

THE COMPANIES ACT 2006

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COMPANIES HOUSE 59

COMPANY LIMITED BY GUARANTEE

MEMORANDUM OF ASSOCIATION
OF
SUNDERLAND MARINE MUTUAL INSURANCE COMPANY LIMITED
(As amended by Special Resolutions passed on 21st February
1962, 1st July 1976, 27th June 1990, 28th June 2000 and 24th June 2009)

1. The name of the Company is "SUNDERLAND MARINE MUTUAL INSURANCE COMPANY LIMITED".*
2. The Registered Office of the Company will be situated in England.
3. The objects for which the Company is established are:-
 - (1) To insure against every description of marine risks, aircraft risks, livestock risks, risks relating to fish farms and risks in respect of any other property whatsoever which may legally be undertaken relating to the perils of the sea, fire, war, reprisals and all other risks of a like nature incidental to navigation marine or livestock and Vessels and other property and the catch, freights, cargo, earnings thereof and all other property whatsoever and wherever located.
 - (2) To insure, protect and indemnify Owners of Vessels and other property being Members of the Company against damages, losses, claims and liabilities of every description to or in connection with Vessels and other property or arising from the ownership, navigation, operation and management of Vessels and other property and to or in connection with their cargoes, or arising from the shipment, carriage and delivery of their cargoes, or arising from injury done by such Vessels and other property to any other Vessel and any other property or their cargoes or effects, and property on board thereof, or to any harbours, docks, piers, quays or works connected therewith, jetties or buildings or other erections or to any substance other than water.
 - (3) To insure, protect and indemnify Owners of Vessels and other property against damages and liabilities in respect of loss of life or personal injury to any person, or illness and related hospital and funeral expenses.
 - (4) To insure, protect and indemnify owners of Vessels and other property against damages, losses, claims and liabilities of all kinds arising from capture, seizure, collision, stranding, improper navigation, or injury done to any property or substance as aforesaid, expenses of removal of wrecks, expenses for defending proceedings and expenses of resisting interference by any government authority.

*** Name changed from 'Total Loss Mutual Steamship Insurance Company' by Special Resolution passed on 21st February 1962.**

No 16432

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

MEMORANDUM

(as amended by Special Resolutions dated
21st February 1962, 1st July 1976, 27th June 1990,
28th June 2000 and 24th June 2009.)

and

ARTICLES OF ASSOCIATION

(as altered by Special Resolutions dated
19th November 1980, 21st June 1989, 27th June 1990,
23rd June 1993, 17th June 1998, 28th June 2000,
20th June 2001, 27th June 2007,
25th June 2008 and 24th June 2009.)

SUNDERLAND MARINE MUTUAL INSURANCE COMPANY LIMITED
(Incorporated the 17th day of February 1882)

Printed 1st July 2009

- (5) To cover war risks, Queen's Enemy risks, risks of mines, torpedoes and other perils of war, risks of riot, strike and civil commotion.
- (6) To benefit, assist, protect and indemnify the Owners of Vessels and other property, being Members of the Company, by any means whatsoever.
- (7) To insure all other matters and things which can from time to time be insured or be the subject of insurance against the perils of the sea and generally to carry on all other branches and departments of the business and including insurance against employers' liability as incidental to the insurance which may be carried out hereunder.
- (8) To carry on and transact all or any other kind of assurance, insurance, indemnity or guarantee business whatsoever in all or any of their respective forms or branches from time to time devised.
- (9) To carry on any other business or activity and to do anything of any nature which may seem to the Company capable of being conveniently carried on or done in connection with the objects of the Company or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's business.
- (10) To accept risks upon terms that the persons protected, indemnified or insured shall mutually protect, indemnify or insure each other, or upon fixed or any other terms.
- (11) To carry on the business of underwriters, financial agents, risk managers, salvors, salvage contractors, ship repairers, owners and managers of Vessels, surveyors, consulting engineers and naval architects, reinsurance brokers and agents, insurance brokers and agents, mortgage brokers and agents and brokers and agents of every description, to effect as agents for others, and to act as underwriting agents in, all classes of insurance and reinsurance and against every and any contingency, to act as insurance and reinsurance advisers, pensions advisers, consultants, consultant assessors, estate agents, auctioneers, valuers, surveyors, assessors, average adjusters, factors, representatives and general property dealers, to act as agents or managers for any insurance and/or reinsurance company, club or association, or for any individual underwriter in connection with its or his insurance and/or reinsurance or underwriting business (wherever the same may be carried on) or any branch of the same and to make arrangements for all classes of insurance and/or reinsurance (including group, life and pension fund schemes) and to enter any agreements for any of the purposes aforesaid which any such company, club, association or underwriter, to undertake the provision of hire purchase and credit sale finance and to act as agents for finance houses, hire purchase companies and other financial institutions, to act as agents and/or brokers in respect of any contract; to carry on any such businesses in the United Kingdom and the whole of the world.
- (12) To reinsure any risk insured or undertaken by the Company and to undertake reinsurances from any other insurer or insured Vessels or other property, with power to undertake to accept payment or to make payment by exchange of risk in such manner and upon such terms as may be deemed expedient.

- (13) To enter into any pooling or other similar arrangement with other insurers.
- (14) To pay, satisfy, or compromise any claims made by or against the Members of the Company which it may seem expedient so to do.
- (15) To do all such things as may seem to the Company necessary or desirable in investigating any matters relating to or concerning any casualty or accident or damage to the insured Vessel or other property.
- (16) To promote and encourage the adoption of precautionary measures which may seem to the Company calculated to prevent casualties or accidents or damage, and to minimise the danger and mitigate the consequences thereof.
- (17) To institute, prosecute, defend, compromise, terminate and/or abandon any action, proceedings, prosecution or other legal or arbitration proceedings or claims against the Members or the Company, and to employ such persons deemed desirable for those purposes and to give and authorise others to give undertakings for any security, for the payment of damages, costs, expenses, or otherwise, and to join or co-operate with any other company in doing all or any of the acts mentioned in this paragraph, and in paying the costs and expenses thereof.
- (18) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).
- (19) To co-operate with, or become a member of any association, company, institution, society, committee or fund having as one of its objects the defence or advancement of the interests of shipowners associations, insurance companies or underwriters, by joint or concerted action, and for that purpose to support and contribute to the fund of any such body.
- (20) To enter into or make contracts or agreements with salvors, ship repairers, or others in connection with assistance rendered to, or the salving, raising, repairing and restoring of any insured Vessel or other property or in which the Company has an interest.
- (21) To purchase, or by other means acquire any freehold, leasehold, or other property for any estate or interest whatsoever, any rights, privileges, or easements over or in respect of any property, and any buildings or structures whatsoever, machinery, engines, plant, live and dead stock, vessels, or things, and any real or personal property or rights whatsoever which may be necessary for, or used with, or enhance the value of any other property of the Company.

- (22) To improve, manage, develop, exchange, let on lease or otherwise mortgage, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company.
- (23) To borrow or raise money in such manner as the Company shall think fit, and to secure the repayment of any money borrowed, raised, or owing, by mortgage, charge, or lien upon the whole or any part of the Company's property, or assets (whether present or future) and also by similar mortgage, charge, or lien to secure and guarantee the performance by the Company of any obligation or liability which it may undertake.
- (24) To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (25) To establish or promote or concur in or participate in establishing or promoting any company the establishment of which is considered to be in the interests of the Company.
- (26) To apply for, promote, and obtain any Act of Parliament, Provision order, or Licence of the Department of Trade or other authority whether in the United Kingdom or abroad to enable the Company to effect any of its objects or to effect any modifications of its constitution, or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated to prejudice the Company's interests.
- (27) To remunerate any person or company rendering services to the Company or the Members, and in particular any servant or employee of the Company, or any of the Members in such manner as the Company shall think fit.
- (28) To provide, and to establish and maintain or concur in establishing and maintaining trusts, funds, schemes, clubs or other arrangements (whether contributory or non-contributory) with a view to providing:-

pensions, insurances, allowances, gratuities, bonuses and incentives and benefits of every description including, but not limited to, retirement benefit schemes and/or life assurance schemes;

to or for the benefit of officers, ex-officers, employees or ex-employees of the Company or its predecessors in business or of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company (each such expression being as defined by Section 1159 of the Act) or of any predecessor in business of any such company or the dependants or relatives of any such persons; and to provide or lend money or provide other financial assistance in accordance with or for the purposes of such arrangements; and to support or subscribe to any charitable trusts, funds or institutions the support of which may, in the opinion of the Directors of the Company for the time being, benefit the Company or its employees or any of them.

- (29) To support and subscribe to any charitable or public object, and any institution, society, or club which may be for the benefit of the Company, its Members, or its employees, or may be connected with any town or place where the Company

carries on business; to give pensions, gratuities, or charitable aid to any person or persons who may have served the Company or the Members, or to any relatives of such persons; to make payments towards insurance; and to form and contribute to provident and benefit funds for the benefit of any persons employed by the Company or the Members.

- (30) To amalgamate with, or purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any person, association or company carrying on any business which the Company is authorised to carry on.
- (31) To receive money on deposit at interest or otherwise.
- (32) To levy, raise, and collect, from the Members and others, all necessary premiums and funds, and apply the same as required for the purposes and objects of the Company or any of them.
- (33) To form, out of premiums and funds received, a reserve fund and to manage, regulate and administer the same.
- (34) To give gratuities and rewards in recognition of the services of salvors, skippers, and others connected with property insured by the Company.
- (35) To give guarantees and indemnities to or on behalf of the Members or others for the purposes mentioned in this clause.
- (36) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire.
- (37) To pay all expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- (38) To do all such other things as are incidental to or conducive to the attainment of the above objects.

And it is hereby declared that the word "company" in this Clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and that the objects specified in the different paragraphs of this Clause shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from the terms of any

other paragraph or the name of the Company, but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.

- (39) To do all or any of the above things in any part of the world, and either as principals, agents, contractors, or otherwise, and either alone or in conjunction with others, and either by or through agents or otherwise.
4. (a) The word "Vessel" shall be deemed to include ships or boats or any other description of vessel or craft of any nationality whether used in navigation or not, or for the carriage or storage of goods, or for the carriage of passengers, or any part thereof or any share therein, including those in the course of building or contracted to be built and including all crafts, constructions, erections and equipment used at sea in the exploration, winning, working and extracting all minerals and gas from or under the sea bed.
- (b) The word "Owners" herein shall be deemed to include charterers, mortgagees and all persons having an insurable interest in Vessels or in other property.
5. The liability of the members is limited.
6. Every Member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up whilst he is a Member or within one year afterwards, for the payment of the debts and liabilities of the Company contracted before he ceases to be a Member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £25.

WE the several persons whose Names and Addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association

Names, Addresses, and Description of Subscribers

J H W Culliford	Steam Ship Owner, Sunderland
W H Dixon	Steam Ship Owner, Sunderland
R Milbanks Hudson	Steam Ship Owner, Sunderland
John Sanderson	Steam Ship Owner, Sunderland
John Marlborough Scott	Steam Ship Owner, Sunderland
Frank Ness	Steam Ship Owner, Scarborough
W H Shawcross	Steam Ship Owner, Scarborough

Dated this 6th day of February 1882

Signed by James Henry Wood Culliford, William Henry Dixon

Ralph Milbanks Hudson the Younger, John Sanderson

and John Marlborough Scott in the presence of:

Richard Routledge,
Solicitor, Sunderland

Signed by: Frank Ness and William Henry Shawcross

in the presence of: Albert Edwin Hick, Solicitor, Scarborough

The Companies Act 2006

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION
of
SUNDERLAND MARINE MUTUAL INSURANCE COMPANY LIMITED
(as amended by Special Resolutions passed on
19th November 1980, 21st June 1989, 27th June 1990,
23rd June 1993, 17th June 1998, 28th June 2000,
20th June 2001, 27th June 2007, 25th June 2008
and 24th June 2009.)

GENERAL

1. The regulations in Table C in the Schedule to the Companies (Tables A-F) Regulations 1985 shall not apply to the Company except insofar as the same are repeated or contained herein.

Interpretation

2. In these Articles the words contained in the first column of the table below shall have the meanings set opposite them respectively in the second column:-

<u>WORDS</u>	<u>MEANINGS</u>
the Statutes	the Act and every statutory modification or re-enactment thereof for the time being in force.
the Act	the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company.
these Articles	these articles of association as originally adopted or as altered from time to time by special resolution.
the Company	Sunderland Marine Mutual Insurance Company Limited.
Terms	shall mean the terms of insurance referred to in these Articles as amended from time to time upon which a Member's application for insurance is accepted, including but not limited to those relating to the nature and extent of the risks covered and sums payable by the Member.
the Directors	the directors for the time being of the Company.
the Managers	the managers for the time being of the Company.

the Secretary	the secretary for the time being of the Company or any assistant secretary or deputy secretary appointed by the Directors to perform any of the duties of the secretary.
Vessel	the word "vessel" shall be deemed to include ships or boats or any other description of vessel or craft of any nationality whether used in navigation or not, or for the carriage or storage of goods or for the carriage of passengers, or any part thereof or any share therein, including those in the course of building or contracted to be built and also including all craft, constructions, erections and equipment used at sea in the exploration of, or the winning, working and extraction of, minerals, oil and gas from or under the sea bed.
Vessel or other Property	The Insured Property identified in the Policy or Certificate of Insurance and insured with the Company.
Vessel and other Property	The Insured Property identified in the Policy or Certificate of Insurance and insured with the Company.
Vessel or other Property	The Insured Property identified in the Policy or Certificate of Insurance and insured with the Company.
Owner	owner, owners in partnership, owners holding separate shares in severalty, managing owner, manager, part owner, mortgagee trustee or charterer of a Vessel or other property or any person having an insurable interest in a Vessel or any other property including (without prejudice to the generality thereof) any tenant, lessee or licensee of such property. The term "Owner", shall be deemed to include where the context so admits any person, partnership or company whose application to insure any insurable interest with the Company is accepted pursuant to Article 4 and who becomes a Member.
Member	every person partnership or company who has agreed to become a Member of the Company and whose name is entered in the Register of Members.
Office	the registered office in the United Kingdom for the time being of the Company.
Policy or Certificate of Insurance	The document bearing the heading "Policy of Insurance" or in other instances "Certificate of Insurance" referring to and/or containing the terms of insurance.
Register of Members	The document as amended from time to time containing the names of any persons, partnerships or companies whose application for insurance have been accepted and who have become Members of the Company.
Seal	the Common Seal of the Company.

In Writing shall, unless the contrary intention appears, be construed as including references to printing and any other mode of representing or reproducing words in a visible form.

Except where the context otherwise requires the word "property" shall be deemed to include the insurable interest of any person in any subject matter whatever which is insured by the Company.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine or neuter gender.

Words importing persons shall include corporations.

Subject as aforesaid, any words or expressions defined in these Articles shall, if not inconsistent with the subject or context, have the same meanings as in the Act.

Membership

3. The Company shall consist of an unlimited number of Members.

3 (a) Application for membership and insurance shall be made upon the appropriate proposal form duly completed and signed by or on behalf of the Owner or in such other form as may be accepted by the Company.

4 (a) The following shall become and be a Member of the Company:-

(i) Every person whose application to insure a Vessel or Property, or his interest therein, has been accepted by the Company in accordance with the Terms; and whose name is currently on the Register of Members;

(ii) Every Director whilst holding office as such in the Company; and

(iii) Every person whose membership could in the opinion of the Directors advance the interests of the Company and who applies for membership and agrees to become a Member.

(iv) Special Entries: The Directors in their absolute discretion may accept or may authorise the Managers to accept applications for insurance on special terms as to membership premiums, cover or otherwise.

(b) Membership shall not be transferred or transmitted without the written consent of the Directors, and the Managers shall at any time be entitled to refuse an application for insurance of any Vessel or other Property on transfer of membership.

(c) A Member shall cease to be a Member with effect from the date on which he ceases to be insured by the Company.

Provided that for the purpose of Article 4(C) such Member and his estate which shall include legal personal representatives or trustees in bankruptcy or liquidator, as the case may be, shall be and remain liable to pay to the Company all such sums as under these Articles and the Terms, such Member would have

been liable to pay (had he not ceased to be a Member), in respect of claims, expenses or outgoings arising or obligations incurred up to and including the date of cesser of membership.

- (d) No act, omission, cause of dealing, forbearance, delay, indulgence or conduct of the Company, whatever and whenever occurring, whether by or through its officers, servants or agents or otherwise, shall constitute any waiver, admission or promise that the Company will forego any of its rights under this Article, or under any of these Articles or other relevant statutory enactments.

Joint Members

- 5. Where any Vessel or other property or share therein is insured in the Company by more than one Owner all the Owners of such Vessel or other property or share therein so insured shall be deemed to be joint members and shall for the purposes of the Memorandum of Association and these Articles be treated as one Member but shall be jointly and severally liable in respect thereof.

Mortgaged Vessels or other Property

- 6. When a Vessel or other property proposed to be insured or already insured by the Company is mortgaged or is security for a loan, the Directors may at any time, if they so determine, as a condition of the Vessel's or other property's admission into or continuation of insurance by the Company require that the mortgagee (or other approved person) give a written guarantee or other security to the satisfaction of the Directors for the payment of all sums due or to become due in respect of such Vessel or other property and in that event the Company shall not be liable to insure or continue to insure the Member or be liable to pay any claims in respect of such Vessel or other property whether the matter in respect of which such claims arose before or after such requirement, unless and until such guarantee has been given.

TERMS

- 7 (a) The Terms shall be binding on the Members.

Alteration of Terms

- (b) The Terms may be altered, added to or repealed and any new Terms may be introduced by Resolution of the Directors.

Limit or Extension of Cover

- 8. Notwithstanding anything contained in these Articles or the Terms, the Directors shall have sole power by resolution to limit or extend the insurance afforded by any of the Terms. The power to extend the insurance afforded by any of the Terms may be applied retrospectively in individual cases which the Directors in their absolute discretion consider to be border-line cases or where they consider the Member should be insured.

GENERAL MEETING

Annual General Meeting

9. Annual General Meetings shall be held at such time and place as the Directors shall determine.

Extraordinary General Meetings

10. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
11. The Directors may at any time, and shall on requisition in accordance with the Act, convene Extraordinary General Meetings and in default thereof Extraordinary General Meetings may be convened by such requisitionists as provided by the Act. Any meeting convened under this Article by requisitionists shall be convened in the same manner and as nearly as possible as that in which meetings are to be convened by the Directors.

Notice of General Meeting

12. At least twenty-one clear days notice of an Annual General Meeting or a meeting for the passing of a Special Resolution and in any other case at least fourteen clear days notice shall be given specifying the place, the day and hour of the meeting and in the case of special business the general nature of such business. In the case of an Annual General Meeting, the Notice shall specify the meeting as such and a notice convening a meeting to pass a Special Resolution or an Extraordinary Resolution (as the case may be) shall specify the intention to propose the resolution as such. Such notice shall be given in the manner set out in these Articles and to the Auditors for the time being of the Company. The Notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given.

Short Notice of Meeting

13. A General Meeting shall, notwithstanding that it is called by shorter notice than that specified in Article 12, be deemed to have been duly called if it be so agreed:-
 - (a) in the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote at that meeting; and
 - (b) in the case of any other meeting, by not less than 95 per cent of the total voting rights at that meeting of all of the Members.

Accidental omission to give Notice

14. The accidental omission to give notice to, or the non receipt of notice by any person entitled to receive notice shall not invalidate the proceedings at any General Meeting.

PROCEEDINGS AT GENERAL MEETINGS

15. All business that is transacted at an Extraordinary General Meeting shall be deemed special. All business that is transacted at an Annual General Meeting shall also be deemed special with the exception of the consideration of the profit and loss account, the balance sheet, and reports of the Directors and auditors, the re-election of Directors, the re-appointment of the auditors and the fixing of the remuneration of the auditors.

Special Notice

16. Whereby any provision contained in the Statutes special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such short period as the Statutes permit) before the meeting at which it is moved, and the Company shall give to the Members, notice of any such resolution as required by and in accordance with the provisions thereof.

Quorum and Change of Status

- 17(a) No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Twelve Members present in person or by proxy and entitled to vote shall be a quorum.
- (b) No resolution purporting either to approve the conversion of the Company's status by whatever means from that of a mutual insurance company to any other form of organisation or to transfer by whatever means the business of the Company to any third party shall be adopted at any General Meeting unless the total number of votes cast at such meeting in favour of such resolution exceeds 75% of the total number of votes which the total number of all Members (whether or not present at the meeting) are entitled to exercise on a show of hands or on a poll (as the case may be).
18. 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. 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 fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

Adjournment

19. 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. Whenever a meeting is adjourned for fourteen 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. Save as aforesaid, no Member shall be entitled to any notice of an adjournment.

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.

Chairman

20. The Chairman (if any) of the Board of Directors shall preside as Chairman at every General Meeting of the Company, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting, or he is unwilling to act, the Directors present shall elect one of their number to be Chairman of the meeting. If at any meeting no Director is willing to act as Chairman, or if no Director is present within fifteen minutes after the time appointed for the holding of the meeting, the members present shall choose one of their number to be the Chairman of the meeting.

Voting on show of hands or poll

21. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or upon the declaration of the result of the show of hands) demanded
- (a) by the Chairman; or
 - (b) by at least three Members present in person or by proxy; or
 - (c) by a Member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.
22. Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry made to that effect in the book containing the minutes of the 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.
23. The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll, and for the purposes of Article 21 a demand by proxy for a Member shall be equivalent to a demand by the Member.

Polls

24. No poll may be demanded on the election of a Chairman or on a question of adjournment. A poll demanded on any other question shall be taken either immediately or at such time (not being more than thirty 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. A poll shall be taken in such manner as the Chairman shall direct. On a poll votes may be given either personally or by proxy. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn but only with the consent of the Chairman.

Chairman's Casting Vote

25. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a further or casting vote.

VOTES OF MEMBERS

26. A Member may vote either personally or by proxy, to be appointed in writing in accordance with Article 28. On a show of hands every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, unless the proxy (in either case) or the representative is himself a Member entitled to vote, shall have one vote. On a poll every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and in addition one vote for each vessel or other item of property separately insured by him with the Company at the date of such meeting provided that no Member shall have more than ten votes.

Joint Membership

27. If two or more persons jointly insure any Vessel or other Property with the Company, then the person whose name appears first in the Register of members or such one of them as may be appointed in writing by the others, shall be entitled to vote in respect thereof.

Proxies

28. The instrument appointing a proxy shall be in writing in any common form or in such other form as the Directors shall approve under the hand of the appointor or his attorney duly authorised in writing, or, if the appointor is a body corporate, either under seal, or under the hand of an officer or attorney duly authorised. A proxy need not be a Member of the Company. A Member may appoint more than one proxy to attend on the same occasion.
29. The instrument appointing a proxy and any power of attorney under which it is signed or a notarially certified copy thereof, shall be deposited at the Office of the Company or at such other place within the United Kingdom, as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
30. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
31. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no written intimation thereof shall have been received by the Company at the Office before the start of the meeting or adjourned meeting at which the proxy is used.

32. No Member shall be entitled to be present or to vote, either personally or by proxy, at any General Meeting, or to be included in a quorum whilst any monies are due from him to the Company and are in arrears.

DIRECTORS

33. Unless otherwise determined by the Company by Ordinary Resolution the number of Directors of the Company shall not be less than three.

Age Qualification

34. Unless otherwise determined by the Company by Ordinary Resolution in any particular case, no Director shall vacate or be required to vacate his office as Director on or by reason of his attaining or having attained the age of seventy, or any other age, and any Director retiring or liable to retire under the provisions of these Articles and any person proposed to be appointed a Director shall be capable of being appointed or re-appointed, as the case may be as a Director notwithstanding that at the time of such appointment or re-appointment he has attained the age of seventy and no special notice need be given of any resolution for the appointment or re-appointment or approving the appointment or re-appointment as a Director of a person who shall have attained the age of seventy and it shall not be necessary to give to the Members notice of the age of any Director or person proposed to be appointed or re-appointed as such.

Directors' Fees

35. The Directors shall be entitled to receive as a fee for their services such sum as the Company in General Meeting may from time to time determine, and such fees shall be divided amongst the Directors in such manner as they shall from time to time think fit.
36. The Directors shall also be entitled to be paid all travelling, hotel, and other expenses incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from meetings of the Directors or committees of the Directors or meetings of Members.

Special Remuneration

37. If by arrangement with the other Directors any Director shall perform or render any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration.

ELECTION OF DIRECTORS

- 38(a) At every Annual General Meeting one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
- (b) Subject to the provisions of the Act, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed

Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

- (c) If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.
39. No person other than a Director retiring by rotation shall be appointed or reappointed a Director at any General Meeting unless:-
- (a) he is recommended by the Directors; or
 - (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the Meeting, notice executed by a Member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's Register of Directors together with notice executed by that person of his willingness to be appointed or reappointed.
40. Not less than seven nor more than twenty-eight clear days before the date appointed or holding a General Meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's Register of Directors.

Casual Vacancies

41. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number determined by the Members in accordance with these Articles. Any Director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election.
42. Subject to the provisions of these Articles for filling vacancies in the number of Directors, the continuing Directors for the time being may act notwithstanding any diminution in the number by death or otherwise.

REMOVAL AND DISQUALIFICATION OF DIRECTORS

43. The Members may from time to time in General Meeting remove all or any of the Directors, and appoint other Directors in the places or place of those so removed, and from time to time increase or reduce the number of Directors. For the purpose of Article 39 and of this Article at least 14 clear days' notice shall be given to the Secretary at the Office of any resolution to appoint or remove any Director.

Resignation of Directors

44. Resignation of the office of Director shall be effected by the Director forwarding to the Office a notice in writing signed by him and such resignation shall take immediate effect upon the receipt of such notice, or at any later date stated in such notice as the date of resignation.

Director Vacates Office

45. The office of a Director shall be vacated:-
- (a) if he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (b) if he becomes of unsound mind; or
 - (c) if he ceases to be a Director by virtue of any provision of the Statutes or becomes prohibited by law from being a Director; or
 - (d) if, by notice in writing, all his co-Directors request him to resign.

POWERS OF DIRECTORS

- 46 (a) The business of the Company shall be managed by the Directors, who may exercise all such powers and do all such acts as may be exercised and done by the Company and as are not by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting.
- (b) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof.

Directors Holding Other Offices

47. A Director may hold any other office or place of profit under the Company (except that of auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to remuneration and otherwise as the Directors shall agree.

Directors not to consider or vote on cases in which they are interested

48. No Director may take part in the consideration of or vote upon any proposal for insurance by the Company of any Vessel or other property in which he is in any way interested or take part in the consideration of or vote upon any claim against the Company in which he is in any way interested.

DIRECTORS' INTERESTS

- 49 (a) All Directors of the Company must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

- (b) This applies in particular to the exploitation of any property, information or opportunity (and it is immaterial whether the Company could take advantage of the property, information or opportunity).
 - (c) This duty does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company.
 - (d) Save as otherwise provided by the Articles this duty is not infringed if:-
 - (i) the situation cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (ii) if the matter has been authorised by the Directors.
 - (e) The authorisation is effective only if:-
 - (i) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
 - (ii) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
 - (f) Any reference in this section to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
50. Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:-
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
 - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
51. For the purposes of Article 50:-
- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
 - (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

PROCEEDINGS OF DIRECTORS

52. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meeting as they think fit. The quorum necessary for the transaction of the business of the Directors shall be three or such higher number as may from time to time be fixed by the Directors. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.
53. On the request of a Director the Secretary for the time being of the Company shall, and without such request may, at any time, summon a meeting of the Directors by notice in writing, served upon all of the Directors. It shall be necessary to give notice of a meeting of Directors to every Director.
54. The Chairman for the time being, or in his absence the senior Vice-Chairman shall preside at all meetings of Directors, but if at any meeting neither the Chairman nor the Vice-Chairman be present at the time appointed for holding it, the Directors present shall choose one of their number to act as Chairman of such meeting, and the Director so chosen shall preside at such meeting accordingly, so long as the Chairman and Vice-Chairman shall be absent.
55. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of Directors or of a Committee of Directors.
56. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

Delegation of Directors' powers

- 57(a) The Directors may delegate any of their powers to committee, consisting of such members as they think fit. Any committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may be imposed upon them by the Directors. The Chairman and Vice-Chairman of the Company shall be ipso facto members of all committees.
- (b) The Directors may delegate any of their powers to any committee appointed under Article 58 subject to and upon such terms and conditions as they may think fit.
- (c) In addition, local directors may be appointed by the Directors to represent such districts, regions or countries in such numbers and with such powers as may from time to time be determined by the Directors.

Validity of Acts of Directors

58. All acts carried out in good faith by any meeting of Directors, or by a committee of Directors or by any person acting as a Director shall notwithstanding it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

59. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held and when signed or approved may consist of several documents each signed or approved by one or more of the Directors.
60. Any Director may participate in a meeting of Directors or a committee of Directors of which he is a member by means of a conference telephone whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute present in person at such meeting.

SECRETARY

61. A Secretary shall be appointed and may be removed by the Directors and shall hold office for such term at such remuneration and upon such conditions as they may think fit and perform such duties as are imposed upon the holder of such office by law or under these articles, or are for the time being assigned to him by the Directors.

COMMITTEES

- 62.(a) The Directors shall be entitled to form committees to represent the interests of the Company in or outside the United Kingdom and to assist and advise the Directors in all matters affecting the Company.
- (b) The fees and expenses of the members of the committees approved by the Directors shall form part of the expenses of the Company.
- (c) Each such committee shall consist of not more than twelve members, a majority of whom shall be Directors of the Company.
- (d) The Chairman and Vice Chairman shall be ipso facto members of such committees.
- (e) The provisions of Articles 34 to 45, 47 to 56 and 58 to 60 shall apply to the members and meetings of all such committees.

MANAGERS

63. The Directors may from time to time provide for the management of the Company in such manner as they think fit and in particular to appoint any person, firm or corporation as Managers for such period and upon such terms as they think fit, and the Directors may vest in the Managers such of the powers hereby vested in the Directors as they think fit, and such powers may be exercisable for such period and upon such conditions and subject to such restrictions and generally upon such terms as the Directors shall deem proper to include in any management agreement in writing between the company and the Managers for the time being. The Managers shall receive such remuneration (whether by way of salary, commission, brokerage or otherwise) as shall be determined by the Directors.

THE SEAL

- 64.(a) The Directors shall provide for the safe custody of the Seal which shall not be used except by the authority of a resolution of the Directors or of a committee of Directors. The Directors may from time to time make such regulations as they see fit determining the persons and the number of such persons in whose presence the Seal shall be used and until otherwise so determined the Seal shall be affixed in the presence of one Director and the Secretary or in the presence of two Directors.
- (b) Subject to the provisions of the Act a document signed by a Director and the Secretary of the Company, or by two Directors of the Company and expressed (in whatever form of words) to be executed by the Company has the same effect as if executed under the Seal of the Company.

RESERVES

- 65.(a) The Company shall have a power to charge by way of premium an amount sufficient to meet:
- (i) The claims, expenses and other outgoings (whether incurred, accrued or anticipated) which in the opinion of the Directors may necessarily and properly fall upon the Company.
 - (ii) Such of the general expenses of the Company as the Directors may from time to time think fit to charge against the insurance business.
 - (iii) Such transfers to general reserves or provisions as the Directors may consider necessary or desirable including such amounts as the Company may by any governmental legislation or regulation be required to set aside in order to establish and/or maintain an adequate solvency margin and/or guarantee fund in respect of any Company policy year.
 - (iv) The Directors shall also be entitled to request supplementary payments from Members in order to meet the requirements of paragraphs (i), (ii) and (iii) above should the occasion arise.
- (b) The amount of such premiums in respect of any Vessel or Property shall be assessed by the Directors and the Managers in their absolute discretion on such terms as they consider necessary or desirable.
- (c) Any monies for the time being in the hands of the Company and not immediately required to meet any claims, expenses and outgoings to which under these Articles or the Terms the same are applicable, may be carried to such reserve or reserves and may be invested in such investments as the Directors think proper. Monies standing to the credit of any reserve, on the recommendation of the Directors (but not otherwise) may be divided amongst the Members of the Company mentioned in Article 4(A)(i) in such proportions and on such terms and conditions as the Directors may recommend subject to the approval of the Members.
- (d) The Directors shall have the power to determine how much of any surplus shall be transferred to the reserve fund and how much shall be transferred from the

reserve fund to the current income and expenditure account as part of the operating reserve for use in the following years' income and expenditure account.

NOTICES

66. Subject as aforesaid any notice to be given by the Company to the members or any of them shall be sufficiently given if given by such one or more of the following methods as the Directors may from time to time select, namely:-
- (a) by advertisement in accordance with Article 67 hereof; or
 - (b) by post in accordance with Article 68 hereof; or
 - (c) by serving it personally.
67. A notice by advertisement shall be given by advertising in at least one national fishing newspaper published in each country of membership and in one international fishing journal and shall be deemed to have been given on the day when the first advertisement appears provided that if for any reason beyond the control of the Directors this Article cannot be complied with by advertisement of the aforesaid then the Directors may direct such methods of advertisement as seems best to them.
68. A notice or other document addressed to a Member shall if served by post be deemed to have been served at the latest within twenty-four hours if prepaid as first class, within forty-eight hours if prepaid as second class and where served to Members abroad, six days if prepaid as airmail, after the same shall have been posted and in proving service it shall be sufficient to prove that the notice or other document was properly addressed and duly posted.

Addressing Notices

69. Every legal personal representative, committee, receiver, curator bonus or other legal curator, trustee in bankruptcy or liquidator or a Member shall be bound by a notice given as aforesaid if sent to the last registered address of such Member, notwithstanding that the Company may have notice of the death, lunacy, bankruptcy, liquidation or disability of such Member.

INDEMNITY

70. Subject to the provisions of the Act but without prejudice to any indemnity to which he may otherwise be entitled, every director or other officer or auditor of the Company shall be entitled to be indemnified out of the assets of the Company, against all losses or liabilities which he may sustain or incur in or about or in connection with the execution of the duties of his office, including any liability incurred by him in defending any proceedings, (whether civil or criminal), in which judgement is given in his favour or in which he is acquitted, or in connection with any application under Section 1157 of the Act, in which relief is granted to him by the Court. No Director or other officer of the Company shall be liable for any loss, damage or liability which may accrue to or be incurred by the Company in the execution of or in relation to the duties of his office. This regulation shall have effect only insofar as its provision are not rendered void by Sections 532 and 533 of the Act.

WINDING UP

71. In the event of the Company being wound up, the assets of the Company remaining after payment of all the debts and liabilities of the Company and all costs, charges and expenses of winding up the same shall be distributed amongst the Members of the Company in proportion to the amounts of premium 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 as to the amounts of premium so payable and paid shall be conclusive.

ACCOUNTS

72. On written application to the Secretary a Member shall be entitled to a copy of the latest audited financial statements (including a copy of every document required by law to be annexed thereto) laid or prepared in readiness to be laid before the Company in General Meeting. The Company may distribute abbreviated financial statements.

GRATUITIES AND PENSIONS

73. The Directors may exercise the powers of the Company conferred by Clause 28 of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.