



Circular

TO ALL MEMBERS

18 December 2008

Dear Sirs

AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION TO REFLECT THE UK COMPANIES ACT 2006

The Board has approved a number of amendments to the company's Memorandum and Articles which take account of changes in company law procedure brought about by the implementation of the UK Companies Act 2006.

The amendments will take advantage of the new provisions in the Act and, where applicable, prevent conflict arising between the Articles and Act. The appendix to this letter provides a summary of the amendments together with extracts from the revised Memorandum and Articles.

Any comments in respect of the proposed amendments should be sent to us as soon as possible, but no later than 31 December 2008.

The proposed amendments will be placed before members for adoption at an Extraordinary General Meeting to be held in London on 6 February 2009. If approved, the alterations will take effect from noon GMT on 20 February 2009.

Conflicts of interest

The 2006 Act brings in new rules relating to conflicts of interest on company boards. The change in the law will require directors to operate formal procedures regarding conflicts of interest, although, provided a potential conflict has been authorised, the change should not result in a director behaving any differently than he would have done previously.

For private companies incorporated before 1 October 2008 (such as Standard War Risks) authorisation of a potential conflict can be given by the Board, provided shareholders have resolved that authorisation may be given in accordance with the provisions of section 175(5)(a) of the 2006 Act.

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The Standard Steamship Owners' Mutual War Risks Association Limited

Registered in England No. 127257 Registered Office: International House, 1 St. Katharine's Way, London E1W 1UT
Authorised and regulated by the Financial Services Authority
Website www.standard-club.com

The Managers: Charles Taylor & Co. Limited

International House, 1 St. Katharine's Way, London E1W 1UT
Telephone: +44 (0)20 7488 3494 Fax: +44 (0)20 7481 9545 E-mail: p&i.london@ctcplc.com
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To deal with this requirement the Board has approved the following ordinary resolution to be put to members at the meeting on 6 February 2009.

"That in accordance with paragraph 47(3) of Part 3 of Schedule 4 to the Companies Act 2006 (Commencement No 5, Transitional Provisions and Savings) Order 2007, the directors are hereby given authority to authorise a matter giving rise to an actual or potential conflict for the purposes of section 175 of the Companies Act 2006."

At the same Extraordinary General Meeting on 6 February 2009 proposed amendments to the Rules will be placed before members for adoption. The proposed amendments will be advised to members in a circular in January 2009.

Yours faithfully

A handwritten signature in black ink, appearing to read "Alistair Groom".

Alistair Groom
Chief Executive
Charles Taylor & Co Limited

Direct Line: +44 (0)20 7522 7422
E-mail: alistair.groom@ctcplc.com



APPENDIX

1. Meetings

- All meetings other than the Annual General Meeting will be referred to as General Meetings.
- All meetings will only require 14 days notice.
- Short notice meetings will only require the approval of a 90% majority.

2. Director Indemnities

- The Articles will reflect the Act's provisions relating to director indemnities:

There is no actual change to the wording of the indemnity clause. References in the definitions in the current Articles to 'Companies Acts', the 'Act' or the 'Statutes', will now include reference to the Companies Act 2006, which makes changes in respect of director indemnities. While the present clause is broad enough to provide a director with the right to an indemnity, specific recourse must be made to the relevant sections of the new Act to establish in what circumstances an indemnity may lawfully be given.

3. Company Secretary

The Articles will reflect the fact that the Company as a private company now has the option (but not the obligation) to appoint a company secretary.

4. Resolutions

The Articles will reflect the new provisions relating to ordinary and special written resolutions:

Written resolutions will no longer require the signature by or on behalf of ALL the members of the company, as was the case under the Companies Act 1985. Under the new Act, a written ordinary resolution will be passed by the signature of a simple majority of those members eligible to vote and a written special resolution by the signature of a 75% majority of those members eligible to vote.

5. Voting by proxy

The Articles will reflect the new provisions relating to voting by proxy:

Previously a proxy could only vote on a poll. Under the new Act a proxy can vote on a poll or on a show of hands of those present at the meeting, i.e. the proxy can now also vote at a meeting on a show of hands.

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Extract 1 - General

Clause 1

'the Statutes'.....after the word *'thereof'* insert *'for the time being in force and any provision of the Companies Act 2006'*.

Extract 2 - General Meetings

Clause 17

Delete the words *'all General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings'* after the word *'determine'*.

Clause 18

Delete the words *'an Extraordinary'* and insert *'a'* and delete the word *'Extraordinary'* after the word *'meeting'* in the first line.

Extract 3 – Notice of General Meetings

Clause 19

Delete all before *'fourteen clear days notice'* in line three and insert *'Not less than'*. After the word *notice* in line three delete *'at the least'* and insert *'shall be given in respect of any General Meeting'*. In line six, after the word *'such'* insert *'and'*.

Clause 20

Delete the word *'Annual'* in line four.

Clause 22

Delete the words *'an Extraordinary'* in line one, and insert *'a'*. Delete the words *'all business that is transacted at an Annual General Meeting shall also be deemed Special'*.

Clause 28

Insert the words *'by members present in person or by proxy and having the right to vote at the meeting'* after the word *'decided'* in line one.

Extract 4 – Votes by members

Clause 33

Insert the words *'or by proxy'* after the word *'person'* in the first line.

Clause 37

Delete the existing clause and renumber accordingly.



Insert new clauses 44 and 45 as follows:

- 44 *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 Association duly convened and held, and may consist of several instruments in like form, each signed by or on behalf of one or more members.*
- 45 *A special resolution in writing signed on 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 Association duly convened and held, and may consist of several instruments in like form, each signed and on behalf of one or more members.*

Extract 5 - Directors

Clause 57

Delete *'in addition to any power to remove a director conferred on the Association by the Statutes the Association may by Extraordinary Resolution remove any director'* and insert *'where a director is removed in accordance with the Statutes'*. Delete the word *'and'* in line four and insert *'the Association'*.

Extract 6 - Secretary

Clause 76

Delete the word *'the'* and insert *'a'* and delete the word *'shall'* and insert the word *'may'* in the first line.

Extract 7 – Accounts

Clause 82

Delete the word *'Statute'* and insert *'the Statutes'* in the last line.

Extract 8 – Notices

Insert new clauses 93 and 94.

- 93 *'The provisions of sections 1144 and 1148 and schedules 4 and 5 of the Companies Act 2006 shall apply to all documents or information to be sent or supplied by or to the Company'*
- 94 *'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 the Web site'*