



STEAMSHIP MUTUAL

To the Members

November 2012

Dear Sirs,

NOTICE IS HEREBY GIVEN that a General Meeting of Steamship Mutual Underwriting Association Limited (the "Company") will be held at Aquatical House, 39 Bell Lane, London E1 7LU on Thursday 13th December, 2012 at 13:00 hours for the purpose of considering and, if thought fit, passing the following Resolution, which will be proposed as a Special Resolution.

SPECIAL RESOLUTION

THAT with effect from midnight G.M.T. on 13th December, 2012 the Articles of Association annexed to this resolution and marked 'A' for identification be adopted by the Company in substitution for and to the exclusion of the existing Articles of Association.

EXPLANATION REGARDING SPECIAL RESOLUTION

Proposed changes to the Articles of Association of Steamship Mutual Underwriting Association Limited (the "Company")

In light of proposed appointments to the Board a review of the Articles of Association (the "Articles") of the Company has been undertaken. The opportunity has also been taken to update or clarify certain provisions.

The text of the proposed changes approved by the Board is set out in full in the copy of the Articles marked "A" for identification and attached, and which shows proposed deletions marked and new text underlined.

The principal changes to the Articles are the following:

Company Name

The registered name of the Company does not include the word "The" or the comma before "Limited" and therefore these have been deleted.

Appointment, Rotation and Removal of Directors – Article 11.11(A)

This Article will allow the appointment of up to four Directors who are not, in some way, related to an Owner or Member.

Appointment, Rotation and Removal of Directors – Article 11.13

This Article has been deleted to remove the prohibition that "no Manager and no employee of any Manager shall be... a Director". The subsequent provisions of Article 11 have been renumbered. A similar change has been made to Article 12.8.

Powers of the Directors – Article 12.4.3

The cross-references have been corrected and follow, where possible, those contained in the Bye-laws of The Steamship Mutual Underwriting Association (Bermuda) Limited ("SSMUA(B)").

Managers – Article 17.1

This Article has been amended due to the recent creation of Steamship P&I Management LLP, to follow the Bye-laws of SSMUA(B) and to give the Company greater flexibility.

Notices – Article 19.5

The addition to this Article has been made to reflect the Bye-laws of SSMUA(B) and to cater for alternative methods of sending notices to overseas Members.

Indemnity – Article 23

The additions to this Article have been made to ensure consistency with the Bye-laws of SSMUA(B).

By order of the Board

S. A. Ward
Secretary

Registered office:
Aquatical House
39 Bell Lane
London
E1 7LU

22nd November 2012

NOTES

1. You are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a proxy form with this notice of meeting. You can appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a Member of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
3. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
4. To appoint a proxy using the proxy form, the form must be:
 - completed and signed;
 - sent or delivered to the Company at Aquatical House, 39 Bell Lane, London, E1 7LU or by email to Kathleen.kelly@sims.com; and
 - received by the Company no later than 48 hours before the commencement of the meeting.

Company No. 105461

"ANNEX A"

THE COMPANIES (CONSOLIDATION) ACT 1908
AND
THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

- of -

~~THE~~ STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION, LIMITED

Incorporated on
16 October 1909

THE COMPANIES (CONSOLIDATION) ACT 1908
AND
THE COMPANIES ACT 2006

ARTICLES OF ASSOCIATION

~~THE~~ STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION, LIMITED

Private Company Limited by Guarantee
and not having a Share Capital

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THE COMPANIES (CONSOLIDATION) ACT 1908
AND
THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

- of -

THE STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION, LIMITED
(Adopted by Special Resolution dated [13th December 2012](#) ~~27th August 2010~~)

1 PRELIMINARY

1.1 In these Articles the following expressions shall where the context so admits have the following respective meanings:

Act means the Companies Act 2006;

address in relation to communications in electronic form, includes a number or address used for the purposes of sending notices, documents or other information by electronic means;

Articles means these articles of association as may be amended from time to time;

Board means the board of Directors of the Company;

Chairman means the chairman of the Board;

Classes means together, P&I Class, the Defence Class, the Strike Class and the War Risks Class and any other class of insurance which may at any time exist within the Company;

clear days means in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

Company means ~~The~~ Steamship Mutual Underwriting Association Limited;

Defence Class means The Freight, Demurrage and Defence Class of the Company (Class II);

Directors means the members of the Board for the time being;

electronic form and **electronic means** have the meanings given to them in section 1168 of the Act;

Insurance or Insured means insurance or insured against the risk specified in the Rules of the respective Classes;

Managers means the Managers for the time being of the Company;

may shall be construed as permissive;

Members means at any stated time all the persons who are then members of the Company and without prejudice to the generality hereof shall include those persons specified in Article 3;

Month means calendar month;

Office means the registered office of the Company;

Ordinary Resolution means a resolution passed by a simple majority of those Members voting at an annual general meeting, a general meeting or of those Members voting at a separate meeting of Members of any Class, as the context so permits;

Owner means Owner, Owners in partnership, Owners holding separate shares in severalty, part Owner, mortgagees, trustee, charterer, operator, manager or builder of a Ship;

P&I Class means The Protection and Indemnity Class of the Company (Class I);

Register of Members means the register of Members to be kept by the Company pursuant to section 113 of the Act;

Rules means the rules from time to time in force governing the conduct of the whole or any part of the business of the Company;

Seal means the common seal of the Company;

Secretary means the person appointed to perform the duties of the secretary of the Company and shall include an assistant or deputy Secretary and any person appointed by the Directors to perform any of the duties of the Secretary;

shall shall be construed as imperative;

Ship means a ship or boat or hovercraft or any other description of vessel or structure used in navigation or for the carriage or storage of goods or for the carriage of passengers, or any part thereof or any portion of the tonnage or insured value thereof or any share therein, including any ship, boat or vessel under construction;

SMUA(B) means The Steamship Mutual Underwriting Association (Bermuda) Limited, a company incorporated under The Steamship Mutual Underwriting Association (Bermuda) Company Act, 1974;

Special Resolution means a resolution passed by a three-quarters majority of those Members voting at an annual general meeting, a general meeting or of those Members voting at a separate meeting of Members of any Class, as the context so permits of which not less than 14 clear days' notice specifying the intention to propose the resolution as a Special Resolution, has duly been given;

Statutes means the Act together with every other statute for the time being in force concerning bodies corporate and affecting the Company;

Strike Class means The Strike Risks Class of the Company (Class III);

Tonnage means the gross tonnage of a Ship as certified or stated in the certificate of registry, or other official document relating to the registration of each Ship, or if more than one tonnage is shown, the higher, and "ton" refers to the unit of such tonnage;

War Risks Class means The War Risks Class of the Company (Class IV); and

Year means calendar year unless otherwise specifically stated.

1.2 In these Articles, words and expressions defined in the Rules shall have the same meanings in these Articles unless expressly stated otherwise.

- 1.3 In these Articles:
- 1.3.1 words importing only the singular number shall also include the plural number and vice versa;
- 1.3.2 words importing only the masculine gender shall also include the feminine and neuter genders and vice versa;
- 1.3.3 words importing persons shall also include companies or associations or bodies of persons whether corporate or unincorporated;
- 1.3.4 **in writing** and **written** shall also include printing, lithography, photography and other modes of representing or reproducing works in visible form and documents and information in electronic form are "in writing" for the purposes of these Articles;
- 1.4 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force on the date of adoption of these Articles; and
- 1.5 Any reference in these Articles to any provisions of the Statutes shall be construed as a reference to such provisions for the time being in force, including any statutory modification or re-enactment thereof.
- 1.6 The model articles of association for private companies limited by guarantee contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) and any statutory modification or re-enactment thereof shall not, to the extent permitted by the Statutes, apply to the Company.
- 1.7 References in these Articles to an appointment of a proxy include references to an appointment of multiple proxies.

2 THE COMPANY AND CALLS

- 2.1 The Company is a private company limited by guarantee and not having a share capital. It is a mutual insurance association incorporated in England and Wales and governed by these Articles, the Rules, and English law.
- 2.2 The liability of the Members is limited. Every Member of the Company undertakes 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 afterwards, for 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 ten pounds.
- 2.3 Calls shall be made upon Members in accordance with these Articles and the Rules.
- 2.4 In the event of any inconsistency between the Rules and these Articles, the provisions of these Articles shall prevail.

3 MEMBERSHIP

- 3.1 The Company shall consist of an unlimited number of Members.
- 3.2 Save for SMUA (B) no person shall be admitted as a Member of the Company unless he is approved by the Directors.
- 3.3 The Members of the Company shall include:
- 3.3.1 those persons who shall from time to time be elected as Directors of the Company in accordance with the provisions of the Articles so long as they respectively shall serve as Directors;

- 3.3.2 every Owner who has a ship entered for insurance in the Company and whose name is entered in the Register of Members, subject to the provisions of Article 3.3.3;
- 3.3.3 subject to the proviso of this Paragraph, any Owner who desires to enter a ship for insurance in the Company shall, if he is not already a Member of the Company, be deemed in applying for such entry to have agreed that if such entry is accepted he will thereupon become and be a Member of the Company in accordance with these Articles **PROVIDED THAT** the Company may permit any Owner to enter a ship for insurance in the Company without requiring such Owner to be or become a Member of the Company but only upon the condition that all the provisions of the relevant Rules as to the terms upon which such entry is permitted shall be observed and shall be binding upon such Owner; and
- 3.3.4 those persons (other than Owners) who are insured by the Company, while so respectively insured.
- 3.4 A Member shall ipso facto cease to be a Member, if:
 - 3.4.1 being a Member in his capacity as a Director and not otherwise, he shall cease to be a Director;
 - 3.4.2 being an individual, he dies, he becomes bankrupt or he makes any arrangement or composition with his creditors generally;
 - 3.4.3 being an individual, he becomes incapable by reason of mental disorder of managing and administering his property and affairs;
 - 3.4.4 being a corporation, it be wound up or dissolved, it has a receiver or manager appointed over any of its assets or seeks protection from its creditors, it has filed for reorganisation or rehabilitation pursuant to any applicable laws, or if a creditor takes uncontested possession of any of its assets pursuant to any security interest therein;
 - 3.4.5 he or it suffers any equivalent or analogous event in any jurisdiction to those events referred to in Articles 3.4.2, 3.4.3 or 3.4.4;
 - 3.4.6 not being a Member in his capacity as a Director, he shall cease to have any Ship entered for insurance in the Company.
- 3.5 A Member who ceases to be a Member and his estate, personal representatives, trustees in bankruptcy, receiver or other person authorised to act on behalf of a Member who becomes incapable by reason of mental disorder of managing his property and affairs or a liquidator or administrator as the case may require shall, notwithstanding such cesser, be and remain liable to pay to the Company all moneys due to the Company in accordance with the Rules.
- 3.6 The Company shall keep the Register of Members and shall enter therein the following particulars:
 - 3.6.1 the name, nationality, address and occupation (if any) of each Member;
 - 3.6.2 the date on which each person was entered in the register as a Member; and
 - 3.6.3 the date on which any person ceased to be a Member.
- 3.7 Membership shall neither be transferable nor transmissible.
- 3.8 The Directors, or (as delegated to them by the Directors) the Managers shall be at liberty to refuse any application for entry of a ship for insurance in the Company from any Owner without stating reasons whether or not that Owner is or has been a Member;
- 3.9 Where a ship is entered for insurance in the Company by more than one Owner all such Owners of such ship shall be deemed to be joint Members and joint Members shall for the purposes of the guarantee under Clause 7 of the Memorandum of Association and any contribution falling due pursuant to these Articles be treated as one Member, but shall be jointly and severally liable in respect thereof.

4 OBJECTS

4.1 The objects for which the Company is established are:

4.1.1 to carry on, on the mutual principle, marine, aviation and transport insurance business, that is to say the business of effecting and carrying out contracts of insurance:

- (a) upon ships or aircraft, or upon the machinery, tackle, furniture or equipment of ships or aircraft;
- (b) upon goods, merchandise or property of any description whatever, onboard ships or aircraft;
- (c) upon the freight of, or any other interest in or relating to, ships or aircraft;
- (d) against damage arising out of, or in connection with, the use of ships or aircraft, including third-party and war risks;
- (e) against risks incidental to the construction, repair or docking of ships including third-party risks;
- (f) against transit risks (whether the transit is by sea, inland water, land or air, or partly one and partly another), including risks incidental to the transit insured from the commencement of the transit to the ultimate destination covered by the insurance (but not including risks the insurance of which is motor vehicle insurance business);
- (g) against any other risks (including any delays or expenses consequent upon strikes or other labour troubles or disputes) the insurance of which is customarily undertaken in conjunction with, or as incidental to, the undertaking of any such business as falls within any of the foregoing sub-paragraphs;

4.1.2 to carry on, on the mutual principle, marine insurance of Members against costs and expenses incurred for the purpose of ascertaining or protecting a Member's legal position in relation to any risks which involve freight, dead freight, demurrage or defence matters or incurred in establishing or resisting claims or incurred for attendance or representation at legal or other proceedings in respect of any matters of whatsoever nature which can or may give rise to any such risks or any claims arising therefrom;

4.1.3 generally without any limitation to carry on marine, transit and war risk insurance business (but not including risks the insurance of which is motor vehicle insurance business) and to reinsure or accept reinsurance of any risk insured or which could be insured by the Company and to give such undertakings, bonds or securities as to bail of any ship as the Company may from time to time deem expedient or necessary;

4.1.4 on the mutual principle generally to insure Members of the Company against any liability incurred by them as Owners of ships and aircraft and all other interests of Members which are usually or properly covered by or included in insurances with respect to ships and interests therein and aircraft and interests therein;

4.1.5 to divide the risks insured by the Company into several classes which classes may have attached to them different rights, privileges or conditions;

4.1.6 to acquire any similar business to that carried on by the Company whether in England or any other jurisdiction including the acquisition of all rights and obligations under any contract of insurance;

4.1.7 to transact and carry on insurance business with any person on terms and conditions which may exclude membership in the Company, or may provide for membership on special terms in accordance with the Rules, the Articles of Association and English law;

- 4.1.8 to do any other thing directly connected to the principal objects of the Company including but not limited to the following, being:
- (a) to reinsure any risks insured by the Company and to accept reinsurance of any risk which could be insured by the Company;
 - (b) to pay, satisfy or compromise any claims made against the Company which it may be deemed expedient to pay, satisfy or compromise whether or not the same may be valid in law and to make gratuitous payments to any person being an assignee, chargee, personal representative, trustee in bankruptcy or liquidator of a Member or former Member in relation to entries by such Member or former Member for insurance in the Company;
 - (c) to consider all questions connected with marine and transit insurance or any allied industry, to collect and circulate statistics and other information and advice relating thereto or to the interests of any Members therein and to promote or oppose legislative or other measures affecting the same;
 - (d) to take land or any interest in land being land bona fide required for the purposes of the business of the Company;
 - (e) to purchase, take on lease or in exchange, hire or otherwise acquire, any real property or personal property, rights or privileges which the Company may think necessary or convenient for the purposes of its business, and to construct, maintain and alter any buildings or works necessary or convenient for the purposes of its business or for the purposes of the Company;
 - (f) to pay for any property or assets acquired by the Company either in cash or by the issue of securities or obligations or partly in one mode and partly in another and generally on such terms as may be determined;
 - (g) to borrow or raise or secure the payment of money by mortgage or by the issue of debt instruments, perpetual or otherwise, or in such other manner as the Company shall think fit, and for the purposes aforesaid or for any other lawful purpose to charge all or any of the Company's property or assets, present and future, and collaterally or further to secure any securities of the Company by a trust deed or other assurance;
 - (h) to issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligation of the Company or of its Members or of any other person or company having dealings with the Company or in whose business or undertaking the Company is interested;
 - (i) to give any guarantees that may be deemed expedient;
 - (j) to invest and deal with the moneys of the Company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined;
 - (k) to enter into any partnership or arrangement in the nature of a partnership, co-operation or union of interests with any person or company engaged or interested in the carrying on or conduct of any business which the Company is authorised to carry on or conduct or from which the Company would or might derive any benefit whether direct or indirect;
 - (l) to establish or promote, or join in the establishment or promotion of, any other company whose objects shall include the taking over of any of the assets or liabilities of the Company or the promotion of which shall be calculated to advance its interests, and to acquire and hold any shares, securities or obligation of any such company;
 - (m) to amalgamate with any other person, firm or body corporate;

- (n) to sell or dispose of the undertaking, property and assets of the Company or any part thereof in such manner and for such consideration as the Company may think fit, and in particular for shares (fully or partly paid up), debt instruments, securities or obligations of any other company, whether promoted by the Company for the purpose or not, and to improve, manage, develop, lease, dispose of, turn to account or otherwise deal with all or any part of the property and assets of the Company;
 - (o) to enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority any rights, privileges or concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with such arrangements, rights, privileges or concessions and further to support or oppose any proposal made by any person or by any body of persons to secure any changes in the law affecting the Company or the business of the Company or any of its rights, privileges or concessions and to subscribe to any fund that may be raised or utilised for the purpose of or in connection with the support of, or opposition to, any such proposal; and
 - (p) to cause the Company to be registered or recognised in any foreign country;
- 4.1.9 to do all or any of the above things in any part of the world and either as principal, agent, trustee or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise;
- 4.1.10 to do all such other things as are incidental or the Company may think conducive to the attainment of the above powers or any of them;
- 4.1.11 to take or promote any steps or measures that the Company may consider expedient for advancing or defending the interests or defining the rights or liabilities of the Members as shipowners; and
- 4.1.12 to join, cooperate with, or become a member of, any society, committee or association having for its object or included in its objects the defence or advancement of the interests of shipowners as a body by joint or concerted action, and to support and contribute to the funds of any such society, committee or association.
- 4.2 **AND** it is hereby declared that:
- 4.2.1 the objects set forth in each of the sub-articles to Article 4 shall not be restrictively construed, but the widest interpretation shall be given thereto, and they shall not, except where the context expressly so requires, be in any way limited to or restricted by reference to or inference from any other object or objects set forth in Article 4 or from the terms of any other sub-clause of Article 4 or by the order in which such sub-clauses appear or by the name of the Company, but the Company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of such sub-clauses; and
- 4.2.2 the word "company" in Article 4, except where used in reference to this Company, shall be deemed to include any body corporate and any partnership or other body of persons, whether corporate or unincorporate, and whether domiciled in the United Kingdom or elsewhere and (but without limitation) any company which is a subsidiary undertaking or parent company of the Company or a subsidiary of any such parent company or in which the Company is for the time being directly or indirectly interested.

5 **CLASSES OF INSURANCE**

- 5.1 The Company shall have the following Classes:
- 5.1.1 the P&I Class;
 - 5.1.2 the Defence Class;
 - 5.1.3 the Strike Class; and

- 5.1.4 the War Risks Class.
- 5.2 The Rules of each Class shall initially be determined by the Directors and such Rules shall remain in force subject to any alterations therein or additions thereto made as hereinafter provided.
- 5.3 The Rules of any Class may be altered or added to either:
- 5.3.1 by Ordinary Resolution passed at a separate meeting of the members of such Class; or
- 5.3.2 by Ordinary Resolution of the Company,
- provided that in each case no such alteration shall be effective unless and until the same shall be sanctioned by the Board.
- 5.4 Any Class may be discontinued or wound up in such manner and upon such terms as may be directed either by (i) Ordinary Resolution passed at a separate meeting of the Members of such Class, or (ii) by Ordinary Resolution of the Company.
- 5.5 The business of each Class shall, subject to these Articles, be conducted according to the Rules of such Class.
- 5.6 A separate account shall be kept for each Class to which shall be debited all payments necessarily or properly made by or on behalf of the Company in connection with that Class, including all payments of claims, expenses and other outgoings.
- 5.7 There shall also be debited to the separate account of each Class such proportion of the general expenses of the Company as the Directors may determine.
- 5.8 There shall be provided by way of contributions to be made by the Members insured in any Class levied from time to time in accordance with the Rules of such Class the funds required:
- 5.9 to meet all such claims, liabilities, costs, expenses and other outgoings (whether incurred, accrued or anticipated) as the Directors determine necessary and properly fall on the Company;
- 5.10 to establish, maintain or accumulate such reserve or reserves as the Directors may deem necessary expedient or prudent; and
- 5.11 (without prejudice to the generality of Articles 5.9 and 5.10 above) to accumulate such amounts as may be necessary to establish and maintain any solvency margin, guarantee fund or other fund as may be required of the Company by any governmental or other legislation or regulations.
- 5.12 Every Member shall pay to the Company all contributions which shall be duly levied upon him as aforesaid. Such contributions to the funds of the Company shall be levied upon and paid by the Members as mutual premium, additional premium and overspill calls in accordance with the provisions of the Rules.
- 5.13 All policies of insurance underwritten on behalf of any Class shall be underwritten in the name of the Company but no person shall, in respect of insurance in any Class, be liable to pay or entitled to receive any money in respect of insurance in any other Class.
- 5.14 Every engagement or liability of a Member in respect of any insurance shall for all purposes relating to enforcing such engagement or liability be deemed to be an engagement or liability by or on the part of such Member to the Company, and not to any other Member or other person and all moneys payable thereunder shall be paid to the Company.
- 5.15 All claims in respect of insurance shall be made and enforced against the Company only, and not against any Member, and Members only shall be entitled to make and enforce such claims on the Company.

- 5.16 The Company shall not be liable to any Member or other person for the amount of any loss, claim or demand, except to the extent of the funds which the Company is able to recover from the Members or other persons liable for the same and which are applicable to that purpose.
- 5.17 All payments to or by the Company in respect of any insurance in any Class shall be due to or made by the Company but shall be accounted for or charged to, as the case may be, the account of such Class.
- 5.18 In case the Company shall incur any costs or expenses in or for any legal proceedings or arbitration or otherwise in respect of the business of any Class such costs and expenses shall be charged to the account of such Class.
- 5.19 The Directors may, notwithstanding the provisions of these Articles or of the Rules, accept entries upon such special terms as to contribution (including exemption from the provisions of Articles 5.21 and 5.22) and as to the nature and extent of risks covered and otherwise as they may think fit and may accept as such entries reinsurances from other insurers.
- 5.20 The Directors may also reinsure the whole or any portion of the risks of the Company upon such terms as they may think fit.
- 5.21 In the event of any Member making default in payment of any contribution due from him for insurance in any Class, the same shall (subject to the provisions of Article 5.18) be paid by such of the other Members entered for insurance in such Class as is or may be prescribed by the Rules of such Class rateably in proportion to the contributions last due from them respectively, and payment may be enforced in the name of the Company.
- 5.22 Each Member who may for the time being be entitled to receive from any Class any payment in respect of any loss, claim or demand, shall bear and contribute the proportion thereof due in respect of any Ship or Ships entered by him in such Class, including the Ship in respect of which the loss, claim or demand arises.

6 SEPARATE MEETINGS OF MEMBERS OF CLASSES

- 6.1 The Directors may at any time convene a separate meeting of the Members of any Class.
- 6.2 A separate meeting of any Class shall also be convened on the requisition by notice in writing (which shall include by electronic means) of not less than twenty-five Members, or if less, all the Members of such Class, as relevant. Any such requisition shall state the objects of the meeting and be deposited or received at the Office. The requisition may consist of several documents in the same form, and, save where such requisition is in electronic form, shall be signed by one or more of the requisitionists. If the Directors do not within 21 days from the date of deposit or receipt of the requisition proceed to duly convene a meeting, all the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiry of three months from that date. A meeting convened under this Article shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors. Any reasonable expenses incurred by the requisitionists by the reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the Directors as are in default. In the case of a meeting at which a Special Resolution is to be proposed, the Directors shall be deemed not to have duly convened the meeting if they do not give the notice required for Special Resolutions as prescribed by Section 307 of the Act. The Directors shall be deemed not to have duly convened a meeting if they convene a meeting for a date more than 28 days after the date of the notice convening the meeting.
- 6.3 To every separate meeting all the provisions of sections 283, 307, 308, 310 and 314-318 of the Act and of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply except that the quorum shall be five Members of the Class concerned (or all the Members of the Class if less than five) present in person or by proxy and represented by not less than two physical persons,

and resolutions of the meeting (save where a Special Resolution of the Class, or such other majority determined by the Act, is required) shall be passed by a simple majority of votes cast.

7 GENERAL MEETINGS

- 7.1 The Company shall in each year hold a general meeting as its annual general meeting in addition to any other general meeting in that year, and shall specify it as such in the notice calling it. The annual general meeting shall be held at such time and place as the Directors shall appoint.
- 7.2 All general meetings other than annual general meetings shall be called general meetings.
- 7.3 The Directors, by resolution or in meeting or any two of them or the Chairman may call a general meeting whenever they think fit, and general meetings shall also be convened forthwith on such requisition, or in default may be convened by such requisitionists as provided by the Statutes. Whenever the Directors shall convene a general meeting on the requisition of Members, they shall convene such meeting for a date not later than 28 days from the date of the notice convening the meeting. If at any time there are not sufficient Directors capable of acting to form a quorum, any Director or, if there are no Directors, any two Members of the Company, may convene a general meeting in the same manner as nearly as possible as that in which general meetings may be convened by the Directors for the purpose of appointing Directors.
- 7.4 An annual general meeting and a general meeting including that for the passing of a resolution of which special notice has been given shall be called by at least fourteen clear days' notice. Every notice shall specify the date, time, place of the meeting and the general nature of all of the business to be transacted. Such notice shall be given in the manner hereinafter mentioned to such persons, including the auditors for the time being of the Company, as are under the provisions hereinafter contained or under the Statutes entitled to receive such notices from the Company; but the accidental omission to give such notice to or the non-receipt of such notice by any person entitled to receive the same or to specify or include in any such notice any of the matters aforesaid shall not (except to the extent otherwise provided by the Statutes) invalidate any resolution passed or proceeding at any such meeting. Every notice of a general meeting shall comply with any requirements of the Statutes as regards the notification to members of their rights as to the appointment of proxies.
- 7.5 A general meeting shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called if it is so agreed by such number of Members entitled or having a right to attend, speak and vote thereat as is prescribed by the Statutes.
- 7.6 A Director shall be entitled to receive notice of and to attend and speak at all general meetings of the Company and at all separate meetings of any Class. The Directors shall be entitled to permit such legal and other advisers of the Company as they shall think fit to attend and speak at any meeting of the Company or at any separate meeting of any Class. The Chairman may invite any person to attend and speak at any general meeting of the Company whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

8 PROCEEDINGS AT GENERAL MEETINGS

- 8.1 The ordinary business of the annual general meeting shall be:
- 8.1.1 to consider the accounts, balance sheet and reports of the Directors and auditors and all documents required by the Statutes to be comprised in, or to be attached to or otherwise accompany, the accounts of the Company;
- 8.1.2 to re-appoint or appoint Directors in the place of those retiring by rotation or ceasing to hold office by virtue of Articles 11.9 or 11.17:
- 8.1.3 to re-appoint retiring auditors (other than auditors last appointed otherwise than by the Company in general meeting);
- 8.1.4 to fix, or to fix the manner of determining, the remuneration of the auditors; and

- 8.1.5 such other business as the chairman of the meeting shall determine and as shall have been approved for such purpose by the Directors.
- 8.2 All other business transacted at an annual general meeting, and all business transacted at a general meeting, shall be deemed to be special.
- 8.3 No business shall be transacted at any general meeting unless a quorum is present.
- 8.4 Save as otherwise provided in these Articles, five Members present in person or by proxy represented by not less than two physical persons shall be a quorum but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting.
- 8.5 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of or by Members, shall be dissolved.
- 8.6 In any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the meeting shall be dissolved.
- 8.7 The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place and may, without the consent of the meeting, adjourn the meeting from time to time and from place to place if he decides that it would be necessary or appropriate to do so in order to secure the proper and orderly conduct of the meeting and to give all persons entitled to do so the opportunity of attending the meeting.
- 8.8 Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned 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.
- 8.9 Save as aforesaid, no Member shall be entitled to any notice of an adjournment.
- 8.10 No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
- 8.11 The Chairman of the Board, if any, shall act as chairman at all meetings of the Members and at all meetings of the Board at which he is present.
- 8.12 In his absence some other Director nominated by the Board shall act as chairman, but if at any meeting neither the Chairman of the Board nor such other Director be present within 15 minutes after the time appointed for holding the same, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number present to be chairman, or if no Director be present, or if all Directors decline to take the chair, the Members present shall choose some Member present to be chairman.
- 8.13 A general meeting or adjourned meeting may be held at more than one place. In such event the notice of meeting shall specify the place at which the chairman will be present (the "Principal Place") and the notice, letter, communication by electronic means or other document accompanying the notice will specify any other place(s) at which the meeting will be held simultaneously.
- 8.14 A general meeting or adjourned meeting may be held in one room or in a series of rooms at the Principal Place or any other place at which the meeting is to be held simultaneously.
- 8.15 If the meeting is held at more than one place and/or in a series of rooms, it will not be validly held unless all persons entitled to attend and speak at the meeting are able:

- 8.15.1 if excluded from the Principal Place or the room in which the chairman is present, to attend at one of the other places or rooms; and
- 8.15.2 to hear and participate in the proceedings of the meeting by means of telephone or by any other communication equipment which allows all persons participating in the meeting to hear and to be heard by each other.
- 8.16 The Board may make such arrangements as it thinks fit for simultaneous attendance and participation at the meeting and may vary any such arrangements or make new arrangements. Arrangements may be notified in advance or at the meeting by whatever means the Board thinks appropriate to the circumstances. Each person entitled to attend the meeting will be bound by the arrangements made by the Board.
- 8.17 Where a meeting is held in accordance with these Articles in more than one place and/or a series of rooms, then for the purpose of these Articles a meeting shall consist of all those persons entitled to attend and participate in the meeting who attend at any of the places or rooms.
- 8.18 The Directors may direct that Members, proxies or corporate representatives wishing to attend any general meeting should submit to such searches or other security arrangements or restrictions as they think fit in the circumstances and shall be entitled in their absolute discretion to refuse entry to such general meeting to any such person who fails to submit to such searches or otherwise to comply with such security arrangements or restrictions.
- 8.19 If an amendment be proposed to any motion under consideration but shall in good faith be ruled out of order by the chairman of the meeting the subsequent proceedings on the motion shall not be invalidated by any error in such ruling. In the case of a resolution proposed as a Special Resolution no amendment thereto (other than a mere clerical amendment to correct a manifest error in the notice relating thereto) may in any event be considered or voted upon and in the case of a resolution duly proposed as an Ordinary Resolution no amendment thereto (other than a mere clerical amendment to correct a manifest error in the notice relating thereto) may be considered or voted upon unless either at least forty-eight hours prior to the time appointed for holding the meeting or adjourned meeting notice of the terms of amendment and intention to move the same has been lodged in writing at the Office or received at an address notified by the Company for the purpose of receiving communications by electronic means or the chairman in his absolute discretion decides that it may be considered or voted upon.

9 VOTING

- 9.1.1 Every Member who is present in person or by proxy (or being a corporation by a duly authorised representative of a corporation) and entitled to vote pursuant to this Article 9.1.1 shall have one vote on a show of hands and upon a poll, every Member present in person or by proxy and entitled to vote at the meeting shall have the number of votes specified below, and shall be entitled to cast votes under more than one of those sub-paragraphs if qualified to do so, subject always to a maximum of 5 votes per Member:
- (a) a member who is a Member by virtue of Article 3.3.1 in his capacity as a Member, one vote;
 - (b) a Member in whose name Ship(s) is or are entered for insurance in the Company on terms that such Member is liable to pay calls to the Company, for each such Member:
 - (i) whose Ships' total entered Tonnage does not exceed 10,000GT, one vote;
 - (ii) whose Ships' total entered Tonnage exceeds 10,000GT, then:
 - (1) for each Ship the entered Tonnage of which exceeds 10,000GT, one vote; and
 - (2) for any Ships the entered Tonnage of which does not exceed 10,000GT, one vote for each complete unit of 10,000GT entered,
- but subject always to a maximum of 5 votes per Member.

If the Member also has Ship(s) entered for insurance or reinsurance in the Company on terms that the Member is liable to pay a fixed premium to the Company in respect of such Ship(s) then such Ship(s) and their Tonnage shall be disregarded when calculating the number of votes to which such Member is entitled under the foregoing provisions of this paragraph (b);

- (c) a Member in whose name Ship(s) is or are entered for insurance or reinsurance in the Company on terms that such Member is liable to pay a fixed premium to the Company in respect of such Ship(s) shall not have the right to vote in respect of such Ships or their Tonnage;
- (d) a Member in whose name Ship(s) is or are entered for reinsurance in the Company on terms that it pays calls to the Company, then such Member, in such capacity shall not be entitled to vote under (a) and (b) above but shall be entitled to one vote only regardless of the number of Ships (or their respective Tonnage) entered in the Company.

In the case of joint Members entitled to vote, the vote of the senior who tenders a vote, whether in person or proxy, shall be accepted to the exclusion of the votes of the other joint Members, and for this purpose seniority shall be determined by the order in which the names stand as joint Members in the Register of Members.

- 9.1.2 For the purposes of Article 9.1.1, a Member who is liable to pay calls to the Company is a Member who is, or may be, liable under the Rules to pay Additional Premium and/or Overspill Calls.
- 9.2 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by the chairman or by at least 5 Members having the right to vote at the meeting or by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote on the resolution.
- 9.3 Unless a poll is so demanded (and the demand is not withdrawn) a declaration by the chairman that a resolution has been carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 9.4 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. A demand for a poll may be withdrawn and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is so withdrawn, the meeting shall continue as if the demand had not been made. If a demand is withdrawn, the chairman of the meeting or other persons entitled to do so may demand a poll.
- 9.5 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith.
- 9.6 A poll demanded on any other question shall be taken either immediately or at such time (not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded) and place as the chairman shall direct and no notice need be given of a poll not taken immediately.
- 9.7 A poll shall be taken in such manner (including the use of ballot or voting papers) as the chairman shall direct.
- 9.8 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 9.9 If any vote shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the meeting or adjourned

meeting at which the vote is given, and not in that case unless it shall in the opinion of the chairman of the meeting be of sufficient magnitude to vitiate the result of the voting. The chairman's decision shall be final and conclusive and he shall not be obliged to take into account any irregularity unless it is in his opinion of sufficient magnitude to vitiate the result of the voting.

- 9.10 Without prejudice to the foregoing, if the decision of the chairman of the meeting shall be capable of challenge on any ground, by application to a court or tribunal having jurisdiction and the votes in question are not of sufficient magnitude to alter the result of the resolution, the outcome of the resolution as declared by the chairman of the meeting shall not be vitiated.
- 9.11 A corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any separate meeting of the Members of any Class, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company. The corporation shall be for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it.
- 9.12 If any Member shall be incapable by reason of mental disorder of managing and administering his property and affairs he may vote by his receiver or other person authorised to act on his behalf, and such receiver or other person as aforesaid may give his vote either personally or by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited or received at the Office not less than 48 hours before the time for holding the meeting or adjourned meeting at which such person claims to vote.
- 9.13 No Member shall, unless the Directors otherwise determine, be entitled to vote at any general meeting, either personally or by proxy, or to exercise any privilege as a Member unless all sums presently due from him to the Company have been paid.
- 9.14 On a poll and/or a show of hands, votes may be given either personally or by proxy.
- 9.15 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
- 9.16 In the case of an equality of votes at any annual general meeting, general meeting or any separate meeting of the Members of any Class, whether on a show of hands or on a poll, the resolution shall fail and the chairman of the meeting shall not be entitled to a further casting vote.

10 PROXIES

- 10.1 The appointment of proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing (which shall include a communication in electronic form), or if the appointor is a corporation either under its common seal (or executed in any other manner permitted by law and having the same effect as if executed under seal), or under the hand of an officer or attorney so authorised or contained in a communication in electronic form.
- 10.2 A proxy need not be a Member.
- 10.3 To be valid, the appointment of a proxy and the authority (if any) under which it is executed, or a copy of such authority certified in accordance with the Powers of Attorney Act 1971 or in another way approved by the Directors shall:
- 10.3.1 in the case of an instrument in writing, be deposited at the Office, or at such other place in England as is specified for the purpose in the notice convening the meeting or in the instrument of proxy issued by the Company, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or (in the case of a poll taken more than 48 hours after it was demanded) 24 hours before the time appointed for taking the poll at which it is to be used, or (in the case of a poll taken not more than 48 hours after it was demanded) the time at which it was demanded; or

- 10.3.2 in the case of an appointment contained in a communication in electronic form where an address has been specified for the purpose of receiving communications in electronic form –
- (a) in the notice convening the meeting, or
 - (b) in any instrument of proxy sent out by the Company in relation to the meeting, or
 - (c) in any invitation contained in a communication in electronic form to appoint a proxy issued by the Company in relation to the meeting,
- be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote.
- 10.4 Subject to Article 10.1, an appointment of proxy may be in any common form or in such other form as the Directors shall approve. Appointments of proxy need not be witnessed.
- 10.5 The appointment of proxy to vote at a meeting shall be deemed also to confer authority to vote on a show of hands and on a poll on any resolution, motion or amendment or other business which may properly come before the meeting for which it is given or any adjournment thereof and to demand or join in demanding a poll, and for the purposes of this Article 10.5 a demand by a person as proxy for a Member shall be the same as a demand by the Member.
- 10.6 The Directors may at the expense of the Company send, by post or otherwise, to the Members appointments of proxy (with or without stamped envelopes for their return), for use at any general meeting or at any separate meeting of the Members of any Class, either in blank or nominating in the alternative any one or more persons.
- 10.7 If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are sent at the expense of the Company, such invitations shall be sent to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy. The accidental omission to send such an appointment of proxy or to give such an invitation to, or the non-receipt of such appointment of proxy by, any Member entitled to attend, speak and vote at a meeting shall not invalidate the proceedings of that meeting.
- 10.8 A vote given or a poll demanded in accordance with the terms of an appointment of proxy shall be valid, notwithstanding the death or insanity of the principal, or the revocation of the appointment of proxy or of the authority under which the appointment of proxy was effected, provided that no intimation of such death, insanity or revocation shall have been received by the Company at the Office in writing (which shall include any communication by electronic means at an address notified by the Company for the purpose of receiving communications by electronic means) not less than three hours before the commencement of the meeting or adjourned meeting at which the appointment of proxy is used.
- 10.9 No appointment of proxy shall be valid after the expiration of twelve months from the date it was received by the Company, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date. An appointment of proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. Delivery to the Company or receipt by communication in electronic form at an address notified by the Company for the purpose of receiving communications in electronic form of an appointment of proxy shall not preclude a member from attending, speaking and voting in person at the meeting or poll concerned.
- 10.10 The Directors may from time to time determine the form and content, subject to such variations or alterations to meet the circumstances of particular cases, of any proxy that is to be used in respect of the affairs of the Company, including but not limited to such proxy as may be necessary in respect of any Member's representation at a general meeting of the Company and copies of such approved form of proxy shall be made available to Members upon request and without charge.

- 10.11 Without prejudice to Article 10.1, any appointment of proxy may be delivered by facsimile transmitted to the place for delivery of instruments of proxy (or any of them) referred to in Article 10.3, provided that:
- 10.12 the facsimile is actually received (whether or not it appears to the sender to have been received) at such place by the latest time for deposit of instruments of proxy in accordance with Article 10.3; and
- 10.13 the chairman of the meeting or the Secretary or any other person authorised by the Board determines in his sole discretion (such determination to be conclusive) that such facsimile has been transmitted in an acceptable manner (including that the copy of the original instrument of proxy contained in the facsimile is complete and is legible).
- 10.14 Provided that Articles 10.12 and 10.13 are complied with, the original instrument of proxy (of which the facsimile is a copy) shall not be required to be deposited at the Office as contemplated under Article 10.3 in order for such appointment of a proxy to be valid.

11 APPOINTMENT, ROTATION AND REMOVAL OF DIRECTORS

- 11.1 Unless otherwise determined by Ordinary Resolution, the number of Directors shall not be less than 3 or more than 32. Subject to these Articles the Company may by Ordinary Resolution appoint a person who is willing to be a Director, either to fill a vacancy or as an addition to the existing Directors, subject to the total number of Directors not exceeding any maximum number fixed by or in accordance with these Articles.
- 11.2 At each annual general meeting one third of the Directors for the time being or, if their number is not divisible by three, then the number nearest to but not exceeding one third, shall retire from office.
- 11.3 The Directors to retire at every annual general meeting shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business seven days before the date of the notice convening the annual general meeting notwithstanding any change in the number or identity of the Directors after that time.
- 11.4 Subject to Article 11.12 any retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.
- 11.5 The Company may by Ordinary Resolution at the meeting at which any Director retires fill the vacated office by appointing a qualified person thereto, and in default the retiring Director, if willing to act, shall be deemed to have been re-appointed unless at such meeting it is expressly resolved not to fill such vacated office or a resolution for the re-appointment of such Director shall have been put to the meeting and lost.
- 11.6 At a general meeting a motion for the appointment of two or more persons as Directors by a single resolution shall not be put unless a resolution that it shall be so put has been first agreed to by the meeting without any vote being given against it.
- 11.7 No person other than a Director retiring at the meeting shall, unless approved by the Directors and duly qualified, be eligible for election to the office of Director at any general meeting unless not less than seven days before such meeting, notice given by a Member entitled to attend, speak and vote at such meeting of the intention to propose such person for election and notice given by that person indicating his willingness to be appointed have been deposited at the Office or, where the notices are contained in communications in electronic form, they have been duly received at the address specified by the Company for the purposes of receiving such communications.
- 11.8 The Company may by Ordinary Resolution increase or reduce the number of Directors and determine in what rotation such increased or reduced number shall go out of office and, if the number is increased, may make any appointments necessary to fill the vacancies thereby created.

- 11.9 The Board may from time to time and at any time appoint any qualified person to be a Director either to fill a casual vacancy or as an additional Director provided that the total number of Directors shall not exceed the maximum number fixed by or in accordance with these Articles. A Director so appointed shall hold office only until the annual general meeting following next after his appointment, when he shall retire, but shall be eligible for re-appointment and shall act as a Director throughout the meeting at which he retires. A Director who retires under this Article shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire at such meeting.
- 11.10 The continuing Director or Directors at any time may act, notwithstanding any vacancy in their body **PROVIDED ALWAYS** that in case the Directors shall at any time be or be reduced in number to less than the minimum number fixed by or in accordance with these Articles, it shall be lawful for him or them to act for the purpose of filling up vacancies in their body or calling a general meeting of the Company, but not for any other purpose. If there be no Director able or willing to act, any two members may summon a general meeting for the purpose of appointing Directors.
- 11.11 Subject always to Article 11.12, only those persons who qualify under either of the following conditions (A) or (B) shall be eligible to be appointed or elected as Directors of the Company, namely:
- (A) a maximum of ~~two~~ four persons nominated by a majority of the Directors as having expertise required for the good governance of the Company;
 - (B) any person who is or has been:
 - (i) an Owner or his agent; or
 - (ii) a director or a person employed in any executive capacity by a corporation which is any of the following:
 - a) a Member;
 - b) the holding company of a corporation which is a Member;
 - c) a subsidiary of a Member corporation;
 - d) associated with a Member corporation.

(corporations described at b, c and d above collectively "Associated Corporations")

PROVIDED THAT:

- 1) Where a Director of the Company holds that office by virtue of the application of the criteria in (B) above, and either:
 - (i) the Owner ceases to have any vessels entered in the Company; or
 - (ii) the Member ceases to be a Member of the Company; or
 - (iii) the Director ceases to be employed by a current Member or one of its Associated Corporations;

the Director shall retire at the AGM following the date of cessation of entry, membership or employment as the case may be, but shall be eligible for re-election from year to year for a maximum of a further three years from that date with the approval of a majority of the other Directors.
- 2) Notwithstanding the provisions of 1) above, where a Director of the Company holds that office by virtue of the application of the criteria in (B) above and:
 - (i) the Owner ceases to have any vessels entered in the Company; or,

(ii) the Member ceases to be a Member of the Company

in either case by reason of the application of Rule 35 vi or vii of the Rules, the Director shall cease to hold office with immediate effect upon the cessation of entry in accordance with Rule 35 vi or vii.

11.12 Save where the Directors otherwise exceptionally resolve, no person who has attained the age of 72 years shall be eligible to be appointed or elected a Director and a Director shall retire at the board meeting following the date of his 72nd birthday **PROVIDED THAT** Directors serving at the date of the adoption of these Articles who had reached the age of 71 years on or before 20 February 2010 shall retire at the board meeting following their 75th birthday.

~~11.13 No Manager and no employee of any Manager shall be eligible to be appointed or elected as a Director.~~

~~11.14~~11.13 Subject to the Act, the Members may at any annual general meeting or general meeting convened and held in accordance with the Articles remove a Director before the expiration of his period of office, by Ordinary Resolution.

~~11.15~~11.14 The notice of any such meeting shall contain a statement of the intention so to do and at any such meeting such Director shall be entitled to be heard on the matter of his removal.

~~11.16~~11.15 Nothing in this Article 11 shall have the effect of depriving any person of any compensation or damages which may be payable to him in respect to the termination of his appointment as a Director of the Company or of any other appointment with the Company.

~~11.17~~11.16 A vacancy upon the Board created by the removal of a Director under the provisions of this Article 11 may be filled by Ordinary Resolution of the Members at the meeting at which such Director is removed and, in the absence of such election, there shall be deemed to be a vacancy which may be filled in accordance with the provisions of these Articles.

~~11.18~~11.17 The office of Director shall be vacated:

~~11.18.1~~11.17.1 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;

~~11.18.2~~11.17.2 if he ceases to be eligible for appointment as a Director;

~~11.18.3~~11.17.3 if he becomes prohibited by law from being or acting as a Director or ceases to be a Director by virtue of any provision of the Act;

~~11.18.4~~11.17.4 if in England or elsewhere an order is made by any Court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a curator bonis or guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with regard to his property or affairs, and the other Directors pass a resolution that he has by reason of mental disorder vacated office;

~~11.18.5~~11.17.5 if he is removed as a Director by resolution of the Members as provided in Article 11.13 ~~11.14~~ above; or

~~11.18.6~~11.17.6 if he resigns his office by notice to the Company.

12 POWERS OF THE DIRECTORS

12.1 Subject to the Act, the Company's Memorandum and Articles of Association and to any directions given by Special Resolution of the Company, the business of the Company shall be managed by the Directors who, in addition to the powers and authorities by these Articles or the Rules or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company and as are not by the Statutes or by the Company's

Memorandum of Association or by these Articles expressly directed to be exercised or done by the Company in general meeting or by a meeting of the Members of a Class subject nevertheless to the provisions of the Statutes and of these Articles and the Rules and subject to the provisions of these Articles the business of the Company shall be conducted in accordance with the Rules and without prejudice to the generality of the foregoing the Directors may exercise all the powers of the Company and in furtherance, and not in limitation of all general, necessary, and incidental powers for this purpose, they shall have the following powers, that is to say:

- 12.1.1 to make or cause to be made for the Company any description of contract which the Company may legally enter into;
- 12.1.2 to determine who shall be authorised to sign on behalf of the Company bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts, insurance policies and documents in connection with the carrying on of the business of the Company;
- 12.1.3 to create different classes of Members with such rights, privileges or conditions not contrary to the Articles as the Members of such Class shall determine;
- 12.1.4 to make calls on Members which may differ in rate or amount for each Class of insurance or entry;
- 12.1.5 to repay calls in whole or in part which shall be apportioned in a fair and equitable manner to the Members of the Company and such repayments may differ in rate or amount for each Class of insurance or entry;
- 12.1.6 to appoint, elect and remove all agents, officers and servants of the Company and to designate their function, duties, remuneration and the security to be given by them to the Company;
- 12.1.7 to regulate the time and place at which the annual general meetings of the Members shall be held;
- 12.1.8 subject to the provisions of these Articles to provide for the calling of meetings of the Members and of the Board of Directors, the quorum at such meetings, the requirements as to proxies and the procedure in all things at such meetings;
- 12.1.9 to direct the affairs of the Company and the application of its funds, profits and reserves; and
- 12.1.10 to exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof or to issue debt instruments or other securities whether outright or as collateral security for a debt, liability or obligation of the Company or of a third party.
- 12.2 The Directors shall exercise a general supervision over the affairs of the Company and without limitation of the foregoing they shall be responsible for the correct keeping of the books and for the safekeeping of all moneys and securities of the Company and shall submit their books, accounts and vouchers to the Auditor whenever required so to do and shall furnish such information and explanations to the Auditor as may be necessary for the performance of his duties.
- 12.3 The Directors may delegate any of their powers, authorities and discretions to Committees consisting of two or more of the Directors, but every such Committee shall conform to such directions as the Directors shall impose on it. The Board may grant to ~~the~~ a Committee the power to sub-delegate and may at any time revoke the delegation or alter its terms and conditions.
- 12.4 The Directors may from time to time delegate to the Managers such of the powers, duties or discretions hereby or by the Rules vested in the Directors as they may think fit and any Committee may vest in the Managers such of the powers delegated to it as it may think fit and such powers, duties or discretions may be made exercisable for such period and upon such terms and conditions and subject to such restrictions as the Directors (or the Committee as appropriate) may determine and the Directors (or Committee as appropriate) may at any time revoke such delegation; **PROVIDED THAT** nothing contained in these Articles shall entitle the Directors or any Committee to delegate to the Managers any of the powers, duties or discretions of the Directors:

- 12.4.1 which are required by law to be exercised by the Directors personally; or
- 12.4.2 which relate to general meetings or the proceedings thereat; or
- 12.4.3 which are conferred by Articles ~~11.9~~, 12.1.2, [12.1.10](#) or ~~12.12~~ [12.4](#); or
- 12.4.4 which relate to meetings of Directors or Committees of Directors or the proceedings thereat; or
- 12.4.5 which relate to the appointment of Managers or the Secretary; or
- 12.4.6 which relate to the Seal, reserves, accounts or notices of general meetings;
- 12.4.7 And so that:
- 12.4.8 the Directors may, [subject to the terms of such delegation](#), at any time and from time to time by notice to the Managers revoke or vary any such delegation, term, condition or restriction as aforesaid; and
- 12.4.9 nothing hereinbefore in this Article ~~11-12~~ contained and no such delegation as aforesaid shall constitute the Managers Directors of the Company.
- 12.5 The Directors may from time to time and at any time by power of attorney duly executed by the Company or otherwise, appoint any body corporate, firm or person or body of persons to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney or authority may contain such provisions for the protection and convenience of persons dealing with any such attorney or agent as the Directors may think fit, and may also authorise any such attorney or agent to sub-delegate all or any of the powers, authorities and discretions vested in him. The Directors may remove any person appointed under this Article and may revoke, withdraw, vary or alter all or any such powers, authorities and discretions but no person dealing in good faith and without notice of the revocation, withdrawal, variation or alteration shall be affected by it. The power to delegate contained in this Article shall be effective in relation to all the powers, authorities and discretions of the Directors and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Directors or a committee thereof.
- 12.6 The Directors may make such other arrangements as may be thought fit for the management of the Company's affairs, either in the United Kingdom or elsewhere, and may for this purpose (without prejudice to the generality of their powers) establish any local or divisional boards or agencies and may appoint any persons to be members of such local boards or agencies and may fix their remuneration and may delegate to any local or divisional board or agency any of the powers, authorities and discretions vested in the Directors with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding any vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed and may revoke, withdraw, vary or alter all or any of such powers, authorities and discretions, but no person dealing in good faith and without notice of any such removal, revocation, withdrawal, variation or alteration shall be affected by it.
- 12.7 The Office shall be at such place in England as the Directors shall from time to time appoint.
- 12.8 A Director may hold any other office or place of profit under the Company (other than the office of Auditor ~~or Manager~~) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may from time to time determine.
- 12.9 No Director or intended Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such office or place of profit or 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 is in any way interested, be liable to 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 fiduciary relationship thereby established provided always that any Director so contracting or being so interested, or proposing the same, shall declare the nature of his interest at the meeting of the Board 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 that meeting interested in the proposed contract or arrangement at the first meeting of the Board after it arises. For the purposes of this Article a general notice given to the Board by a Director that he is to be regarded as having an interest (of the nature and extent specified in the notice) in any contract or arrangement in which a specified person or class of persons is interested shall be deemed sufficient disclosure under this Article 12.9 in relation to such contract or arrangement of the nature and extent so specified.

- 12.10 Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.
- 12.11 Subject to Article 12.12, a Director shall not as a Director vote, nor shall he be counted in the quorum present upon a motion, in respect of any contract, matter or arrangement which he shall make with the Company or in which he is so interested as provided in Article 12.9 above, and if he does so vote his vote shall not be counted, save where his only interest is in his capacity as a director of SMUA(B).
- 12.12 If Article 12.13 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted in the quorum and may vote on the matter.
- 12.13 This Article 12.13 applies when:
- (a) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (b) the Director's conflict of interest arises from a permitted cause.
- 12.14 For the purposes of Article 12.13, the following are permitted causes:
- (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
 - (c) arrangements pursuant to which benefits are made available to employees of the Company and Directors or former employees of the Company and former directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former directors of the Company.
- 12.15 The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:
- (a) any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or may have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties);
 - (b) a Director to accept or continue in any office, employment or position in addition to his office as a director of the Company and without prejudice to the generality of Article 12.16 may

authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that for this purpose the Director in question and any other interested Director are not counted in the quorum at any Board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.

12.16 Where a matter, or office, employment or position has been authorised by the Directors in accordance with Article 12.15 (and subject to any limits or conditions imposed on such authority) and a conflict of interest arises or may arise, the Director shall:

- (a) not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position;
- (b) be entitled to absent himself from meetings of the directors at which anything relating to that matter, or that office, employment or position, will or may be discussed; and
- (c) be entitled to make such arrangements as such director thinks fit not to receive documents or information (including, without limitation, board and committee papers relating to the matter giving rise to the conflict of interest or possible conflict of interest) and/or for such documents or information to be received and read by a professional adviser on behalf of that director

and in so doing such director shall not be in breach of any general duty he owes to the company pursuant to Sections 171 to 177 inclusive of the Act.

12.17 Subject to Article 12.18, if a question arises at a meeting of Directors or of a committee of the Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting and quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive.

12.18 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

12.19 Unless otherwise determined by the Company by Ordinary Resolution, the remuneration of each of the members of the Board shall be £100 for each meeting of the Board which he attends together with an additional £50 for the Chairman. The Company may also from time to time by Ordinary Resolution determine that further remuneration shall be paid to the Directors in respect of any financial year or other financial period of the Company, and any such further remuneration (unless otherwise determined by the resolution by which it is voted) shall be divided amongst the Directors as they shall resolve or, failing such resolution, equally between the Directors who hold office during the relevant financial period. Such additional remuneration shall be deemed to accrue from day to day.

12.20 The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or of Committees of the Directors or of general meetings of the Company or separate meetings of the Members of any Class or in connection with their duties as Directors.

13 PROCEEDINGS OF THE BOARD

13.1 The Directors or any validly constituted Committee of Directors may meet together (either in person and/or by telephone or any other communication equipment which allows all persons participating in the meeting to hear and to be heard by each other) for the despatch of business, adjourn and

otherwise regulate their meetings as they think fit. A person participating in any such meeting by telephone or other communication equipment shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

- 13.2 The quorum necessary for the transaction of the business of the Board shall be two or such higher number as the Board may determine. Subject to the provisions of these Articles, any Director who ceases to be a Director at a meeting of the Directors may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director present objects and if otherwise a quorum of Directors would not be present. An alternate Director shall be counted in a quorum (provided that if the alternate Director is also a Director in his own right he shall only count once for the purposes of the quorum), in the absence of the Director appointing him, but not less than two individuals shall constitute the quorum.
- 13.3 A resolution put to the vote of a meeting of the Board shall be carried by the affirmative votes of the majority of votes cast and in the case of an equality of votes, the resolution shall fail.
- 13.4 The Secretary on the requisition of any Director shall, and a Director may, at any time summon a meeting of the Directors.
- 13.5 Notice of meetings of the Directors may be by telephone or otherwise.
- 13.6 Meetings of the Board may be held without notice if all the Directors are present or represented. A Director may waive the requirement that notice of any Board meeting be given to him, either prospectively or retrospectively.
- 13.7 The Board may from time to time appoint and remove a Chairman. The Chairman shall preside at all meetings of the Board but if no such Chairman be appointed, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be chairman of such meeting.
- 13.8 A resolution (i) in writing and signed, (ii) contained in a communication in electronic form or (iii) approved by telex, fax, cable or telephone subsequently confirmed by telex, facsimile transmission, cable or letter by all the Directors or all the members of a validly constituted Committee shall be as valid and effectual as if it had been passed by a meeting of the Board or (as the case may be) a Committee duly called and constituted and where in writing signed, or contained in communications in electronic form, or approved as aforesaid by more than one Director or member of a committee may consist of several documents in the like form each signed, contained or approved as aforesaid by one or more of the Directors, or members of the committee concerned. The signature, communication in electronic form or approval of an alternate Director acting as alternate for any Director who has not signed or otherwise approved the resolution shall be deemed for the purpose of this Article to be the signature, communication in electronic form or approval (as the case may be) of the Director for whom the alternate Director so acts.
- 13.9 All acts bona fide done by any meeting of the Directors, or by a committee of Directors or by any person acting as a Director or member of a committee, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid, or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or member of a committee and been entitled to vote.

14 ALTERNATE DIRECTORS

Any Director may appoint any person to be his alternate; and every such alternate shall be entitled to receive notice of meetings of the Directors and of any Committee thereof of which his appointor is a member, and to attend, speak and vote as a Director and, subject as provided in Article ~~13.2~~^{13.2}, be counted towards the quorum at any such meeting at which the Director appointing him is not personally present and where he is himself a Director to have a separate vote at meetings of

Directors on behalf of each Director he is representing in addition to his own vote, and generally at such meetings to have and exercise all the powers, rights, duties and authorities of the Director appointing him including, in the absence of the Director appointing him, to sign on his behalf a resolution in writing of the Board PROVIDED THAT no such appointment of any person not being a Director shall be operative unless and until the approval of the Board of Directors shall have been given and any such approval may be withdrawn, whereupon such appointment shall cease forthwith to be operative. A Director may at any time revoke the appointment of an alternate appointed by him, and (subject to such approval as aforesaid) appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine PROVIDED THAT if any Director retires at any general meeting of the Company but is re-appointed by or deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to the meeting shall continue to operate after the meeting as if he had not so retired. Any appointment or revocation under this Article shall be effected either by communication in electronic form or notice in writing under the hand of the Director making the same, and any such notice if sent to or left at the Office or received at such address notified by the Company for the purpose of receiving communications by electronic means shall be sufficient evidence of such appointment or revocation. Every such alternate shall (except as regards power to appoint an alternate and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall be an officer of the Company and he shall not be deemed to be the agent of the Director nominating him. An alternate may be paid by the Company such expenses as might properly have been paid to him if he had been a Director and shall be entitled to be indemnified by the Company to the same extent mutatis mutandis as if he were a Director. The remuneration of any such alternate shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between such alternate and the Director appointing him. An alternate Director shall not be counted in reckoning the maximum or minimum numbers of Directors allowed or required by Article 11.1.

15 MINUTES

- 15.1 The Directors shall cause minutes to be duly entered in books provided for the purpose:
 - 15.1.1 of all elections and appointments of officers;
 - 15.1.2 of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;
 - 15.1.3 of all orders made by the Directors and Committees of Directors; and
 - 15.1.4 of all resolutions and proceedings of each general meeting of the Members and of each meeting of the Directors or any Committee of the Directors.
- 15.2 Any such minutes if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting or the Secretary, shall be prima facie evidence of the matters stated in them.
- 15.3 A Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or a Class or the Board or any Committee thereof, and any books, records, documents and accounts relating to the business of the Company and may certify copies of or extracts from any such items as true copies or extracts.
- 15.4 The Directors must ensure that the Company keeps a record, in writing, for at least ten years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

16 OFFICERS OTHER THAN DIRECTORS

- 16.1 The Secretary shall be appointed by the Directors in accordance with the Statutes for such time and at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them but without prejudice to any claim he may have for damages

for breach of any contract of service between him and the Company. The Secretary need not be a Director.

- 16.2 A Treasurer may be appointed by the Directors for such time and at such remuneration and upon such conditions as they may think fit, and any Treasurer so appointed may be removed by them but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company. The Treasurer need not be a Director.
- 16.3 Other officers, such as Assistant Secretaries and Assistant Treasurers, may be appointed by the Directors and shall hold office for so long as the Directors may decide.
- 16.4 The Secretary or an Assistant Secretary if there be one shall attend all meetings of the Members, of the Board and of Committees of the Directors, keep correct minutes of such meetings and enter the same in proper books provided for the purpose.
- 16.5 The Secretary or an Assistant Secretary if there be one shall perform such other duties as are prescribed by the Statutes, Rules or Articles, or as shall be prescribed by the Directors from time to time.
- 16.6 Any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary; but subject thereto anything by the Statutes or by these Articles required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors or by any Director.

17 MANAGERS

- 17.1 ~~Steamship Insurance Management (previously known as Messrs. Alfred Stocken & Co) shall be the~~ Managers shall be Steamship P&I Management LLP or such other person as is appointed by the Board from time to time of the Company.
- 17.2 The Managers shall be entitled to attend all meetings of the Directors and of Committees of the Directors (unless otherwise ordered by the Directors) and all annual or general meetings of the Company.
- 17.3 In addition and without prejudice to any powers, duties and discretions for the time being delegated to the Managers pursuant to these Articles, the Managers may exercise and discharge all such powers, duties and discretions as may be conferred or imposed upon the Managers by the Rules.
- 17.4 Whenever any power, duty or discretion is delegated to the Managers pursuant to these Articles or is conferred or imposed upon the Managers by the Rules, such power, duty or discretion may, subject to any terms, conditions or restrictions imposed upon the Managers in relation thereto either pursuant to these Articles or (as the case may be) by the Rules, be exercised by any one or more of the Managers or by any ~~employee-agent~~ of the Managers.

18 ACCOUNTS AND THE AUDITOR

- 18.1 Any moneys 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. Any money for the time being standing to the credit of any reserve or reserves may be invested in such investments as the Directors think fit.
- 18.2 The Directors shall cause true accounts to be kept of all transactions of the Company in such manner as to show the assets and liabilities of the Company for the time being and the books of account shall at all times be kept at the Office or at such other place as the Directors may from time to time determine and shall always be open to the inspection of the Directors. No Member shall have any

right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors.

- 18.3 The Board of Directors shall cause the accounts of the Company to be audited once at least in every financial year by an independent representative of the Company and such audited annual accounts shall be laid before the Members at the annual general meeting in each year and shall be open to inspection by any Member. The Company may, subject to the Act, send any document required to be sent by this Article 18 by using communications in electronic form or by publishing such document on a website in accordance with the Statutes.
- 18.4 Article 18.3 shall not require a copy of any document to be sent to more than one of any joint Members or to any person of whose address the Company is not aware, but any such person to whom a copy of the documents specified in Article 18.3 has not been sent shall nevertheless be entitled to receive a copy free of charge on application at the Office or to such other address notified by the Company for the purpose of receiving communications by electronic means.
- 18.5 The appointment, powers, rights, remuneration and duties of the auditors shall be regulated by the Statutes.

19 NOTICES

- 19.1 Any notice to be given to or by a person pursuant to these articles (other than a notice calling a meeting of the Directors) shall be in writing or shall be given by electronic means, by means of a website, or other means permitted by the Statutes to an address for the time being notified for that purpose to the person giving the notice. In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
- 19.2 A notice may be given by the Company to a Member either personally, by courier or by leaving it at or sending it through the post prepaid in an envelope addressed to such Member at his address shown in the Register of Members or by giving it by electronic means to an address for the time being notified to the Company by the Member.
- 19.3 All notices directed to be given to the Members shall with respect to any joint Members be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all such joint Members.
- 19.4 Any notice served by post or by courier to addresses in the United Kingdom shall be deemed to have been given 24 hours after posting if sent by first class post; 24 hours after despatch if sent by an established courier firm; or 48 hours after posting if sent by second class post and, in proving it, it shall be sufficient to prove that the envelope containing the notice was properly addressed, prepaid and posted or despatched (as the case may be).
- 19.5 All notices served by post or courier to addresses outside the United Kingdom shall be deemed to have been given on the fifth day after posting by airmail first class post or after despatch by an established courier firm or, for any other method, at the time when the same would be delivered in the ordinary course of transmission and in proving it, it shall be sufficient to show that the envelope containing such notice was properly addressed prepaid and posted or despatched or that the transmission was made (as the case may be).
- 19.6 A notice given in electronic form shall be deemed to be given at the expiration of 24 hours after the time it was sent. Proof that a notice given in electronic form was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.
- 19.7 Any notice sent or supplied by means of a website shall be deemed to have been given when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

20 SEAL

- 20.1 The Directors may determine that the Company shall adopt a seal for the sealing of such documents of the Company as the Directors shall from time to time determine but shall have power from time to time to destroy the same and to substitute new seals in lieu thereof.
- 20.2 The Directors shall provide for the safe custody of the Seal, which shall only be used by authority of the Board or of any Committee of the Directors authorised by the Board in that behalf and every instrument to which the Seal shall be affixed shall be signed by an authorised person in the presence of a witness who attests the signature.
- 20.3 For the purposes of this Article, an authorised person is:
- (a) any Director;
 - (b) the Secretary; or
 - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

21 RECORDS FOR INSPECTION

- 21.1 The Company shall keep and make available for inspection:
- 21.1.1 as required by section 228 of the Act, copies or memoranda of the service contracts of Directors (including shadow directors as defined by the Statutes); and
 - 21.1.2 as required by section 809 of the Act, a register of Directors' interests in any body corporate being the Company's subsidiary or holding company or a subsidiary of the Company's holding company, which register shall be produced and remain open at each annual general meeting.

22 WINDING UP

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 all costs, charges and expenses of winding up the same shall be distributed amongst the Members (save for Members who are insurers reinsured by the Company) in proportion to the amounts of the contributions payable by them respectively to the Company during the period of six years immediately preceding the commencement of the winding up of the Company and actually paid by them respectively and so that the certificate of the liquidator to the amounts of the contributions so payable and paid shall be conclusive.

23 INDEMNITY

- 23.1 Subject in all cases to the extent permitted by the Statutes, every Director and other officer or employee of the Company, and every Manager or duly appointed representative thereof and directors, other officers or employees of either [thereof and their heirs, executors and administrators](#), shall be indemnified by the Company against, and it shall be the duty of the Directors, in respect of every Director and other officer or employee of the Company and every Manager or duly appointed representative thereof and directors, other officers or employees of either [thereof and their heirs, executors and administrators](#), out of the funds of the Company to pay and to cover, all costs, charges, losses, liabilities and expenses which he may incur or for which he may become liable by reason of any contract entered into, office undertaken or act or thing done or not done by him acting in such capacity, or in any other way in the actual or purported execution or discharge of his duties including without limitation, all liabilities attaching to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company, and any liability incurred in defending any proceedings whether civil or criminal which relate to anything done or omitted or alleged to have been done or omitted by him as a Director or other officer or employee of the Company or Manager or duly appointed representative thereof and in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by any Court of competent jurisdiction or which are otherwise disposed of without any finding or admission of any material breach of duty on his part PROVIDED ALWAYS that:

- (a) funds advanced or paid by the Company to meet the cost of proceedings pursuant to this Article 23.1 shall be immediately repaid by the Director or other officer or employee of the Company or every Manager or duly appointed representative thereof [or their heirs, executors and administrators](#) (as the case may be), for whose benefit they have been advanced, if such person is unsuccessful in defending the proceedings (other than civil proceedings brought by a third party) or in his application for relief as aforesaid;
- (b) the provisions of this Article 23.1 shall neither extend to any auditor of the Company nor to any person whose fraud, dishonesty or wilful misconduct shall have caused the said costs, losses, liabilities or expenses; and
- (c) this article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Statutes or by any other provision of law.

23.2 Without prejudice to the provisions of Article 23.1 and in all cases subject to the extent permitted by the Statutes, no Director or other officer or employee of the Company or any Manager or duly appointed representative [thereof or their heirs, executors and administrators](#) thereof shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee of the Company or any Manager or duly appointed representative [thereof or their heirs, executors and administrators](#) thereof, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited, or for any loss occasioned by any error of judgement, omission, default or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto, unless the same happened through his own fraud, dishonesty or wilful misconduct.

23.3 In this Article 23 references to Director include any former director and reference to officer include any former officer other than any person engaged by the Company as auditor.

24 INSURANCE

24.1 The Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers (as defined in Article 23.3 above), Managers or duly appointed Managers' representatives, or employees of the Company, the Managers or the Managers representatives or of any other body corporate which is its holding company or in which the Company or such holding company or any of the predecessors of the Company or of such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other body corporate or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other body corporate or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other body corporate, subsidiary undertaking or pension fund.

25 ARBITRATION

25.1 If and whenever any difference, dispute or question arises between the Company and any Member or his estate, legal or personal representative or trustee in bankruptcy or liquidator touching any loss or claim and not being a matter which under these Articles or the Rules of any Class is left to the final determination of the Directors, such difference, dispute or question shall be determined in accordance with the dispute resolution provisions as set out in the Rules.

25.2 These Articles shall be governed by and construed in accordance with English law.