company (including a Managing Director, a Joint Managing Director, a Deputy Managing Director, an Executive Director, the Managers and the Secretary) shall be indemnified out of the assets of the Company against all losses or liabilities which



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any of them may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in favour of such Director or other officer or in which he is acquitted or in connection with any application in which relief is granted to him by the Court under the Statutes, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by Section 310 of the Companies Act 1985.

63. Where the Statutes permit the Company to send documents or notices to its Members in Electronic Form or by means of a Website, the documents or notices will be validly sent provided the Company complies with the requirements of the Statutes.