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COMPANIES HOUSE

Company No. 00017864

The Companies Acts 1862 to 1880

The Companies Acts 1948 to 1981

The Companies Acts 1985 to 2006

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Company Limited By Guarantee And Not  
Having A Share Capital

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# *Memorandum of Association*

of

## **The Standard Steamship Owners' Protection and Indemnity Association (Europe) Limited**

*(As altered by Special Resolution passed on 27 January 1995  
and as previously altered by Special Resolutions passed on  
11 January 1961, 26 January 1993 and 25 January 1994)*

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1. The Company's name is **THE STANDARD STEAMSHIP OWNERS' PROTECTION AND INDEMNITY ASSOCIATION (EUROPE) LIMITED**.
2. The Company is a company limited by Guarantee, and not having a Capital divided into Shares.
3. The Company's registered office is to be situated in England.
4. The Company's objects are:-
  - (a) To engage in or carry on the mutual principle insurance and reinsurance business of all kinds and guarantee and indemnity business of all kinds.
  - (b) To carry on the mutual principle marine and transit insurance business, being the business of effecting and carrying out contracts of insurance upon ships or upon the machinery, tackle, furniture or equipment of ships, or upon goods, merchandise or property of any description whatever on board ships, or upon the freight of, or any other interest in or relating to, ships or against damage arising out of or in connection

# **The Standard**



*The Companies Acts 1862 to 1883*

*The Companies Acts 1948 to 1981*

*The Companies Acts 1985 to 2006*

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COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL

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## **Memorandum**

*(As altered by Special Resolutions  
passed on 11 January 1961, 26 January 1993,  
25 January 1994 and 27 January 1995)*

and

## **Articles of Association**

*(As altered by Special Resolutions  
passed on 11 January 1961, 26 January 1993,  
25 January 1994, 27 January 1995, 1 October  
2004, 25 January 2005, 27 January 2009 and  
9 October 2009)*

OF

# **The Standard Steamship Owners' Protection and Indemnity Association (Europe) Limited**

*Reprinted with alterations as at  
and effective from 20 February 2009*

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*(Incorporated on 8 February 1883  
as The Standard Ship-Owners' Mutual Freight,  
Dead Freight, Demurrage and Defence Association Limited)  
(Company No. 17864)*

with the use of ships, including third party risks and war risks, or against risks incidental to the construction, repair or docking of ships, including third party risks, or 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) or against any other risks the insurance of which is customarily undertaken in conjunction with or is incidental to any such business as aforesaid and on the mutual principle generally to insure Members of the Company against any liabilities incurred by them as owners (as defined in the Articles of Association) of ships and all other interests of Members which are usually or properly covered by or included in insurances with respect to ships and any interest therein or relating thereto.

- (c) To engage in or carry on insurance and reinsurance business of all kinds with any persons and to transact such business on terms and conditions which may exclude membership in the Company or which may limit or restrict the membership rights of that person, in either case, in such manner and to such extent as may be determined from time to time by the Company.
- (d) To reinsure all or any risks undertaken by the Company.
- (e) To carry on the mutual principle marine insurance 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 claims arising therefrom.
- (f) 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 or owners (as defined in the Articles of Association) whether at home or abroad.
- (g) 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 or on behalf of the Members of the Company.
- (h) To consider all questions connected with insurance, to collect and circulate statistics and other information relating thereto and generally to supply information and advise relating thereto or to the interests of any Member of the Company therein and to promote or oppose legislative or other measures affecting the same.
- (i) To join, co-operate 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 the insurance, shipping and transport industries or any of them by joint or concerted action and to support and contribute to the funds of any such society, committee or association.
- (j) To carry on any other business which in the opinion of the Directors is capable of being conveniently carried on in connection with or as ancillary to any of the

business of the Company or which is calculated directly or indirectly to enhance the value of or render profitable any property of the Company or to further any of its objects.

- (k) To acquire, or undertake the whole or any part of the business, goodwill, property and liabilities of any person, carrying on any business that the Company is authorised to carry on.
- (l) To apply for, register, purchase, lease, acquire, hold, use, control, licence, sell, assign or dispose of patents, patent rights, copyrights, trade marks, formulae, licences, inventions, processes, distinctive marks and similar rights.
- (m) 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 or about to become 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.
- (n) To take, purchase or otherwise acquire and hold shares, securities or any other interest whatsoever in any other company, business or undertaking having objects altogether or in part similar to those of the Company or carrying on any business capable of being conducted so as to benefit the Company.
- (o) To pay for any property or assets acquired by the Company either in cash or in any other way whatsoever and generally on such terms as may be determined.
- (p) To borrow or raise or secure the payment of money by mortgage or charge, or by the issue of debentures or debenture stock, perpetual or otherwise, or in such 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.
- (q) To lend money on any terms that may be thought fit and to give any guarantees in respect of the obligations of any person (whether or not connected with the Company) that may be deemed expedient, and to charge all or any of the Company's property or assets, present and future, as security for such guarantees.
- (r) 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 obligations of any such company.
- (s) To amalgamate with any other person, firm or body corporate.
- (t) 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), debentures, debenture stock, securities or obligations of any other company, whether promoted by the Company for the purpose or not, and to improve, manage, develop, exchange, lease, dispose

of, turn to account or otherwise deal with all or any part of the property and assets of the Company.

- (u) 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 purposes of or in connection with the support of, or opposition to, any such proposal.
- (v) To purchase, take on lease, exchange, hire or otherwise acquire, take options over and hold for any estate or interest any real or personal property wherever situate, rights or privileges which the Directors may think necessary or convenient for the purposes of the Company's business and to construct, maintain, renovate, alter and demolish any buildings or works necessary or convenient for the purposes of the Company.
- (w) To raise and assist in raising money for, and aid by way or bonus, loan, promise, endorsement, guarantee or otherwise, any person; to guarantee the performance or fulfilment of any contracts or obligations of any person and, in particular, to guarantee the payment of the principal of and interest on the debt obligations of any person.
- (x) To draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, drafts, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments.
- (y) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the Company in the ordinary course of its business.
- (z) To adopt such means of making known the products and services of the Company as may seem expedient, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes and rewards and making donations.
- (aa) To cause the Company to be registered or recognised in any foreign jurisdiction, and designate persons therein according to the laws of that foreign jurisdiction to represent the Company and to accept service for and on behalf of the Company of any process or suit.
- (ab) To distribute among the Members of the Company in cash, kind, specie or otherwise as may be resolved, by way of dividend, bonus or in any other manner considered advisable, any property of the Company unless the distribution, apart from this paragraph, would be otherwise unlawful.
- (ac) To establish agencies and branches.

- (ad) To take or hold mortgages, hypothecations, liens and charges to secure payment of the purchase price or of any unpaid balance of the purchase price, of any part of the property of the Company of whatsoever kind sold by the Company or for any money due to the Company from purchasers and others and to sell or otherwise dispose of any such mortgage, hypothecation, lien or charge.
- (ae) To invest and deal with the moneys of the Company not immediately required for the purposes of its business in such manner as may from time to time be considered appropriate.
- (af) To undertake (whether in relation to a principal sum borrowed by the Company or by the holding company of the Company or any subsidiary of such holding company), interest rate and currency swaps, options, swap option contracts, forward exchange contracts, forward rate agreements, futures contracts or other financial instruments including hedging agreements of any kind and all or any of which may be on a fixed or floating rate basis or in respect of any currency or basket of currencies (including but not limited to European Currency Units) or commodities and of any kind and in the case of such swaps, options, swap option contracts, forward exchange contracts, forward rate agreements, futures contracts or other financial instruments including hedging agreements of any kind they may be undertaken by the Company on a speculative basis or otherwise.
- (ag) 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 obligations of the Company or of its Members or of any other person or company whether or not such other person or company has any dealings with the Company, or whether or not the Company is interested in such other person or company's business or undertaking.
- (ah) 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.
- (ai) To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.
- (aj) To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company, or which shall in the opinion of the Directors be in the nature of preliminary expenses including therein the cost of advertising, commissions for underwriting, brokerage, printing and stationery, and the legal and other expenses of the promoters.
- (ak) To purchase and maintain insurance for the benefit of any person who is an officer or employee, or former officer or employee, of the Company or of any other company which is a subsidiary of the Company or in which the Company has an interest whether direct or indirect or who is or was at any time trustee of any retirement benefit scheme or any other trust in which any such officer or employee or former officer or employee is or has been interested indemnifying such person against liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against.

The objects specified in each of the sub-clauses of this Clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where the context expressly so requires) by reference to or inference from the terms of any other sub-clause or from the name of the Company but may be carried out in as full and ample a manner and construed in as a wide sense as if each defined the objects of a separate and distinct company, and that where there are references in this clause to matters of opinion such matters are to be determined by the sole Director or by the Directors or by any person to whom any such power of decision has been delegated by the sole Director or the Directors in accordance with the Articles of Association of the Company. The word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporate and whether domiciled in the United Kingdom or elsewhere.

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 the same being wound up during the time that he is a Member for payment of the debts and liabilities of the Company contracted before the time at which he ceased to be a Member, and the costs, charges and expenses of winding up the same, and for adjustments of the rights of the contributories amongst themselves, such amount as may be required, not exceeding ten pounds (£10).

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

NAMES SUBSCRIBERS	ADDRESSES	DESCRIPTION SUBSCRIBERS
H. H. BRIGGS	Hull, in the County of York	Shipowner
RICHARD HOLMAN W.	23 St Mary Axe, London	Shipowner
M. MILBURN JNR	Billiter Avenue, London EC	Shipowner
THOS. JOHN TAYLOR	9 Fenchurch Ave, London	Shipowner
ROB BOVEY	85 Gracechurch St, London	Shipowner
REGLD.M TURNBULL	85 Gracechurch St, London	Shipowner
R. T. SCOTT	85 Gracechurch St, London	Shipowner

Dated this 6th day of February 1883

Witness to the above Signatures:-

W J NOAD  
9 Fenchurch Avenue  
Secretary to Limited Co.

*The Companies Acts 1862 to 1883*

*The Companies Acts 1948 to 1981*

*The Companies Acts 1985 to 2006*

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Company Limited by Guarantee

And not having a Share Capital

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# *Articles of Association*

OF

## **The Standard Steamship Owners' Protection and Indemnity Association (Europe) Limited**

*(Adopted by Special Resolution passed on 27 January 1995  
as amended from the previous Articles of Association adopted by  
Special Resolutions passed on the 11 January 1961,  
26 January 1993, 25 January 1994, 27 January 2009 and 9 October 2009)*

### **DEFINITIONS AND INTERPRETATION**

1. In these Articles the words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column thereof if not inconsistent with the subject or context:

#### **WORDS**

<b>"Agree, agreed or agreement"</b>	Agree, agreed or agreement in writing.
<b>"Articles"</b>	These Articles of Association as from time to time amended and for the time being in force.
<b>"Board"</b>	The Board of Directors of the Company.
<b>"Chairman"</b>	The Chairman of the Board.
<b>"Class"</b>	Any Class of Insurance at any time existing or operating within the Company.

<b>"Companies Acts"</b>	Every United Kingdom statute or statutory instrument or order, Article or subordinate legislation made under a United Kingdom statute for the time being in force concerning companies and affecting the Company, including the Companies Act 1985 and the Companies Act 2006 as from time to time amended and as in force from time to time.
<b>the "Company"</b>	The Standard Steamship Owners' Protection and Indemnity Association (Europe) Limited.
<b>"Defence risks"</b>	The risks specified in and insured under the Rules of Class 2 of the Company for the time being in force.
<b>the "Directors"</b>	The directors of the Board for the time being.
<b>"Insurance"</b>	Insurance or reinsurance against the risks specified in the Rules of any Class.
<b>the "Managers"</b>	Charles Taylor & Co (Bermuda) or the Managers for the time being of the Company.
<b>"Members of the Company"</b>	At any stated time all the persons who are then Members of any Class within the Company or a Director.
<b>"Month"</b>	Calendar month.
<b>"Notice"</b>	Written notice (whether by post, courier, telex, fax or electronic mail) unless otherwise specifically stated.
<b>"Owner"</b>	Includes an owner, owners in partnership, owners holding separate shares in severally, a part owner, and a trustee, mortgagee, charterer, operator or manager, builder, insurer or reinsurer who enters a ship in the Company.
<b>"Protection &amp; Indemnity risks"</b>	The risks specified in and insured under the Rules of Class 1 of the Company for the time being in force.
<b>"Register of Members"</b>	The Register of Members of the Company for the time being maintained by the Company.
<b>"Regulation"</b>	Any regulations prescribing the conditions or forms of contracts of carriage or the practice to be followed as may be adopted from time to time.

<b>"Reserve Fund"</b>	Any reserve fund which the Directors may from time to time establish.
<b>the "Rules"</b>	<p>The Rules from time to time in force governing the conduct of the whole or any part of the business of any Class of the Company.</p> <p>If any class shall have more than one set of Rules in force at the same time, any reference to the Rules shall, in relation to a Member, be deemed to be a reference to the relevant set or sets of Rules of that Class applicable to that Member, which shall mean the Standard P&amp;I Rules unless the reference is to the Standard offshore P&amp;I Rules.</p>
<b>the "Seal"</b>	The Common Seal of the Company.
<b>"Secretary"</b>	The person, if any, 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 and may be a corporate entity or partnership.
<b>"ship"</b>	Any ship, boat, hydrofoil, hovercraft or any other description of vessel, whether completed or under construction, (including a lighter, barge or similar vessel howsoever propelled but excluding a fixed platform or a fixed rig) used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water or any part of such ship, boat, hydrofoil, hovercraft or other description of vessel or any part thereof or any proportion of the tonnage thereof or any share therein.
<b>"Standard Asia"</b>	The Standard Steamship Owners' Protection and Indemnity Association (Asia) Limited.
<b>"Standard Bermuda"</b>	The Standard Steamship Owners' Protection and Indemnity Association (Bermuda) Limited, a company incorporated under The Standard Steamship Owners Protection and Indemnity Association (Bermuda) Company Act 1969.
<b>"Deputy Chairman" and "Treasurer"</b>	Respectively, only the officers of the Company having such titles.
<b>"Year"</b>	Calendar year unless otherwise specifically stated.

<b>"may"</b>	Shall be construed as permissible.
<b>"shall"</b>	Shall be construed as imperative.

Words importing only the masculine gender shall also include the feminine and neuter genders.

Words importing persons shall also include companies or associations or bodies of person whether incorporated or unincorporated.

**"in writing" and "written"** shall also include printing, lithography, photography and other modes of representing or reproducing works in visible form.

Subject as aforesaid, words and expressions defined in the Companies Acts shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.

The Articles contained in Table "C" forming part of the Companies (Tables A-F) Articles 1985 and any statutory modification or re-enactment thereof shall not apply to the Company.

### **MEMBERSHIP**

2. The Company shall consist of an unlimited number of Members.
3. (a) Standard Bermuda and Standard Asia shall be Members of the Company.
- (b) Every owner who has a ship entered for insurance in the Company shall, subject to the proviso to paragraph (c) of this Article 3, be a Member of the Company.
- (c) Subject to the proviso to 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.
- (d) The following shall not be Members:—
  - (i) any insurer who is reinsured by the Company, unless otherwise agreed by the Managers;
  - (ii) any other person who the Managers, on behalf of the Company, have determined shall not be a Member.
- (e) Membership shall not be transferable or transmissible.
- (f) (i) A Director shall, by reason of his appointment or election as such, become a Member.

- (ii) Any other person shall become a Member at the time that the insurance by reason of which he becomes a Member commences.
- (g) As soon as reasonably practicable after a person becomes a Member, the Managers shall enter the name of such person in the Register of Members.
- (h) (i) The Register of Members shall be open to inspection by any officer of a Member in person on payment of any expenses incurred.
- (ii) A Member is not entitled to make copies of any entry in the Register.

### **CESSER OF MEMBERSHIP**

4. (a) A Member shall ipso facto cease to be a Member:—
- (i) If, being a Member in his capacity as a Director and not otherwise, he shall cease to be a Director;
  - (ii) If, being an individual, upon his death or if he shall become bankrupt or make any composition or arrangement with his creditors generally or if he shall become incapable by reason of mental disorder of managing and administering his property and affairs;
  - (iii) If, being a company, upon the passing of any resolution for voluntary winding-up or upon an order being made for compulsory winding-up or upon dissolution or upon the appointment of an administrator or administrative receiver or receiver over all or any part of the company's business or undertaking or upon possession being taken by or on behalf of the holders of any debentures secured by a floating charge on any property comprised in or subject to the charge;
  - (iv) If, not being a Member in his capacity as a Director, he shall cease to have any ship entered for insurance in the Company or any such insurance is cancelled.
- (b) 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 liquidator as the case may require shall, notwithstanding such cessation, be and remain liable to pay to the Company all moneys which under these Articles or the Rules such Member would, had he not ceased to be a Member, have been liable to pay to the Company in respect of the period down to and including the 20th February next after the date of such cessation.

## **BUSINESS**

### **5. General**

- (a) As from the date of the adoption of these Articles the Company shall have the following Classes: —
  - (i) Class 1, Protection and Indemnity
  - (ii) Class 2, Defence.
- (b) The Rules of each such Class shall be determined by the Directors prior to the date at which the Directors determine that such Class shall operate and such Rules shall remain in force subject to any alterations or additions in the manner hereinafter provided. Each such class may have more than one set of Rules in force at the same time.
- (c) The Rules of a Class may, on the recommendation of the Board, be altered or added to (including by the addition of new and/or additional sets of Rules for the same class) by Ordinary Resolution passed at a separate General Meeting of the Members of such Class but so that this provision shall be without prejudice to the powers conferred upon the Board by Article 6 hereof.
- (d) The Members shall be divided into Classes, according to the risks against which they respectively shall be insured, and any Member may belong to one or more Classes, or be subject to one or more sets of Rules of the same Class, at the same time.

### **6. Powers of the Board**

- (a) The Board shall have power to make or alter the Regulations (which shall be deemed to be part of the Rules) respecting the form of contracts of carriage of goods to be entered into concerning the employment of ships entered in either Class of the Company and, upon the Company giving notice in writing thereof to the Members of the Class, the same shall be and become binding on such Members with effect as and from the date specified in such notice. The accidental omission to give such notice to, or the non-receipt of such notice by, any Member shall not invalidate such Regulations or any alterations thereof.
- (b) Notwithstanding anything contained in these Articles or in the Rules, the Board may from time to time, and at any time whenever they think expedient in the interests of the Company, waive unconditionally or on such terms and conditions as the Board thinks fit, any breach by any Member of the obligations, conditions or provisions contained in the Rules of any Class. Any such waiver shall be without prejudice to the rights and powers of the Board under these Articles or under the Rules.

## 7. The Classes

- (a) Any Class may be discontinued or wound-up by Special Resolution of the Company and any new Class may be constituted in such manner and upon such terms as may be directed by the Company by Ordinary Resolution.
- (b) The business of each Class shall, subject to these Articles, be conducted in accordance with the Rules of such Class which shall be binding on the Members.

## 8. Accounts of Each Class

- (a) A separate account shall be kept for each Class to which shall be debited all claims, expenses and other outgoings which, in the opinion of the Board, necessarily and properly fall upon that Class of the Company. The Board may from time to time determine what proportions of the general expenses of the management and otherwise of the Company and any debts and liabilities not specifically provided for are to be borne as between different Classes and the separate accounts of the respective Classes shall be debited accordingly.
- (b) (i) The funds necessary to meet the amounts debited to the separate account of a Class, and the funds thought proper to meet, provide for or reserve against, anticipated and future claims, expenses and outgoings, shall be provided by contributions to be made by the Members having ships entered in such Class in accordance with the Rules of such Class, and it shall be lawful for the Board, from time to time, to direct that contributions shall be paid to the Company by such Members accordingly.
- (ii) If the amount realised by contributions to a Class shall be more than sufficient to meet claims, expenses and liabilities then the whole, or any proportion, of the surplus may be retained and applied for the purposes of that Class in such manner as the Board may in its absolute discretion determine; or the Board may at any time order that the whole, or any part, of such surplus be returned or paid to the Members or former Members of that Class in such proportions and in such manner as the Board may in its absolute discretion determine:

PROVIDED THAT nothing herein contained shall be deemed to give such Members any interest in the undertaking of the Company and no such payment shall be made in any manner which is contrary to the provisions of the Rules of that Class.

## 9. Insurances and Contributions

- (a) The Board may, notwithstanding the provisions of these Articles or of the Rules, accept entries on special terms as to Membership, contribution and, within the scope of the Rules, as to the nature and extent of risks covered and may accept, as such entries, reinsurances from other insurers.

- (b) All insurances underwritten on behalf of any Class shall be underwritten in the name of the Company but no person shall, in respect of insurance of any one Class, be liable to pay or entitled to receive any money in respect of any Insurance in any other Class.
- (c) 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 monies payable in respect of such engagement or liability shall be paid to the Company.
- (d) All claims in respect of Insurance shall be made and enforced against the Company only and not against any Member and only a Member shall be entitled to make and enforce such claims on the Company. 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 other funds which the Company is entitled to and does recover from the Member, or such other persons liable for the same and which are applicable to that purpose.
- (e) All payments to or by the Company in respect of any Insurance in any Class shall be due or made by the Company but shall be accounted for or charged to, as the case may be, the separate account for such Class. 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 or expenses shall be charged to the account of such Class.

#### 10. Reinsurance

The Board may reinsure any or all or any proportion of the risks of the Company on such terms as it may think fit.

#### 11. Default by a Member

In the event of any Member making default in payment of any contribution due from him under the Rules of any Class, such contribution shall (subject to the provisions of Article 9(a) hereof) be paid by the other Members entered for insurance in such Class rateably in proportion to the contributions last due from them respectively, and payment may be enforced in the name of the Company. 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 his own proportion thereof as a Member.

#### 12. No Personal Liability

Neither the Board nor the Managers shall incur any personal liability by reason of any loss to the Company arising from any default, bankruptcy or insolvency of any banker, agent, clerk or servant or from accident or from any cause beyond their control.

## MEETINGS OF MEMBERS

### 13. General

- (a) All references in these Articles to the rights and obligations of Members in respect of general meetings shall be construed to refer only to those Members who are entitled to attend and vote in accordance with the provisions of paragraph (b) of this Article 13.
- (b) The Members entitled to receive notice of and to attend and vote at such meetings are only those:
  - (i) who are Members by reason of their being Directors of the Company; or
  - (ii) who are entered in the Register of Members of the Company at least sixty days prior to the date of the general meeting in question.
- (c) The Chairman of a general meeting of the Members shall be, in order of priority amongst those attending: —
  - (i) the Chairman of the Board;
  - (ii) a Deputy Chairman of the Board;
  - (iii) any other person so elected by those present at the meeting.
- (d) The Chairman of a general meeting of the Members may, with the consent of those present and shall if so directed by the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.
- (e) Minutes of all resolutions and proceedings of each general meeting of the Members shall be entered into books provided for the purpose.

### 14. Annual General Meeting

An Annual General Meeting of the Members of the Company shall be held at least once in every year at a time and place to be fixed from time to time by the Board provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and the next.

### 15. General Meetings

- (a) The Board, any two Directors, or the Chairman may convene a general meeting of the Company.
- (b) The Board shall on the requisition of either: —
  - (i) Standard Bermuda; or
  - (ii) Members representing not less than one-tenth of the total voting rights of the Members having at that date the right to vote in general meetings;

in accordance with the Companies Act convene a general meeting and in default such general meeting may be convened by either Standard

Bermuda or the requisitioning Members in accordance with the Companies Acts.

#### 16. Notices

- (a) Not less than fourteen clear days' notice shall be given in respect of any general meeting.
- (b) Notice of every general meeting of the Company shall:
  - (i) specify the meeting as an annual general meeting or, as the case may be, a general meeting;
  - (ii) state the date, time and place of the meeting and (in the case of an annual general meeting) specify as regards any special business, the general nature of the business to be transacted thereat and, if applicable, that the election of the Directors shall take place thereat;
  - (iii) be given by an Officer of the Company to each Member entitled to receive notice of and to attend and vote at that meeting and to the Auditors.
- (c) In every notice calling a general meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him who need not be a Member.
- (d) The accidental omission to give notice of a meeting to, or the non-receipt of a notice of meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- (e) General meetings of the Company shall, notwithstanding that they are called at shorter notice than specified in paragraph (a) of Article 16, be deemed to have been duly called if it is so agreed:
  - (i) in the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat;
  - (ii) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, together representing not less than ninety per cent of the total voting rights at that meeting of all the Members.
- (f) An ordinary resolution in writing signed by or on behalf of Members representing at least 50% of the total voting rights of eligible Members shall be as valid and effective as if it had been passed at a meeting of the Company duly convened and held, and may consist of several instruments in like form, each signed by or on behalf of one or more Members.
- (g) A special resolution in writing signed by or on behalf of Members representing at least 75% of the total voting rights of eligible Members shall be as valid and effective as if it had been passed at a meeting of the Company duly convened and held, and may consist of several instruments in like form, each signed by or on behalf of one or more Members.

## **VOTING AT MEETINGS OF MEMBERS**

### **17. Proceedings at General Meetings**

- (a) All business that is transacted at a general meeting shall be deemed special, with the exception of the consideration of the accounts, balance sheet and reports of the Directors and Auditors, the appointment of Directors in the place of those retiring by rotation or otherwise, the appointment of Auditors and the fixing of the remuneration of the Directors and the Auditors.
- (b) No business shall be transacted by any general meeting unless a quorum is present. Save as otherwise provided in these Articles three Members of the Company present in person or in the case of a Member which is a corporation by its duly authorised representative or by proxy shall constitute a quorum at any general meeting of the Members.
- (c) If within 30 minutes 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 time on the next day and no notice of such adjournment need be given and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the Members present in person or by proxy shall be a quorum for the purpose of considering the matters referred to in the original notice of the meeting but no other matters.
- (d) At any general meeting a resolution put to the vote of the meeting shall be decided by Members present in person or by proxy and having the right to vote at the meeting 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 of the meeting or by at least three Members present in person or by proxy having the right to vote at the meeting or by a Member or Members (if less than three) present in person or by proxy representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting. Unless a poll is so demanded a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and any entry to that effect in the book containing the minutes of proceedings of general meetings 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. The demand for a poll may be withdrawn.
- (e) 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 paragraph (d) of this Article 17 a demand by a person as proxy for a Member shall be the same as a demand by the Member.
- (f) 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 is 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.

- (g) A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. 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 (including the use of ballot or voting papers) as the chairman shall direct. 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 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.
- (h) 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.
- (i) A corporation which is a Member of the Company may by resolution of its Directors authorise such person as it thinks fit to act as its representative at any Meeting of the Members of the Company 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.

#### 18. Votes of Members

- (a) On a show of hands and on a poll, Standard Bermuda shall have such number of votes as shall equal the aggregate of three times the total number of votes of Members (excluding Standard Bermuda) on the day falling sixty days before the date of the relevant general meeting.
- (b) Subject to any special rights or restrictions as to voting attached by, or in accordance with these Articles, every Member (other than Standard Bermuda) who is present in person or by proxy or, in the case of a corporation by its duly authorised representative, shall have one vote on a show of hands.
- (c) Subject to any special rights or restrictions as to voting attached by or in accordance with these Articles, the Members (excluding Standard Bermuda) on a poll shall have the following voting rights: —
  - (i) A Member pursuant to paragraph (f) (i) of Article 3 shall have one vote;
  - (ii) A Member, if accepted as a Member by the Managers pursuant to paragraph (d) (i) of Article 3 shall have one vote for all reinsurances so accepted;
  - (iii) A Member whose application shall have been accepted pursuant to paragraph (b) of Article 3 on the basis of paying a fixed contribution shall have one vote;
  - (iv) A Member pursuant to paragraph (b) of Article 3 shall have one vote

for each ship in respect of which his application shall have been accepted and which remains entered in the Company PROVIDED THAT if such Member or Members whose application shall have been accepted pursuant to paragraph (b) of Article 3 (and excluding those accepted on a fixed contribution basis) in respect of more than one ship shall have one vote for each ship which remains entered in the Company and whose full tonnage is 1,500 tons or more and one vote for all the remaining such ships which remain entered in the Company whose respective full tonnage is less than 1,500 tons.

- (d) On a poll votes may be given either personally or, in the case of a corporation, by its duly authorised representative, or by proxy.
- (e) 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.

#### 19. Voting by Proxy

- (a) The instrument appointing a proxy shall be in writing under the hand of the appointor or his agent duly authorised in writing, or if the appointor is a corporation the proxy shall be executed on behalf of the corporation by one of its officers.
- (b) An instrument appointing a proxy shall be in the form or as near as circumstances admit to the form in the Schedule annexed to these Articles subject to any variations or alterations that the Directors may approve to meet the circumstances of particular cases and shall contain such notes for the guidance of Members as the Managers consider appropriate.
- (c) A proxy need not be a Member of the Company.
- (d) The decision of the Chairman at any general meeting as to the validity of any instrument of proxy shall be final.
- (e) Unless otherwise accepted by the Board, the instrument appointing a proxy shall be left with the Secretary not less than 48 hours before the commencement of the meeting or adjourned meeting, as the case may be, at which the person named in such instrument proposes to vote.
- (f) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or the revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Secretary three hours at least before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

## SEPARATE MEETINGS OF MEMBERS OF CLASSES

20. The Board may, whenever it thinks fit, convene a separate general meeting of the Members of any Class and such separate general meetings shall also be convened on the signed requisition in writing of not less than ten percent of the Members of the Class in question. If the Board fails to convene a general meeting so requisitioned within twenty-one days from the date of the deposit of the requisition, the requisitionists may themselves convene such a meeting. All the provisions of the Companies Act, mutatis mutandis, apply to such requisition as if such requisition were in respect of a general meeting of the Company. All the provisions as to general meetings in these Articles contained shall, mutatis mutandis, apply to such separate meetings, except that at least five days' clear notice of any such meeting shall be required.

## DIRECTORS

### 21. Number

The number of Directors shall be not less than three nor more than thirty-two as the Members may from time to time determine.

### 22. Qualifications

- (a) Any person who is ordinarily resident in these Islands shall be eligible to be appointed or elected a Director but save as aforesaid only persons who qualify under the following provisions shall be eligible for appointment or election as Directors of the Company, namely, any person who is:
- (i) an owner of a ship entered in the Association; or
  - (ii) a director of or employed in any substantially full time 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 ("Member corporation");
    - (c) a subsidiary of a Member corporation;
    - (d) associated with a Member corporation; or
  - (iii) a director of Standard Bermuda, Standard Asia or Standard Europe.
- (b) Notwithstanding paragraph (a) of this Article 22, a person who is recommended for appointment or election as a Director by a seventy-five percent majority of the Directors at a duly constituted meeting of the Board shall be eligible for appointment or election as a Director of the Company.
- (c) The maximum number of Directors appointed or elected by reason of their eligibility under paragraph (b) of this Article 22 shall not exceed one fifth of the total number of Directors at any one time.

- (c) The Chairman shall not be a person elected under the provisions of paragraph (b) above.
- (d) An employee of the Managers or their agents is entitled to be appointed or elected as a Director under paragraph (b) of this Article but no such person shall participate in or vote on any matter which concerns the terms of engagement of the Managers by the Association, their performance or their remuneration.

#### 23. Election

- (a) In order to be eligible for election to the office of Director at any general meeting a person must be duly qualified and be one of the following: —
  - (i) a Director retiring at the meeting;
  - (ii) approved by the Directors;
- (b) A person may be appointed a Director otherwise than by election at a general meeting only in accordance with the provisions of Article 27.

#### 24. Retirement and Removal

- (a) 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 one-third shall retire from office.
- (b) The Directors to retire at every Annual General Meeting shall be those who have been longest in office since their last election. As between Directors elected on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- (c) A Director retiring in accordance with paragraphs (a) and (b) of this Article 24 who continues to be qualified to hold office under Article 22 shall be eligible for re-election.
- (d) If a Director ceases to be eligible for election or appointment as provided in Article 22, he shall (in the absence of any earlier resignation) be deemed to have resigned from the office of Director not later than the next Annual General Meeting.
- (e) The Company may by ordinary resolution at the meeting at which any Director retires in the manner aforesaid fill up the vacated office and in default thereof the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.
- (f) At any general meeting of the Company 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 by the meeting without any vote being given against it.
- (g) 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.
- (h) The office of a Director shall be vacated forthwith if the Director concerned:-

- (i) resigns his office by notice in writing to the Company;
  - (ii) is removed in accordance with the provisions of paragraph (i) of this Article 24;
  - (iii) in the event of his death;
  - (iv) is made bankrupt;
  - (v) he makes any arrangement or composition with his creditors generally;
  - (vi) he is incapacitated by reason of mental disorder from managing and administering his property and affairs;
  - (vii) he ceases to be a Director, or is prohibited from being a director by an order made under any provision of the Companies Acts or the Company Directors Disqualification Act 1986.
- (i) In addition to any power to remove a Director conferred on the Company by the Companies Act the Members may at any general meeting convened and held in accordance with the Articles remove a Director. The notice of any such meeting shall be given in accordance with the Companies Acts and 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. Nothing in this Article 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. A vacancy upon the Board created by the removal of a Director under the provisions of this Article may be filled by the election of the Members at the meeting at which such Director is removed (and the person so appointed shall be subject to retirement by rotation at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director), 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 Article 27.

## **POWERS OF DIRECTORS**

### **25. General**

The powers conferred upon the Directors in these Articles are in addition to, not in limitation of, any powers and duties that may have been conferred or imposed upon them by any statute or otherwise in any way whatsoever. The Directors are responsible for the management of the business of the Company. Subject to the provisions of these Articles the business of the Company shall be conducted in accordance with Rules of each of the respective Classes from time to time adopted by the Company in general meeting.

### **26. Exercise of Powers**

- (a) The Directors may exercise all such powers of the Company and do all such acts as may be exercised and done by the Company except those acts and things as are expressed by the Companies Acts or by these Articles as required to be exercised or done by the Company in general meeting.

- (b) Without prejudice to the generality of the foregoing 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 or to issue debentures or other securities.
- (c) The Directors may join in the promotion or support of any association or organisation having for its object the defence or promotion of the interests of the insurance and shipping industries or either of them and may make calls upon the Members for the purpose of contributing from time to time to the funds of such association or organisation such sums as the Board may deem necessary. The Directors may elect and send representatives to take part in the deliberations or management of any such associations or organisations.
- (d) The Directors may exercise all the powers of the Company to purchase and maintain for any Director or other officer (including former Directors and other officers) or any other person insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against.

## 27. Vacancies

- (a) The Directors shall have the power from time to time and at any time to appoint any qualified person to fill a casual vacancy in the Board of Directors who shall hold office until the next Annual General Meeting and, if he continues to be qualified, shall be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.
- (b) The continuing Directors may act, notwithstanding any vacancy in their number, provided that in the event that the number of continuing Directors has been reduced below the number of six, the continuing Directors must immediately appoint a sufficient number of persons to restore the number of continuing Directors to a minimum of six. If there be no Directors or Director able or willing to act, then any two Members may summon a general meeting of the Company for the purpose of electing Directors.

## 28. Delegation

- (a) The Directors may delegate any of their powers, duties or discretions to Committees consisting of two or more of the Directors, but every such Committee so formed shall conform to such directions as the Directors shall impose on it.
- (b) The meetings and proceedings of any such Committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any Articles made by the Directors under paragraph (a) of this Article 28.
- (c) The Board may from time to time and at any time by power of attorney under the Seal appoint any corporation or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney of the Company for such purposes and with such powers,

authorities and discretions (not exceeding those vested in or exercisable by the Board under the Articles) and for such period and on such terms and subject to such conditions as they may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

- (d) The Directors may, subject to paragraph (e) of this Article 28, from time to time delegate to the Managers such of the powers, duties or discretions vested in the Directors by these Articles or by the Rules as they may think fit in which case:
  - (i) such delegation may be made exercisable for such period and upon such terms and conditions and subject to such restrictions as the Directors may determine;
  - (ii) the Directors may at any time revoke such delegation;
  - (iii) the Directors shall give the Managers notice of such delegation and its terms, conditions, revocation or variation.
- (e) The Directors may not delegate to the Managers any of the powers, duties or discretions of the Directors:
  - (i) Which are required by law to be exercised by the Directors personally, or
  - (ii) Which relate to general meetings or the proceedings thereat, or
  - (iii) Which are conferred by paragraph (b) of Article 26 (Exercise of Powers), Article 27 (Vacancies), or Article 33 (Remuneration of Directors), or
  - (iv) Which relate to meetings of the Directors or Committees of the Directors or the proceedings thereat, or
  - (v) Which relate to the appointment of Managers or the Secretary, or
  - (vi) Which relate to the Seal, Reserves, accounts or notices of general meetings;
  - (vii) to borrow money, or mortgage or charge the Company's undertaking or property;
  - (viii) to issue debentures or other securities.
- (f) In no circumstances shall the Managers become or be deemed to have become directors of the Company by reason of such delegation.

## **DUTIES OF DIRECTORS**

### **29. Supervision**

The Directors shall exercise a general supervision over the affairs of the Company and without limitation to Article 25 they shall be responsible for: -

- (a) the correct keeping of the books;
- (b) the safekeeping of all funds 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.

### 30. Minutes

The Directors shall ensure that minutes are duly entered in books provided for the purpose:-

- (a) Of all elections and appointments of Officers;
- (b) Of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;
- (c) Of all orders made by the Directors and Committees of the Directors;
- (d) 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;
- (e) All resolutions of the Directors passed in accordance with the procedure set out in paragraph (c) of Article 37;
- (f) without limitation to the generality of the foregoing all matters as required by the Companies Act and these Articles.

### 31. The Seal

- (a) 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;
- (b) The Secretary may affix the Seal to his signature alone to:—
  - (i) any authenticated copies of these Articles;
  - (ii) to the Minutes of all meetings; and
  - (iii) any other documents required to be authenticated by him.
- (c) In all other cases every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or otherwise in such form as shall be permitted by the Companies Acts.

## **RIGHTS AND REMUNERATION**

### 32. Conflicts of Interest

- (a) A Director may hold any other office or place of profit under the Company (other than the office of auditor) 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.
- (b) No Director or intended Director shall be disqualified by his office or any other office in the Company from contracting with the Company in any capacity.
- (c) Where a Director contracts with the Company or is otherwise interested in

any contract or arrangement entered into by or on behalf of the Company the fact that the Director is a director of, or holds any other office in, or is in a fiduciary relationship with the Company shall not make any such contract liable to be avoided, or the Director liable to account to the Company for any profit realised by any such contract or arrangement.

- (d) The nature of the interest of a Director must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement, at the next meeting of the Directors held after he became so interested and, in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested. A general notice to the Directors by a Director that he is a member of any specified firm or company and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with such firm or company shall (if such Director shall give the same at a meeting of the Directors or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Directors after it is given) be deemed to be a sufficient declaration of interest in relation to such contract or arrangement under this Article, and after such general notice it shall not be necessary to give any special notice relating to any particular contract or arrangement with such firm or company.
- (e) 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 of his firm to act as auditor to the Company.
- (f) A Director shall not as a Director vote, nor shall he be counted in the quorum present upon a motion, in respect of: -
  - (i) any contract, matter or arrangement which he shall make with the Company; or
  - (ii) any matter in which he is interested.
- (g) If a Director does vote upon any motion as set out in paragraph (f) of this Article 32 his vote shall not be counted.
- (h) Neither of the prohibitions set out in paragraph (f) of this Article 32 shall apply to a resolution which relates to: —
  - (i) any contract by or on behalf of the Company to give to the Directors, or any of them, any guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of the Company;
  - (ii) any contract for purchasing and maintaining directors' and officers errors and omissions insurance policies;
  - (iii) any contract or dealing with a corporation where the sole interest of such Director is that he is a member or creditor of such corporation or that he is a Director or officer of Standard Bermuda

and these prohibitions may at any time be suspended or relaxed to any extent by the Company by ordinary resolution.

- (i) No Director may vote upon any proposal for acceptance of an application for Membership of the Company in which he is in any way interested or vote upon any claim against the Company in which he is in any way interested.

### 33. Remuneration

- (a) The remuneration of the Directors shall be such sum (if any) as shall from time to time be voted to them by the Company in general meeting, such sum to be divided amongst the Directors as follows in order or priority:
  - (i) as specified by the resolution by which it is voted;
  - (ii) as the Directors shall resolve;
  - (iii) equally.
- (b) The Directors' remuneration shall be deemed to accrue from day to day.
- (c) 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 in connection with the business of the Company.
- (d) Other than expenses in accordance with (c), a Director who is also a Manager shall not receive any remuneration as a Director.

### 34. Indemnity

Subject to the provisions of the Companies Acts but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office including, but without prejudice to the generality of the foregoing, any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

## **DIRECTORS MEETINGS**

### 35. Proceedings of the Directors

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

### 36. Quorum

The quorum necessary for the transaction of the business of the Board shall be two Directors.

## 37. Voting

- (a) Questions arising at any meeting of the Directors shall be decided by a majority of those present and entitled to vote;
- (b) In the case of an equality of votes the chairman of the meeting shall have a second or casting vote;
- (c) A resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed by a meeting of the Board duly called and constituted and such resolution shall consist of several documents in like form each signed by one or more Directors.

## 38. Calling a Meeting

- (a) The Secretary on the request of any Director shall, and a Director may, at any time summon a meeting of the Directors;
- (b) The Directors shall determine from time to time the notice necessary for such meetings and the person to whom such notice shall be given;
- (c) Notice of meetings of the Directors may be by telephone or otherwise;
- (d) Meetings of the Board may be held without notice if all the Directors are present;
- (e) Directors may participate in any meeting of the Board by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

## 39. Chairman

The chairman of any meeting of the Directors shall be, in order of priority amongst those attending:

- (a) the Chairman of the Board;
- (b) a Deputy-Chairman; or
- (c) any other person so appointed by those present at the meeting.

## 40. Validity

All acts done by any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or such person acting as aforesaid or that any of them had vacated office, be as valid as if every such person had been duly appointed and had continued to be a Director.

## OFFICERS AND OFFICERS OTHER THAN DIRECTORS

## 41. General

The Officers of the Company may consist of a Chairman, one or more Deputy Chairmen, a Secretary and such other Officers as the Directors may from time

to time determine.

#### 42. Officers who must be Directors

- (a) A Chairman and any Deputy Chairman of the Company shall be appointed by the Directors from amongst their number as soon as may conveniently be made after each annual general meeting.
- (b) Any person appointed pursuant to these provisions shall, unless the Directors shall otherwise decide, hold office until his successor is appointed.

#### 43. Officers who need not be Directors

- (a) Other officers may be appointed by the Directors as they may from time to time determine.
- (b) The Directors may appoint: - (i) a Secretary; (ii) a Treasurer; (iii) an assistant Secretary; (iv) an assistant Treasurer.
- (c) Such Officers need not be Directors and shall hold office for such time as the Directors decide.
- (d) The same person may hold the offices of Chairman of the Board and Treasurer.
- (e) Any of the Deputy Chairmen may also hold the office of Treasurer.
- (f) Officers of the Association shall be entitled to the same indemnity and exemption from liability as are accorded to the Directors by Article 34 (Indemnity).

#### 44. Secretary

The Secretary shall and in the absence of a Secretary, any Director nominated for the purpose shall:

- (a) attend all meetings of the Members, the Board of Directors and of Committees of the Directors;
- (b) keep correct minutes of such meetings and of all resolutions of the Directors passed in accordance with the procedure set out in Article 37 (Voting at Directors' Meetings) and enter the same in proper books provided for the purpose; and
- (c) perform such other duties as are prescribed by the Companies Acts or these Articles or as shall be prescribed by the Directors from time to time.

#### 45. Authentication

Any Director or Secretary or other person appointed by the Directors shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum and Articles of Company), any resolutions passed

by the Company or the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the registered office of the Company, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

## **MANAGERS**

### **46. The Managers**

Charles Taylor & Co. (Bermuda) or its successors in business or title shall be the Managers of the Company.

### **47. Attendance at Meetings**

The Managers shall be entitled to attend all meetings of the Directors and of Committees of the Directors and all general meetings of the Company and all separate general meetings of the Members of any Class.

### **48. General Powers and Duties**

The powers, duties and discretions of the Managers are:

- (a) those for the time being delegated to the Managers by the Directors pursuant to these Articles; and
- (b) those vested in, conferred upon or imposed upon the Managers by these Articles or by the Rules.

### **49. Delegation**

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, the same may, subject to any terms, conditions or restrictions imposed upon the Managers in relation thereto, be exercised by:

- (a) any director of the Managers;
- (b) any employee of the Managers;
- (c) an agent appointed by the Managers with the approval of the Directors and any director or employee of such agent.

### **50. Remuneration**

The Managers shall be paid for their services to the Company such amount as the Directors from time to time decide.

### **51. Indemnity**

- (a) Subject to the provisions of the Companies Acts, the Board shall have the

power to agree the terms of any indemnity to be given by the Company to the Managers.

- (b) For the purposes of this Article 51 "the Managers" includes any and all servants and agents of the Managers to whom duties of the Managers have been entrusted.

## **ACCOUNTS**

### **52. Reserve Fund**

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 of any Class the same are applicable may be carried to such Reserve Fund as the Directors think proper but so that monies representing contributions made by the Members of any one Class shall be kept separate from monies representing contributions made by the Members of any other Class. The Reserve Fund may be invested in such investments as the Directors think fit.

### **53. Duty to Keep Accounts**

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 to the Company 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.

### **54. Requirement for the Accounts to be Audited**

The Board of Directors shall cause the accounts of the Company to be audited once at least in every fiscal year by an independent representative of the Members and such audited accounts shall be laid before the Members at a general meeting in each year and shall be open to an inspection by any Member.

## **AUDIT**

### **55. The Auditor**

At a general meeting, an independent representative of the Members shall be appointed as auditor of the accounts of the Company and such auditor shall hold office until the Members shall appoint another auditor. Such auditor shall not be a director or officer of the Company during his continuance in office.

### **56. Remuneration of the Auditor**

The remuneration of the auditor shall be fixed by the Members at the time of their appointment or subsequently and they may delegate this duty to the Directors.

**57. Vacancy in the Office of the Auditor**

If the office of auditor becomes vacant or the auditor is incapable of performing his duties, the Directors shall as early as practicable convene a general meeting of the Members to appoint an auditor to fill the vacancy or an acting auditor to act during the incapacity of the auditor and if the Members fail to do so, the Directors shall forthwith make such appointment or appointments.

**58. Powers and Duties of the Auditor**

- (a) The Auditor shall examine such books, accounts and vouchers as may be necessary for the performance of his duties.
- (b) The Auditor shall make a report to the Members of the accounts examined by him at general meeting in each year.
- (c) The Auditor shall be furnished with a list of all books kept by the Company and shall at all times have the right of access to the books, accounts and vouchers of the Company and shall be entitled to require from the Directors such information and explanation as may be necessary for the performance of his duties.
- (d) The Auditor shall be entitled to attend any general meeting of the Company at which any accounts which have been examined or reported on by him are to be laid before the Company and to make any statements or explanations he may desire with respect to the accounts and notice of every such meeting shall be given to the Auditor in the manner prescribed for Members.

**NOTICES****59. Notice to the Company**

Any notice that is required to be served on the Company must be sent to the Company's registered office for the time being.

**60. Notice to a Member or Owner**

- (a) Any notice that is required to be served by the Company on a Member or Owner may be served on him in any of the following ways: -
  - (i) personally;
  - (ii) in the case of a company, by handing it to a director or officer of such company;
  - (iii) by post;
  - (iv) telex;
  - (v) fax;
  - (vi) courier;
  - (vii) electronic mail;

(viii) other electronic means of a permanent nature.

- (b) A notice shall be sent in accordance with one of paragraphs (a)(iii) - (viii) of this Article 60 to the Member at his address or to his telex, fax number or electronic mail address as last recorded by the Managers and at any place of business of a broker or other intermediary through whom a ship to which the notice relates is or was entered in the Company for insurance.

#### 61. Date of Service

(a) Any such notice if served:

- (i) personally, shall be deemed served on the day on which it was served;
- (ii) by post or courier, shall be deemed to have been served on the day following the day on which the letter containing the same was put in the post or handed to the courier and in proving such service it shall be sufficient to prove that the letter containing the notice or other document was properly addressed and put into the post as a prepaid letter or handed to the courier;
- (iii) by telex, fax or electronic mail, shall be deemed to have been served on the day on which it was transmitted and in proving such service it shall be sufficient to prove that such telex, fax or electronic mail was duly transmitted

- (b) Every legal or personal representative, administrator, administrative receiver, receiver, curator bonis or other legal curator, trustee in bankruptcy or liquidator of a Member shall be bound by a notice given as aforesaid if sent in accordance with Article 60 notwithstanding that the Company may have notice of the death, lunacy, bankruptcy, administration, receivership, liquidation, disability or administration of such Member.

62. The provisions of sections 1144 to 1148 of and Schedules 4 and 5 to the Companies Act 2006 shall apply to all documents or information to be sent or supplied by or to the company.

63. Subject to compliance with all relevant provisions of the Companies Act 2006, the company may send or supply documents or information to members by making them available on a website.

### **ALTERATION OF RULES AND ARTICLES**

#### 64. (a) Rules

Subject to the provisions of these Articles, the business of the Company shall be conducted in accordance with the Rules adopted by resolution of the Directors and thereafter as may be from time to time adopted, amended, abrogated or added to by Ordinary Resolution of the Company in general meeting.

(b) Alteration of Articles

These Articles may be from time to time amended, abrogated or added to by Special Resolution of the Company in general meeting.

## **DISSOLUTION**

65. Winding Up

In the event of the winding up of the Company, after its liabilities have been satisfied, the remaining assets of the Company shall be distributed in cash or in specie in such fair and equitable manner amongst the Members and in such proportion or amounts as the Board in its discretion shall recommend prior to such winding up and subject always to the final decision of the Liquidator.

## SCHEDULE

### Form of Proxy

The undersigned, a Member of The Standard Steamship Owners' Protection and Indemnity Association (Europe) Limited, hereby appoints the Chairman of the Meeting or ..... or ..... to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the general meeting of the Members of the said Company to be held on ..... and at every adjournment thereof.

Please indicate with a tick in the space below how you wish your vote to be cast:

For	Against
-----	---------

Resolution (1)

Resolution (2)

etc.

Unless otherwise instructed, the Proxy will vote in favour of the Resolution.

AS WITNESS the hand of the undersigned this..... day of..... 20 .....

FOR (NAME OF MEMBER IN CAPITALS) .....

By:.....

...

(Office).....

...