



# Bye-Laws

OF

## The Standard Club Ltd

(As amended at the special general meetings of members held on 27 January 1995, 28 January 1998, 24 January 2001, 29 January 2003, 1 October 2004, 9 October 2009, 10 October 2010, ~~and 20 November 2018~~ and 19 November 2019 and as amended at the annual general meeting of the company on 4 November 2011)

### *Managers*

Charles Taylor & Co (Bermuda)  
PO Box 1743  
Hamilton HMGX, Bermuda  
Telephone: +1 441 292 7655 Fax: +1 441 292 8992

### *~~Managers' Agents~~*

~~Charles Taylor & Co. Limited  
The Minster Building, 21 Mincing Lane, London EC3R 7AG  
Registered in England No. 2561548  
Telephone: +44 20 3320 8888 Fax: +44 20 3320 8800  
E-mail: p&i.london@ctplc.com~~

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PART 1  
INTERPRETATION

**Defined terms**

1. In the bye-laws, unless the context requires otherwise:

“act” means The Standard Steamship Owners' Protection and Indemnity Association (Bermuda) Limited Consolidation and Amendment Act 1994 and any amendments thereto;

“agree, agreed or agreement” means agree, agreed or agreement in writing;

“affiliated company” has the meaning given in section 86 of the Companies Act 1981;

~~“bye-laws”~~ means the company’s bye-laws;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than ~~England and Wales or Northern Ireland~~Bermuda which have an effect similar to that of bankruptcy;

“board” means the board of directors of the company;

“chairman” is the chairman of the board and has the meaning given in bye-law 15;

“chairman of the meeting” has the meaning given in bye-law 45;

“class” means any class of insurance at any time existing or operating within the company (whether the insurance is provided by itself or any of its subsidiaries) as set out in bye-law 56;

“Companies Act” means the Companies Act 1981 in so far as it applies to the company;

“committee members” means any person duly appointed to a class committee under bye-law 57;

“the company” means The Standard Club Limited;

~~“defence~~Defence risks” means the risks specified in and insured under the rules of class 2 of the company or any of its subsidiaries;

“Delay risks” means the risks specified in and insured under the rules of class 5 of the company or any of its subsidiaries, including under classes I, II and III of Strike Europe;

~~“deputy chairman”~~ means only the officers of the company having such title;

“director”, ~~the directors~~ means a director of the company, and includes any person occupying the position of director, by whatever name called and “the directors” means all persons occupying the position of director;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” means a document or information sent or supplied by electronic means or by any other means while in an electronic form;

“insurance” means insurance or reinsurance against the risks specified in the rules of any class;

“London class risks” means the risks specified in and insured under the rules of class 3 of the company or any of its subsidiaries;

the “managers” means Charles Taylor & Co (Bermuda) or the managers for the time being of the company;

“member” ~~or members of the company~~ means all the any persons who is a are members of any class within the company or a director and entered in the register of members and; “members” means all such persons;

“member corporation” means a ~~member or~~ corporation which is a member;

“member representative” means any person appointed to act on behalf of a member, as defined in these bye-laws;

“month” means calendar month;

“non-executive director” means a director appointed in accordance with bye-law ~~22~~<sup>20</sup> excluding ~~paragraph bye-law 22(e5)~~;

“notice” means written notice (whether by post, courier, telex, fax, electronic mail, publication on a website or any other means of a permanent nature) unless otherwise specifically stated;

“ordinary resolution” means a resolution of the members (or a class of members) of the company passed by a simple majority of the votes cast;

“owner” includes an owner, owners in partnership, owners holding separate shares in severalty, a part owner, and a trustee, mortgagee, charterer, operator or manager; builder, insurer or reinsurer who enters a ship in the company or any of its subsidiaries;

“participate”, in relation to a directors’ meeting, has the meaning given in bye-law 13;

“policy year” means a year starting at noon on 20 February and ending at noon on 20 February the following calendar year;

“president” means only the officer of the company having such title;

~~“protection-Protection and & indemnity-Indemnity risks”~~ means the risks specified in and insured under the rules of class 1 of the company or any of its subsidiaries;

“proxy notice” has the meaning given in bye-law 51;

“register of members” means the register of members of the company as required under section 65 of the Companies Act 1981;

“reserve fund” means a sum of two hundred and forty thousand United States dollars as required by section 4.2 of the act and any reserve fund that the directors may establish;

the “rules” this will mean the rules in force setting out the conduct of the whole or any part of the business of any class of the company. 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. ~~For In the Pclass 1 (Protection & Indemnity risks) of the company, I-class\_~~ this will mean the Standard P&I ~~R~~rules unless the reference is to the Standard ~~offshore-Offshore~~ P&I rules;

the “seal” means the common seal of the company;

“secretary” means the person, if any, appointed to perform the duties of the secretary of the company under bye-law 29;

“ship” means 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;

“special resolution” means a resolution of the members (or a class of members) of the company passed by a majority of not less than seventy-five percent of the votes cast;

“Standard Asia” means The Standard Club Asia Limited;

“Standard Ireland” means The Standard Club Ireland Designated Activity Company;

“Standard UK” means The Standard Club UK Limited;

“Strike Europe” means The Shipowners’ Mutual Strike Insurance Association Europe;

~~“Strike” means the risks specified in and insured under the rules of class 5 of the company;~~

“subsidiary” has the meaning given in section 86 of the Companies Act 1981;

“these islands” means the islands of Bermuda;

“vice-president” means only the officers of the company having such title;

~~“war-War risks”~~ means the risks specified in and insured under the rules of class 4 of the company or any of its subsidiaries;

“in writing” and “written” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise; and  
“year” means calendar year unless specifically stated.

References to a “signature” or to anything being “signed” or “executed” include electronic signature to the extent permitted by law.

Unless the context otherwise requires, other words or expressions contained in these bye-laws bear the same meaning as in the Companies Act 1981 as in force on the date when these bye-laws become binding on the company.

PART 2  
DIRECTORS  
DIRECTORS' POWERS, RESPONSIBILITIES AND DUTIES

**Directors' general authority**

2. The powers conferred upon the directors in these bye-laws 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 bye-laws the business of the company shall be conducted in accordance with the rules of each of the respective classes.

**Exercise of powers**

3. (1) 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 expressly by statute or by these bye-laws required to be exercised or done by the company in general meeting.

(2) 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.

(3) 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.

**Directors may delegate**

4. (1) Subject to the bye-laws, the directors may delegate any of the powers which are conferred on them under the bye-laws:

- (a) to the managers of the company,
- (b) to such person or committee,
- (c) by such means (including by power of attorney),
- (d) to such an extent,
- (e) in relation to such matters or territories, and
- (f) on such terms and conditions.

as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

(4) In no circumstances shall the managers become or be deemed to have become directors of the company by reason of such delegation.

**Directors may not delegate**

5. (1) Subject to the bye-laws, the directors may not delegate any of the powers or duties which:



- (a) are required by law to be exercised by the directors personally, or
- (b) relate to general meetings, or
- (c) are expressed in the Companies Act 1981 as being required to be done by resolution of the company, or
- (d) are subject to bye-law 3 (exercise of powers), or bye-law 23(4)(b) (director appointments) or bye-law 35 (remuneration of ~~directors~~managers), or
- (e) relate to meetings of the directors or committees of the directors or the proceedings thereat, or
- (f) relate to the appointment of the managers or the secretary, or
- (g) relate to the seal, reserves, financial statements or notices of general meetings, or
- (h) relate to the borrowing of money, or mortgage or charge on the company's undertaking or property, or
- (i) relate to the issue of debentures or other securities.

### **Committees**

6. (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the bye-laws which govern the taking of decisions by directors.
- (2) The composition of the committees to which the directors delegate their duties may only be made up from the directors, ~~Standard Europe directors~~, or the company's subsidiaries' directors, the managers and member representatives.
- (3) The directors may make rules or procedures for all or any committees, which prevail over rules derived from the bye-laws if they are not consistent with them.

## ~~DIRECTORS' DUTIES~~

### **Supervision**

7. The directors shall exercise a general supervision over the affairs of the company and without limitation to the bye-laws they shall be responsible for:
- (a) the correct keeping of the books, and
  - (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.

### **Minutes**

8. 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 bye-law 11, and
  - (f) without limitation to the generality of the foregoing of all matters as required by these bye-laws.

## Register of directors and officers

9. (1) The directors shall cause to be kept in one or more books at its registered office a register of directors and officers and shall enter therein the following particulars with respect to each director and the president, chairman, each deputy chairman, each vice-president and the secretary, that is to say:

- (a) first name and surname, and
- (b) address.

(2) The directors shall, within the period of fourteen days from the occurrence of:

- (a) any change among its directors and in the president, chairman, any deputy chairman, any vice-president or secretary, or

- (b) any change in the particulars contained in the register of directors and officers.

cause to be entered in the register of directors and officers the particulars of such change and the date on which such change occurred.

(3) The register of directors and officers shall be open to inspection at the office of the company on every business day, subject to such reasonable restrictions as the directors may impose, so that not less than two hours in each business day be allowed for inspection.

## DECISION-MAKING BY DIRECTORS

### Directors to take decisions collectively

10. The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting duly convened under bye-law 14 or a decision taken in accordance with bye-law 11.

### Written resolutions

11. (1) A resolution signed by all the eligible directors, which may be in counterparts, shall be as valid as if it had been passed at a board meeting duly called and constituted, such resolution to be effective on the date on which the last eligible director signs the resolution.

(2) References in this bye-law to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting, and for clarity, this excludes conflicted directors.

### Calling a directors' meeting

12. (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate:

- (a) its proposed date and time,
- (b) where it is to take place, and
- (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Any notices sent by email or any other electronic means are deemed to be received immediately.

### **Participation in directors' meetings**

**13.** (1) Subject to the bye-laws, directors participate in a directors' meeting, or part of a directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the bye-laws, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other. Directors may participate in any meeting by such telephonic, electronic or other communication facilities or means 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.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

### **Quorum for directors' meetings**

**14.** (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than five, and unless otherwise fixed is five, at least one of which must be an non-executive director.

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the members to appoint further directors.

### **Chairing of directors' meetings**

**15.** (1) The directors may appoint any director to chair their meetings.

(2) The person so appointed for the time being is known as the chairman.

(3) The directors may terminate the chairman's appointment at any time.

(4) At a directors' meeting, the chairman shall be, in order of priority of those attending:

- (a) the chairman of the board,
- (b) the president,
- (c) a deputy chairman, as nominated by the directors,
- (d) a vice-president, as nominated by the directors, or
- (e) any other person so appointed by those present at the meeting.

(5) If the chairman or, failing that, any other person appointed to chair the meeting, is not participating in a directors' meeting within ten minutes of the time at which it was due to start, the participating directors must appoint one of themselves to chair it.

### **Casting vote**

**16.** (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the bye-laws, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

### **Validity**

**17.** Should it be found that a director had not been duly appointed or they had vacated office, all acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director shall be as valid as if every such person had been duly appointed and had continued to be a director.

### **Conflicts of interest**

**18.** (1) A director may hold any other office or position 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.

(2) 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.

(3) 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.

(4) 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 bye-law, 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.

(5) Any director may act by himself or for 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.

(6) A director shall not as a director vote, nor shall he be counted in the quorum present upon a motion, in respect of:

- (a) any contract, matter or arrangement which he shall make with the company, or
- (b) any matter in which he is interested.

(7) If a director does vote upon any motion as set out in [paragraph bye-law 18](#)(6) his vote shall not be counted.

(8) Neither of the prohibitions set out in ~~paragraph-by-law 18~~(6) shall apply to a resolution which relates to:

- (a) 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,
- (b) any contract for purchasing and maintaining directors' and officers' liability insurance or errors and omissions insurance policies,
- (c) 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 and these prohibitions may at any time be suspended or relaxed to any extent by the company by ordinary resolution,
- (d) the recommendation of their remuneration to the members for approval,
- (e) the determination and payment of directors' expenses.

(9) 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.

### Records of decisions to be kept

19. The directors must ensure that the company keeps a record, in writing, for at least six years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

### Directors' discretion to agree procedure

20. Subject to the bye-laws, the directors may agree any procedure they think fit for the taking of decisions and how such procedure is recorded or communicated to directors.

## APPOINTMENT OF DIRECTORS

### Number

21. The number of directors shall not be less than six or more than thirty-two. The company may by ordinary resolution increase or reduce the number of directors.

### Qualifications

22.

(1) ~~Only persons who qualify under the following provisions shall be eligible for appointment as directors of the company, namely A~~any person who is:

~~(a) ordinarily resident in these Islands shall be eligible to be appointed as a director of the company;:- or~~

~~(2) In addition to paragraph (1) any person shall be eligible to be appointed as a director of the company where they are:~~

~~(ba) an owner of a ship entered in the company or its subsidiaries, or~~

~~(bc) a director of or employed in any substantially full-time executive capacity by a corporation which is any of the following:~~

- ~~(i) a member corporation.~~
- ~~(ii) the holding company of a member corporation.~~
- ~~(iii) a subsidiary of a member corporation.~~

- (iv) associated with a member corporation, or  
 (ed) a director of Standard UK, Standard Asia, Standard Ireland or any subsidiary of the company ~~that is an associate of Standard Bermuda.~~
- ~~(32)~~ Notwithstanding bye-law 22(1), in addition to paragraph (2), a person recommended for appointment as a director by a seventy-five percent majority of the directors shall be eligible to be a director.
- ~~(43)~~ The number of directors appointed under bye-law 22 ~~paragraph (32)~~ shall not exceed one-fifth of the total number of directors.
- ~~(54)~~ The chairman cannot be elected under bye-law 22 ~~paragraph (32)~~.
- ~~(65)~~ An employee of the managers or their agents or an -affiliated company of the managers is entitled to be appointed as a director under ~~paragraph (3)~~ bye-law 22(1)(d) or bye-law 22(2) but cannot participate in or vote on any matter which concerns the terms of engagement of the managers, their performance or their remuneration.

### Methods of appointing directors

23. Any person who qualifies for appointment as a director under bye-law 22, and is permitted by law to do so, may be appointed to be a director:

- (a) by ordinary resolution of the members, or
- (b) by a decision of the directors, to fill a vacancy, valid until the next annual general meeting ~~AGM~~.

### Retirement of directors by rotation

24. (1) At every annual general meeting, any directors:

- (a) who have been appointed by the directors since the last annual general meeting, or
- (b) who were not appointed or reappointed at one of the preceding two annual general meetings, or
- (c) who represent one-third of the directors, or if their number is not divisible by three, then nearest number to three, who have been in office for the longest period.

must retire from office and may offer themselves for reappointment by the members.

(2) 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.

### Termination of director's appointment

25. (1) A person ceases to be a director as soon as:

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 1981 or is prohibited from being a director by law.
- (b) a bankruptcy order is made against that person.
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts.
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that the person has become physically or mentally incapable of acting as a director and may remain so for more than three months.
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have, or
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

(2) Any director who fails to be reappointed by the members under bye-law 24 ceases to be a director from the close of the meeting.

(3) Any director who ceases to be ~~eligible a director under bye-law 22(1)(b) to (d) of a member company~~ must retire at the company's annual general meeting.

(4) Subject to any provisions to the contrary contained in the act but in addition to any power to remove a director conferred on the company by any statute. The members may at any special or annual general meeting convened and held in accordance with the bye-laws remove a director. The notice of any such meeting shall contain a statement of the intention so to do and at any such meeting such director shall be entitled to be heard on the matter of his removal. Nothing in this bye-law shall have the effect of depriving any person of any compensation or damages which may be payable to him in respect of 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 bye-law 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 bye-law 23.

### **Directors' remuneration**

**26.** (1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the company shall determine by ordinary resolution at a general meeting:

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.

(3) Subject to the bye-laws, a director's remuneration may:

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

(4) Unless the company decides otherwise, the directors' remuneration accrues from day to day.

(5) Unless the company decides otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

(6) A director appointed under ~~article bye-law 22(56)~~ shall not receive any remuneration as a director.

### **Directors' expenses**

**27.** The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- (a) meetings of directors or committees of directors, or
- (b) general meetings, or
- (c) separate meetings of the holders of debentures of the company, or
- (d) otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

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PART 3  
OFFICERS

**Officers who must be directors**

28. (1) The directors may appoint any director to be:

- (a) the chairman, or
- (b) a deputy chairman (one or more), or
- (c) the president, or
- (d) a vice-president (one or more).

for such period, and upon such conditions as they think fit; and any person so appointed may be removed by them.

(2) Any person appointed under this bye-law shall be an officer of the company.

**Secretary**

29. The directors may appoint a secretary and an assistant secretary to the company for such period, for such remuneration and upon such conditions as they think fit; and any secretary so appointed may be removed by them. Any secretary or assistant secretary appointed under these bye-laws shall be an officer of the company.

**Secretary duties**

30. The secretary or their delegate shall:

- (a) attend all meetings of the members, of the members of a particular class, of the board of directors, and of committees of the directors, and of any class committee;
- (b) keep correct minutes of such meetings and of all resolutions of the directors passed ~~in accordance with bye-law 16 (casting vote)~~ and enter the same in proper books provided for the purpose; and
- (c) perform such other duties as are prescribed by the act or these bye-laws or as shall be prescribed by the directors from time to time.

PART 4  
MANAGERS

**The managers**

31. Charles Taylor & Co. (Bermuda) or its successors in business or title shall be the managers of the company.

**Attendance at meetings**

32. 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 and any class committees.

### General powers and duties

33. The powers, duties and discretions of the managers are:
- (a) those delegated to the managers by the directors pursuant to these bye-laws, and
  - (b) those vested in, conferred upon or imposed upon the managers by the rules.

### Delegation

34. Whenever any power, duty or discretion is delegated to the managers pursuant to these bye-laws or is conferred or imposed upon the managers by the rules, the same may, subject to any terms, conditions or restrictions imposed on the managers in relation thereto, be exercised by:

- (a) any director of the managers.
- (b) any employee of the managers.
- (c) an affiliated company of the managers or an agent appointed by the managers with the approval of the directors and any director or employee of such affiliated company or agent.

### Remuneration

35. The directors shall determine the remuneration of the managers for their services to the company.

## PART 5 MEMBERS BECOMING AND CEASING TO BE A MEMBER

### Qualification for membership

36. (1) Every director of the company shall be a member.
- (2) Standard UK, Standard Ireland and Standard Asia shall be members.
- (3) Each person whose entry for insurance by the company has been accepted under the rules shall, unless the managers otherwise decide, become a member from the time the insurance commences.
- (4) A person applying for entry 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 become a member.
- (5) Any other person who is insured by the company, shall, if the managers so decide, become a member from the time that the insurance commences.
- (6) Whenever the managers accept an entry by way of reinsurance, the insurer reinsured by the club and, or any person insured by such an insurer may, if the managers agree, become a member.
- (7) Where a person's entry has been accepted on terms that he shall not become a member, it shall be 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 person.
- (8) Any member of or person entering a ship or ships in:
- (a) Classes 1, 2, 3, 4 or 5 of either Standard UK,
  - (b) Classes 1, 2, 3, 4 or 5 of or Standard Ireland.

~~and any member or person entering a ship or ships in (c)~~ Classes 1, ~~or 2~~ or 5 of Standard Asia, or

(d) Classes I, II or III of Strike Europe,

shall, unless the managers otherwise decide, also become members of the company and shall belong to the equivalent class of the company.

### **Ceasing to be a member**

**37.** (1) A member shall cease to be a member:

- (a) when he is only a member in his capacity as a director and he ceases to be a director, or
- (b) 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 its subsidiaries or any such insurance is cancelled, or
- (c) when being an individual, he dies, becomes of unsound mind, or bankrupt or makes any arrangement with his creditors generally, or
- (d) when being a company, a resolution is passed for its voluntary winding-up or an order is made for its compulsory winding-up or it is dissolved or seeks protection from its creditors under any applicable bankruptcy or insolvency laws or any similar event occurs in any applicable jurisdiction.

(2) A member who ceases to be a member and his estate, personal representatives, trustees in bankruptcy, receiver, liquidator 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 shall remain liable to pay to the company all monies they would be liable to pay under the bye-laws or to the period to and including the next 20 February, after the date of such cessation.

### **No transfer of membership**

**38.** Membership shall not be transferable or transmissible.

### **Register of members**

**39.** (1) As soon as reasonably practicable after a person agrees to become a member, the managers shall enter the name of such person in the register of members.

(2)(a) The directors shall cause to be kept in one or more books a register of members and shall enter therein the following particulars:

- (i) the name and address of each member,
- (ii) the date on which each person was entered in the register of members, and
- (iii) the date on which any person ceased to be a member for one year after such person so ceased.

(b) The register of members shall be open to inspection at the registered office of the company on every business day, subject to such reasonable restrictions as the board may impose, so that not less than two hours in each business day be allowed for inspection. The register of members may, after notice has been given by advertisement in an appointed newspaper to that effect, be closed for any time or times not exceeding in the whole thirty days in each year.

## ORGANISATION OF GENERAL MEETINGS

### Annual general meeting

**40.** An annual general meeting of the company shall be held at least once in every year at a time and place to be fixed by the directors provided that not more than fifteen months shall elapse between the date of one annual general meeting and the next.

### Special general meetings

**41.** (1) All general meetings of the company other than annual general meetings shall be called special general meetings.

(2) The board, any two directors, or the president may convene a special general meeting of the company.

(3) The board shall on the requisition of 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 convene a special general meeting and in default such special general meeting may be convened by the request of the members in accordance with the provisions in the Bermuda Companies Act 1981 as amended from time to time.

### Notices

**42.** (1) In the case of each annual general meeting and special general meeting of the company not less than five clear days' notice shall be given.

(2) Notice of every general meeting of the company shall:

(a) specify the meeting as an annual general meeting or, as the case may be, a special general meeting,

(b) state the date, time and place of the meeting and specify the general nature of the business to be transacted thereat and, if applicable, that the election of the directors shall take place thereat,

(c) 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.

(3) 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.

(4) 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.

(5) General meetings of the company shall, notwithstanding that they are called at shorter notice than specified in ~~paragraph bye-law 42(1)(a)~~, be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat, and

(b) 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-five per cent of the total voting rights at that meeting of all the members.

(6) A resolution in writing signed by all of the members, which may be in counterparts, shall be as valid and as effectual as if it had been passed by a general meeting duly called and constituted.

### **Attendance and speaking at general meetings**

**43.** (1) The members entitled to receive notice of and to attend and vote at such meetings are only those 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.

(2) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(3) Members may participate in any general meeting by such telephonic, electronic or other communication facilities or means 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.

(4) A person is able to exercise the right to vote at a general meeting when:

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(5) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(6) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(7) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

### **Quorum for general meetings**

**44.** (1) No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

(2) Save as otherwise provided in these bye-laws, the quorum is two members present in person, or represented by a corporate representative or proxy.

### **Chairing general meetings**

**45.** (1) If the directors have appointed a chairman, a president, deputy chairmen or vice-presidents of the board, the chairman of a general meeting shall be in order of priority of those attending, the chairman, the president, a deputy chairman and then a vice-president, and then any person elected by those present at the meeting if willing to do so.

(2) If the directors have not appointed a chairman or deputy chairmen, or if the chairman or deputy chairmen are unwilling to chair the meeting or are not present within ten minutes of the time at which a meeting was due to start:

(a) the directors present, or

(b) (if no directors are present), the meeting.

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this bye-law is referred to as "the chairman of the meeting".

### **Attendance and speaking by directors and non-members**

- 46.** (1) Directors may attend and speak at general meetings, whether or not they are entered on the register of members.
- (2) The chairman of the meeting may permit other persons who are not registered on the register of members of the company to attend and speak at a general meeting.

### **Adjournment**

- 47.** (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

### **Voting: general**

- 48.** (1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the bye-laws.
- (2) Subject to any special rights or restrictions as to voting attached by, or in accordance with these bye-laws, every member 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.
- (3) In the event of an equal number of votes, the chairman of the meeting shall be entitled to a further or casting vote.
- (4) A written resolution of members passed in accordance with the Companies Act 1981 is as valid and effectual as a resolution passed at a general meeting of the company.

## Errors and disputes

49. (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairman of the meeting whose decision is final.

## Poll votes

50. (1) A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by:

- (a) the chairman of the meeting.
- (b) the directors.
- (c) two or more persons having the right to vote on the resolution, or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn by the person or persons who demanded it if:

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

(5) Subject to any special rights or restrictions as to voting attached by or in accordance with these bye-laws, the members on a poll shall have the following voting rights:

- (a) a member in accordance with bye-law 36 (1) and (2) shall have one vote.
- (b) a member in accordance with bye-law ~~26-36~~ (3) shall have:
  - (i) one vote for each ship in respect of which his application has been accepted and which remains entered whose tonnage is 1,500 gross tons or more, and
  - (ii) one vote in total for all the other ships in respect of which his application has been accepted and which remain entered whose tonnage is less than 1,500 gross tons each.
- (c) a member whose application has been accepted in accordance with bye-law 36 ~~(54)~~ shall have one vote.
- (d) a member, if accepted as a member by the managers in accordance with bye-law 36 ~~(65)~~, shall have one vote for all reinsurances so accepted.
- (e) a member whose application has been accepted in accordance with bye-law 36 (8) on the basis of a paying a fixed contribution shall have one vote.
- (f) Subject to paragraph (e) of this bye-law, a member whose application has been accepted in accordance with bye-law 36 (8) and is not accepted on the basis of paying a fixed contribution, shall have:
  - (i) one vote for each ship entered in:
    - (A) -classes 1, 2, 3 and/or 4 of Standard Ireland, or
    - (B) classes 1, 2, 3 and/or 4 of Standard UK, or
    - (C) classes 1 and/ or 2 of Standard Asia,

in respect of which his application has been accepted and which remains entered whose tonnage is 1,500 gross tons or more, and

- (ii) one vote in total for all the other ships entered in:  
 (A) -classes 1, 2, 3 and/or 4 of Standard Ireland, and/ or  
 (B) classes 1, 2, 3 and/or 4 of Standard UK, and/ or  
 (C) classes 1 and/or 2 of Standard Asia,

in respect of which his application has been accepted and which remain entered whose tonnage is less than 1,500 gross tons each, and-

- ~~(i)~~(iii) one vote in total for all ships entered in class 5 of Standard Ireland, Standard UK and/or Standard Asia and/or Classes I, II and III of Strike Europe.

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

### **Content of proxy notices**

51. (1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which:
- states the name and address of the member appointing the proxy.
  - identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed.
  - is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine, and
  - is delivered to the company in accordance with the bye-laws and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as:
- allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **Delivery of proxy notices**

52. (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor’s behalf.

### **Amendments to resolutions**



**53.** (1) The business proposed in the notice convening a general meeting may be amended by ordinary resolution if:

(a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the notice.

(2) Business proposed in the notice convening a general meeting to be passed by way of special resolution may be amended by ordinary resolution, if:

(a) the chairman of the meeting proposes the amendment at the general meeting at which the business is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to business proposed in the notice convening a general meeting is out of order, the chairman's error does not invalidate the vote on that resolution.

### **Record of decisions**

**54.** Minutes of all resolutions and proceedings of each general meeting of the members shall be entered into books provided for the purpose.

## MEETINGS OF MEMBERS OF CLASSES

### **Class meetings**

**55.** (1) Each class of business, as set out in bye-law 56, shall hold an annual class meeting to re-elect the members of the class committee subject to bye-law 57 and to transact any other class business.

(2) The directors may, at any other time, convene a separate general meeting of the members of any class and such separate general meetings shall also be convened on the written request of not less than ten percent of the members of the class in question. If the directors fail to convene a requested general meeting within twenty-one days from the date of the deposit of the request, those persons making the request may convene such a meeting. All the provisions of the Companies Act 1981 apply to such request as if the request were in respect of a general meeting of the company. All the provisions as to general meetings in these bye-laws shall apply to such separate meetings, except that at least five days' clear notice of any such meeting shall be required.

(3) The provisions of the bye-laws relating to general meetings apply, with any necessary modifications, to the meetings of the members of any class.

## PART 6 BUSINESS OF CLASSES

### **Classes of business**

**56.** (1) The members shall be divided into classes, according to the risks against which they respectively shall be insured by the company or its subsidiaries.

(2) ~~From the date of the adoption of these bye-laws, t~~he company shall have the following classes:

- (a) class 1, Protection & Indemnity risks
- (b) class 2, Defence risks
- (c) class 3, London class risks
- (d) class 4, War ~~Risks~~risks
- (e) class 5, ~~Strike~~Delay risks

(3) 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 determined by the company by ordinary resolution.

(4) The business of each class shall, subject to these bye-laws, be conducted in accordance with the rules of such class, which shall be binding on the members.

(5) A 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.

### **Class committees and membership**

**57.** (1) Each class of business, may, if the board determines, and for as long as the board shall determine, have a committee which shall oversee, subject to the overall responsibility of the board, the business of that class. Notwithstanding anything in these bye-laws to the contrary, the board may appoint a member of the class committee and dismiss any member or members of the class committee. The duties and obligations of the class committee are conferred by these bye-laws and the class committee's terms of reference, as approved by the directors.

(2) ~~A class committee shall be appointed by the board upon the creation of a class.~~ Subject always to the powers of the board under bye-law 57(1), the membership of the class committee shall thereafter be determined by the members of that class by ordinary resolution, passed at the annual class meeting in accordance with bye-law 55(1).

(3) The class committee members shall have the authority to appoint new members to the committee between the annual class meetings.

(4) At the annual class meeting, any class committee members:

- (a) who have been appointed by the class committee since the last annual class meeting, or
- (b) who were not appointed or reappointed at one of the preceding two annual class meetings, or
- (c) who represent one-third of the class committee members who have been in the position for the longest period.

must retire from the class committee and may offer themselves for reappointment by the members of the class in accordance with bye-law 57(2).

### **Class committee members' remuneration**

**58.** (1) Class committee members appointed under bye-law 57 are entitled to such remuneration as ~~the company shall determine~~d by ordinary resolution at a ~~general~~ meeting of the members in the respective class:

- (a) for their services to the company as class committee members, and
- (b) for any other service which they undertake for the company.

(2) Subject to the bye-laws, a class committee member's remuneration may:

~~(a) take any form, and~~

~~(b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.~~

(3) Unless the company decides otherwise, the class committee members' remuneration accrues from day to day.

(4) Unless the company decides otherwise, class committee members are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

### **Rules of the classes**

**59.** (1) The rules of each 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.

(2) Each class may have more than one set of rules in force at the same time.

(3) The rules of a class may 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. This provision shall be without prejudice to the powers conferred upon the directors by bye-law 20.

(4) Notwithstanding any other provision of these bye-laws relating to the amendment of the rules, the directors shall have power to make or alter the rules of any class (including with effect from any time during the course of any current or future policy year), arising out of or in connection with the implementation of or any change in, or potential or proposed implementation of or any change in, any legislation or regulation, or otherwise. On the company giving notice of the changes to the members of that class, the changes shall be binding on the members of the class with effect from the date specified in such notice.

(5) Subject to these bye-laws or the rules, the directors may at any time waive unconditionally, or on any terms and conditions as the directors think fit, any breach by any member of the obligations, conditions or provisions contained in the rules of any class.

### **Accounts of each class**

**60.** (1) A separate account shall be kept for each class.

(2) The funds necessary to meet the amounts needed for the business of each class, including but not limited to the amounts needed for known or expected claims, expenses, reinsurance premiums, other outgoings and solvency requirements, shall be provided by contributions of the members having ships entered in that class in accordance with the class rules.

(3) The class funds may be used for the payment of claims, expenses, reinsurance premiums and other outgoings which, in the opinion of the directors, fall upon that class of the company. The directors shall determine what proportions of the general expenses of the management and company debts and liabilities are to be borne between the different classes, and the separate accounts of the respective classes shall be debited accordingly.

(4) All payments to or by the company in respect of any business of any class shall be due or made by the company but shall be credited or charged to, as the case may be, the separate account for such class.

(5) All insurances underwritten on behalf of any class shall be underwritten in the name of the company but shall relate to one or more of the classes, and no person shall, in respect

of insurance relating to any one class, be liable to pay or entitled to receive any money in respect of the insurance to or from any other class.

(6) The directors shall keep in accordance with section 4.2 of the act a sum of two hundred and forty thousand United States dollars.

(7) If the funds raised by the contributions to a class are more than sufficient to meet the needs of the business of the class, then the whole, or any proportion, of the surplus may be retained and applied for the purposes of that class in such manner and may be carried to one or more reserve funds of that class as the directors may determine; or the directors may 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 directors may determine, provided that no part of these bye-laws shall give members any interest in the funds of the company.

(8) Class funds may be invested in such investments as the directors consider appropriate and such funds may be used for such purposes as the directors determine.

(9) Except in the event of the insolvency of the company, the assets of each class shall be kept separate from those of the other classes and shall be available only for the use of that class benefit of the members of that class.

(10) Upon the insolvency of the company, all assets of all classes shall be pooled and nothing in the bye-laws is intended to create a trust in favour of any party.

### **Supplementary calls**

**61.** (1) Where a supplementary call is made on one class of business, under the rules of that class, only the members of that class are liable to pay such supplementary call.

(2) A supplementary call shall not be levied on a class in order to provide funds for or make good deficiencies in another class.

(3) Where a supplementary call is required for the general expenses of the company or to provide solvency capital for the company generally, the directors may levy a supplementary call on one or more or all of the classes in such amounts in respect of each class as the directors may determine.

### **Reinsurance**

**62.** (1) The directors may reinsure any or all or any proportion of the risks of the company or of any class on such terms as they may think fit.

(2) Notwithstanding any other provision of these bye-laws or the rules, the directors may effect the reinsurance of the risks of one or more classes by any other class or classes on such terms as the directors determine.

### **Loans and subventions**

**63.** Notwithstanding any other provision of these bye-laws or the rules, the directors may effect a loan or subvent funds from one class to another on such terms as they consider appropriate.

### **Insurances and contributions**

**64.** (1) Further to the provisions of these bye-laws or the rules, the directors may accept entries on standard or 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.

(2) 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.

(3) Notwithstanding that members mutually insure each other against the risks covered by the company, all claims by or from a member or other insurer in respect of insurance or arising out of the business of the company shall be made and enforced against the company only and not against any member.

(4) Except as provided for specifically in the rules or a member's certificate of entry, only a member or other insured party shall be entitled to make and enforce claims in respect of the insurance provided by the company.

## PART 7

### Accounts And Administrative Arrangements Accounts And Auditors

#### **Duty to keep accounts**

**65.** The directors shall ensure that true accounts be kept of all transactions of the company in such manner as to show the assets and liabilities of the company and the books and records of the accounts shall at all times be kept at the office of the company or at such other place as the directors may determine and shall always be open to the inspection of the directors.

#### **Requirement for the accounts to be audited**

**66.** The directors shall ensure that the accounts of the company are audited at least once in every fiscal year by an independent representative of the members and such audited accounts shall be laid before the members at the annual general meeting in each year and shall be open to an inspection by any member.

#### **The auditor**

**67.** At the annual general meeting or at a subsequent special general meeting, an independent representative of the members shall be appointed as auditor 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.

#### **Remuneration of the auditor**

**68.** 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.

#### **Vacancy in the office of the auditor**

**69.** 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 special 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.

### **Powers and duties of the auditor**

**70.** (1) The auditor shall examine such books, accounts and vouchers as may be necessary for the performance of his duties.

(2) The auditor shall make a report to the members of the accounts examined by him at the annual general meeting in each year.

(3) 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.

(4) 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 as 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.

### **ADMINISTRATIVE ARRANGEMENTS**

#### **Means of communication to be used**

**71.** (1) Subject to the bye-laws, anything sent or supplied by or to the company under the bye-laws may be sent or supplied in any way in which the Companies Act 1981 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the bye-laws, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(2) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent and for the specified time to be less than 48 hours. Notices sent by email or other electronic means of a permanent nature by the company to a director are deemed to be received immediately.

#### **Notices**

**72.** (1) Any notice that is required to be served on the company must be sent to the company's registered office.

(2) 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:

- (a) personally<sub>1</sub>
- (b) in the case of a company, by handing it to a director or officer of such company<sub>1</sub>
- (c) by post<sub>1</sub>
- (d) telex<sub>1</sub>
- (e) fax<sub>1</sub>
- (f) courier<sub>1</sub>
- (g) electronic mail<sub>1</sub>
- (h) by delivering it in accordance with the provisions of the Companies Act 1981 pertaining to delivery of electronic records by publication on a website, or
- (i) any other electronic means of a permanent nature.

~~(23)~~ A notice shall be sent in accordance with one of paragraphs (2)(a)-(g) of this bye-law to the member at his address or to his telex or 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.

(34) Where notice is served in hard copy form, the company may serve notice to the member:

- (a) at the members' address as recorded by the managers, or
- (b) at any other address that the member has notified the managers of, as being the address for service, or
- (c) at the address of the group principal as defined in the class rules and as being notified as the address for service.

### **Date of Service**

73. (1) Any notice delivered by the company, if served:

- (a) personally, shall be deemed served on the day on which it was served,
- (b) 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,
- (c) by telex, fax or electronic mail, or other electronic means of a permanent nature, 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 or other electronic communication was duly transmitted.

(2) Every legal or personal representative, 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 bye-law 74-72 notwithstanding that the company may have notice of the death, lunacy, bankruptcy, liquidation, disability or administration of such member.

(3) Any notice delivered in accordance with bye-law 74-72(2)(h) shall be deemed to have been delivered at the time when the requirements of the Companies Act 1981 in that regard have been met.

### **Authentication of documents**

74. For the purposes of these bye-laws, a document or proceeding requiring authentication by the company is deemed sufficiently authenticated by the signature of a director or secretary of the company, or a director, secretary or other officer of the managers.

### **Company seals**

75. (1) Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this bye-law, an authorised person is:

- (a) any director of the company,
- (b) the company secretary (if any),
- (c) any director, secretary or other officer of the managers, or



(d) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

### **No right to inspect accounts and other records**

**76.** Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member.

## **DIRECTORS', OFFICERS' AND MANAGERS' LIABILITY, INDEMNITY AND INSURANCE**

### **No personal liability**

**77.** Neither the directors, officers nor the directors or officers of 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.

### **Indemnity of directors and officers**

**78.** The directors, secretary and other officers for the time being of the company and the liquidator or the trustees (if any) for the time being acting in relation to any of the affairs of the company and every one of them, and their heirs, executors and administrators to the extent permitted by law shall be indemnified and secured harmless out of the assets of the company from and against all actions, costs, charges, losses, damages and expenses (including any liability incurred by any of them in defending any proceedings whether civil or criminal in which judgment is given in their favour, or in which they are acquitted, or in connection with which relief is granted to them by the Court under section 281 of the Companies Act 1981) which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and none of them shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom moneys or effects belonging to the company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency or any security upon which any moneys or which belonging to the company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the said persons. Each member agrees to waive any claim or right of action such member might have, whether individually or by or in the right of the company, against any director or other officer on account of any action taken by such director or other officer, or the failure of such director or other officer to take any action in the performance of his duties with or for the company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such director or other officer.

### **Indemnity of the managers**

**79. (1)** The directors shall have the power to agree the terms of any indemnity to be given to the managers by the company.

(2) For the purposes of this bye-law, “the managers” includes any and all servants, affiliated companies and agents of the managers to whom duties of the managers have been entrusted.

### **Insurance**

**80.** (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director, officer or manager in respect of any relevant loss.

(2) In this bye-law:

(a) a “relevant director” means any director or former director of the company or an associated company

(b) a “relevant officer” means any officer or former officer of the company or an associated company

(c) a “relevant manager” means the managers of the company or an associated company and any employee of suchthe managers or any former manager and its employees

(c) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company, and

(d) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

## PART 8 DISSOLUTION

### **Winding up**

**81.** 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 a fair and equitable manner amongst the members and in such proportion or amounts as the directors shall recommend prior to such winding up and subject always to the final decision of the liquidator.