

TO: THE MEMBERS

21st December, 2015

Dear Sirs,

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General meeting of the Members of the Association will take place

on: Thursday, 21st January, 2016 at 09.30 a.m.

at: 90 Fenchurch Street,
London EC3M 4ST

At the meeting, the following Special Resolutions will be proposed:

Special Resolution 1 to propose:

“That, with effect from 12 noon Greenwich Mean Time on 20th February, 2016, the amendments to the Articles of Association of the Association as contained in the printed document marked “Appendix A” submitted to this meeting and for the purposes of identification signed by the Chairman be and are hereby adopted.”

Special Resolution 2 to propose:

“That, with effect from 12 noon Greenwich Mean Time on 20th February, 2016, the amendments to the Rules as contained in the printed document marked “Appendix B” submitted to this meeting and for the purposes of identification signed by the Chairman be and are hereby adopted.”

By order of the Board

K.P. Halpenny
Secretary

TO: ALL MEMBERS

PROPOSED AMENDMENT TO THE ASSOCIATION'S ARTICLES OF ASSOCIATION AND PROPOSED RULE CHANGES – 2016/17 RULES

Proposed amendment to the Articles of Association

The Directors of the Association are conscious of the need to ensure that the Board continues to be representative of the Membership in terms of geography, trade type and entered fleet composition. To facilitate this it is proposed that the Association's Articles of Association be amended to permit an increase in the maximum number of Directors. The proposed amendment to Article 8.1 is italicised and set out in Appendix "A" (see attached).

Proposed Rule Changes

Members may be aware that in the United Kingdom the Insurance Act 2015 will come in to force on 12th August, 2016. This legislation has been enacted to update and modernise English insurance law. In light of this legislation it is proposed that Rule changes are necessary in order to meet certain requirements of this new Act. Changes are therefore being proposed to Section 1 – Introduction and Rule 8 (2) of the Association's Rules. In addition, a Rule change is also being proposed to provide greater clarification to the definition of a fixed premium entry.

The proposed Rule changes are set out in Appendix "B" (see attached).

The proposed amendment to the Association's Articles of Association and the proposed Rule changes are to be considered at an Extraordinary General Meeting to be held on 21st January, 2016. If approved the Articles as amended and revised Rules will take effect from 20th February, 2016.

If any Members have any questions concerning the proposed amendment to the Association's Articles of Association or proposed Rule changes they should contact the Managers.

Yours faithfully,

THOMAS MILLER DEFENCE LTD
Managers

APPENDIX "A"

AMENDMENT TO THE ASSOCIATION'S ARTICLES OF ASSOCIATION

ARTICLE 8. DIRECTORS' APPOINTMENTS

8.1 The number of directors shall be no less than six and no more than ~~20~~ 22, unless otherwise determined by ordinary resolution.

APPENDIX “B”

RULE AMENDMENT NO. 1

Section 1 : Introduction

*“The following provisions of the Insurance Act 2015 (“the Act”) are excluded from the **Rules** and any contract of insurance as follows:*

- (1) Sections 8 and 14 of the Act are excluded. As a result, any breach of Rule 8(2), the duty of fair presentation and/or the duty of utmost good faith shall entitle the **Association** to avoid the contract of insurance.*
- (2) Section 10 of the Act is excluded. As a result, unless otherwise stated, all warranties in these **Rules** or any contract of insurance must be strictly complied with and, if the **Member** or any person covered under these **Rules** fails to comply with any warranty, the **Association** shall be discharged from liability from the date of the breach, regardless of whether the breach is subsequently remedied.*
- (3) Section 11 of the Act is excluded. As a result, if the **Member** or any person covered under these **Rules** fails to comply with any Rule or term of the contract of insurance between the **Association** and any person covered under these **Rules** the **Association**’s liability may be excluded, limited or discharged in accordance with these **Rules** and/or any such term.*
- (4) Section 13A of the Act is excluded. As a result the **Rules** and the insurance contract between the **Association** and the **Member** and any person covered under these **Rules** shall not be subject to, nor shall the **Association** or the **Managers** be in breach of, any implied term that they will pay any sums due in respect of a claim within a reasonable time save where the breach is deliberate or reckless.”*

RULE AMENDMENT NO. 2

Rule 8 Applications for Cover

- “(1) Any **Applicant Member** who wishes to enter a **Ship** shall make an application for such **Entry** in such form as may from time to time be required.
- (2) When applying for **Entry** or negotiating any changes to or renewal of the terms of **Entry**, the **Applicant Member** *must provide* ~~warrants that all material particulars and information have been provided and~~ *ensure* that all such particulars and information are true and complete, ~~and will remain so throughout the period of the Entry. The particulars and information provided shall, if Entry of the Ship is accepted, form the basis of the contract between the Member and the Association~~
- (3) The **Association** may without giving any reason refuse any application for the **Entry** of a **Ship** whether or not the **Applicant Member** in respect of such **Ship** is a **Member** of the **Association**.”

RULE AMENDMENT NO. 3

Rule 11 Material Change

“The **Member** or any other person covered under the **Rules** is obliged to notify the **Association** of any material change relating to an **Entered Ship** including but not limited to a change of classification or classification society, change of management or change of flag. *Upon such disclosure, or failure to disclose, the Association may amend the Member’s Call Rating or Fixed Premium and/or the terms of Entry, or terminate the Entry in respect of such Entered Ship with effect from the time of disclosure or the time at which such material change ought to have been notified to the Association.*”

RULE AMENDMENT NO. 4

Section 9 Definitions and Interpretation

“Fixed Premium Entry

A **Ship** which has been entered in the **Association** pursuant to Rule 12 *by a voyage charterer for an agreed fixed premium or in such other manner as the Directors might from time to time agree.*”

A G E N D A

21st January 2016

- 1. To read the Notice of Meeting.**
- 2. Amendments to the Articles of Association**

Special Resolution 1 to propose:

“That, with effect from 12 noon Greenwich Mean Time on 20th February, 2016, the amendments to the Articles of Association of the Association as contained in the printed document marked “Appendix A” submitted to this meeting and for the purposes of identification signed by the Chairman be and are hereby adopted.”

- 3. Amendments to the Rules**

Special Resolution 2 to propose:

“That, with effect from 12 noon Greenwich Mean Time on 20th February, 2016, the amendments to the Rules as contained in the printed document marked “Appendix B” submitted to this meeting and for the purposes of identification signed by the Chairman be and are hereby adopted.”

- 4. Any Other Business**
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