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NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of the MEMBERS OF THE ASSOCIATION will be held at the REGISTERED OFFICE of the Association, 50 LEMAN STREET, LONDON, E1 8HQ at 3:30 p.m. on TUESDAY, 29th JANUARY 2019, or as soon thereafter as the separate meeting of the members of Class 8 called for that day is finished, for the purpose of passing the following Resolutions, all to take effect from noon G.M.T. on the 20th day of February 2019:-

1. The following Resolution, together with any amendments thereto proposed at the meeting, will be considered, and if thought fit, passed as a SPECIAL RESOLUTION of the Association:

THAT the Association's Articles of Association be and are hereby amended as set out in the following pages 2 to 11 of this Notice of Meeting with effect from noon G.M.T. on the 20th day of February 2019.

By Order of the Committee,
A. BILBROUGH & CO. LTD.
(Managers)

7 January 2019

Note: A Member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his place. A proxy need not be a Member of the Association.

5.565

[Explanation: A wholly owned subsidiary, The London P&I Insurance Company (Europe) Ltd, is being established in Cyprus in order to undertake the insurance obligations of the Association in respect of EU flagged ships, in the event that this is prevented as a consequence of the UK leaving the EU either with or without a transition agreement. The insurance cover offered by the subsidiary will be subject to the Association's Rules and Terms & Conditions, ensuring that all of an Assured's entries are insured on the same basis, irrespective of their choice of flag and the group entity which ultimately underwrites the entry. The following proposed amendments are required to give effect to this restructuring.]

[Note: wording to be deleted is ~~struck through~~ and wording to be added is **bold and underlined**]

.....
The Companies Act 2006

—————
COMPANY LIMITED BY GUARANTEE AND NOT HAVING
A SHARE CAPITAL
—————

A R T I C L E S O F A S S O C I A T I O N
OF

**THE LONDON STEAM-SHIP OWNERS' MUTUAL
INSURANCE ASSOCIATION LIMITED**

(Adopted by Special Resolution passed on the 15th day of February, 1956, amended by Special Resolutions passed on 21.1.1959, 17.2.1971, 20.2.1974, 19.2.1975, 16.2.1977, 20.2.1980, 14.2.1986, 17.1.1990, 16.1.1991, 29.1.2003, 28.1.2004, 31.1.2007, 29.1.2014, ~~and~~ **25.1.2017 and 29.1.2019.**

GENERAL

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

WORDS	MEANINGS
Assured	Has the meaning given in the Rules of the relevant Class and includes an Insured Owner as defined in the Rules of The War Risks Class.
Clear Days	Has the meaning given in the Companies Act 2006.
Co-assureds	Persons whose application for insurance of their respective interests in the same Ship has been accepted by the Association or a Subsidiary as Co-assureds (as defined in the Rules of the relevant Class).
Electronic Form	Has the meaning given in section 1168(3) of the Companies Act 2006.
Electronic Means	Has the meaning given in section 1168(4) of the Companies Act 2006.
Fixed Premium	Insurance provided by the Association or a Subsidiary on terms that the relevant Assured is liable to pay a fixed premium to the Association or a Subsidiary.
in writing	Written, printed or lithographed, or visibly expressed in all or any of those or any other modes of representing or reproducing words, whether in Electronic Form or otherwise.:-
Insurance or Insured	Protection or protected and/or indemnity or indemnified and/or insurance or insured against the risks specified in the Rules of the respective Classes.
Office	The registered office for the time being of the Association.
Other Assured	Persons to whom the benefit of another person's insurance with the Association or a Subsidiary is agreed to be extended by the Association or a Subsidiary as an Other Assured (as defined in the Rules of the relevant Class).
Seal	The Common Seal of the Association.
Ship	Ship, boat, hovercraft or other description of vessel or structure (including any ship, boat, hovercraft or other vessel or structure under construction) used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water or any part thereof or any proportion of the tonnage thereof or any share therein.

WORDS	MEANINGS
<u>Subsidiary</u>	<u>Each subsidiary of the Association providing insurance from time to time to members of the Association.</u>
The Association	The London Steam-Ship Owners' Mutual Insurance Association Limited.
The Board	The board of Directors for the time being of the Association.
The Chairman of the Board	The chairman of the Board appointed in accordance with Article 86.
The Chairman of the Members' Committee	The chairman of the Members' Committee appointed in accordance with Article 61.
The Classes	The Protecting and Indemnity Class, the War Risks Class and the Freight, Demurrage and Defence Class and "Class" means any one of them.
The Directors	The directors for the time being of the Association.
The Freight, Demurrage and Defence Class	Class 8, the Freight, Demurrage and Defence Class of the Association <u>and the corresponding class of insurance of each Subsidiary.</u>
The Managers	The Managers from time to time of the Association.
The Members' Committee	The members' committee constituted pursuant to Article 52.
The Protecting and Indemnity Class	Class 5, the Protecting and Indemnity Class of the Association <u>and the corresponding class of insurance of each Subsidiary.</u>
The Rules	The Rules of the Protecting and Indemnity Class and/or of the War Risks Class and/or of the Freight, Demurrage and Defence Class <u>of the Association, in force at the date of the adoption of these Articles or as respectively made, altered or added to from time to time as hereinafter provided and the Rules of the Protecting and Indemnity Class and/or of the War Risks Class and/or of the Freight, Demurrage and Defence Class of each Subsidiary in force at the date of the adoption of these Articles or as respectively made, altered or added to from time to time as provided in the corresponding provision of the articles of association (or foreign equivalent) of the relevant Subsidiary.</u>

WORDS	MEANINGS
The Special Terms	In relation to any Class of the Association , the special terms of any insurance resolved by the Board to be carried on in that Class in accordance with Article 22 <u>and in relation to any Class of a Subsidiary, the special terms of any insurance resolved by the board of that Subsidiary to be carried on in that Class in accordance with the corresponding provision of the articles of association (or foreign equivalent) of the relevant Subsidiary.</u>
The Statutes	The Companies Acts as defined in section 2 of the Companies Act 2006 in so far as they apply to the Association and every statutory amendment, modification, consolidation or re-enactment thereof for the time being in force.
The United Kingdom	Great Britain and Northern Ireland.
The War Risks Class	Class 7, the War Risks Class of the Association <u>and the corresponding class of insurance of each Subsidiary.</u>
These Articles	These Articles of Association as altered from time to time by Special Resolution.
Vice-Chairman of the Board	A vice-chairman of the Board appointed in accordance with Article 86.
Vice-Chairman of the Members' Committee	A vice-chairman of the Members' Committee appointed in accordance with Article 61.

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MEMBERS

6. The Association shall consist of an unlimited number of members.
7. (A) A person (if not already a member of the Association) shall become a member of the Association following the acceptance by the Association **or a Subsidiary** of an application made by or on behalf of such person for insurance of that person's insurable interest in any Ship and as from (and not before) the date of commencement of such insurance provided that: (i) no person shall by virtue of being an Other Assured be entitled to be a member of the Association, (ii) in the case of an application by or on behalf of one or more Co-assureds for insurance of their insurable interest in a Ship, not more than one of such Co-assureds shall be entitled to be a member of the Association in respect of **or a Subsidiary** the same entry of that Ship; and (iii) persons whose insurance with the Association is accepted on a Fixed Premium basis shall not become a member of the Association nor a member of any Class by virtue of such acceptance. **No person shall become a member of a Subsidiary following the acceptance by the Association or a Subsidiary of an application made by or on behalf of such person for insurance of that person's insurable interest in any Ship.**

- (B) A member shall cease to be a member ipso facto:-
- (i) in the case of an individual, upon his death;
 - (ii) if the member shall cease to have any Ship entered in the Association **or a Subsidiary** for insurance (and for these purposes a member shall cease to have any ship entered in the Association **or a Subsidiary** for insurance if the only entries he has are on a Fixed Premium basis); or
 - (iii) if the Members' Committee shall pursuant to Article 23 resolve that the member shall cease to be a member.

Provided always that such member, his estate and legal personal representatives shall be and remain liable to pay to the Association **or the relevant Subsidiary** all such contributions and moneys as under these Articles or the Rules such member is expressed to be liable to pay.

- (C) Every member of the Members' Committee whilst holding office as such and every Director whilst holding office as a non-executive Director shall ex officio be a member of the Association and of each of the Classes of the Association.
- (D) Membership shall not be transferable nor transmissible.
8. The Association **and the Subsidiaries** shall in ~~its~~ **their respective** absolute discretion be entitled to refuse any application for insurance without stating reasons, whether or not the applicant is already a member of the Association.
9. Where there are Co-assureds in respect of a Ship entered in any Class ~~of the Association~~ for insurance, notwithstanding that only one of such Co-assureds may be a member of the Association in respect of the same entry, all such Co-assureds shall be jointly and severally liable with the member of the Association who has an insurable interest in that Ship in respect of any amount due to the Association **or a Subsidiary** from the member of the Association pursuant to these Articles or the memorandum of association of the Association **or the articles or memorandum of association (or foreign equivalent) of the relevant Subsidiary**.

CLASSES, RULES AND SPECIAL TERMS

10. (A) The following Classes exist and are in operation within the Association:-
- (1) Class 5 : Protecting and Indemnity.
 - (2) Class 7 : War Risks.
 - (3) Class 8 : Freight, Demurrage and Defence.
- (B) The Rules of each such Class **of the Association** shall remain in force subject to any alterations or additions thereto made as hereinafter provided.
- (C) The Rules of a Class **of the Association** may be altered or added to by Ordinary Resolution passed at a separate meeting of the members of that Class and with the sanction of the Board but so that this provision shall be without prejudice to **Article 15 and to** the powers conferred upon the Board by the three next succeeding Articles hereof.
11. The Board shall have power to make or alter rules (which shall be deemed to be part of the Rules **of the Association**) respecting the form of contracts of carriage to be entered into concerning the employment of Ships entered in any Class of the Association and/or to adopt as Rules **of the Association** the rules, by-laws or decisions

passed or arrived at by any society, organisation, committee or association respecting the form of such contracts of carriage, and upon the Association giving notice in writing thereof to the members of any such Class **of the Association**, the same shall be and become binding upon such members. The accidental omission to give such notice to or the non-receipt of such notice by any member shall not invalidate such Rules **of the Association** or any alteration thereof.

12. Notwithstanding anything contained in these Articles or the Rules **of the Association**, the Board shall have absolute power by resolution to limit or extend the insurance afforded by any of the Rules **of the Association**. The power to extend the insurance afforded by any of the Rules **of the Association** may be applied retrospectively in individual cases which the Board in their absolute discretion consider to be borderline cases and where they consider the member should be protected.
13. Notwithstanding anything contained in these Articles or the Rules **of the Association**, the Board shall have absolute power to impose such further terms and conditions as may appear advisable to them in the interests of members in respect of any matters arising directly or indirectly in connection with any scheme of Government re-insurance or relating to any liabilities which members may incur or loss they may suffer as a result of the United Kingdom being engaged in war.
14. Any Class **of the Association** may be discontinued or wound up and any new Class **of the Association** may be instituted at such time, in such manner and upon such terms as may be directed by the Board and in the event of the discontinuance or winding up of any Class **of the Association** the Board may, without limitation and notwithstanding anything contained in these Articles or the Rules **of the Association**, transfer all or any of the assets of that Class **of the Association** to any other Class **of the Association** and/or distribute all or any of such assets to any existing and/or former members and/or Co-assureds of that Class and/or any other Class, in each case in such proportions as the Board sees fit.
15. The business of each Class **of the Association** shall, subject to these Articles, **be conducted according to the Rules of the Association, and any Special Terms of the Association, of such Class and in the case of the business of each Class of a Subsidiary, such business shall, subject to the articles of association (or foreign equivalent) of that Subsidiary,** be conducted according to the Rules, and any Special Terms, of such **the relevant Class of that Subsidiary. In addition:**
 - (A) **Assureds of a Subsidiary shall in respect of any Ship entered for insurance in class 5 (protecting and indemnity) of the relevant Subsidiary be liable to pay to the Association Supplementary Calls, Release Calls and Overspill Calls (as each such term is defined in the Rules of Class 5 of the Association) on the same terms as Assureds of The Protecting and Indemnity Class of the Association are liable to pay the same under the Rules of such Class.**
 - (B) **Assureds of a Subsidiary shall in respect of any Ship entered for insurance in class 7 (war risks) of the relevant Subsidiary be liable to pay to the Association Supplementary Contributions (as such term is defined in the Rules of Class 7 of the Association) on the same terms as Assureds of The War Risks Class of the Association are liable to pay the same under the Rules of such Class.**

(C) Assureds of a Subsidiary shall in respect of any Ship entered for insurance in class 8 (freight, demurrage and defence) of the relevant Subsidiary be liable to pay to the Association Supplementary and Release Calls (as each such term is defined in the Rules of Class 8 of the Association) on the same terms as Assureds of The Freight, Demurrage and Defence Class of the Association are liable to pay the same under the Rules of such Class.

INSURANCE AND CONTRIBUTIONS

16. A separate account shall be kept for each Class to which shall be debited all payments necessarily or properly made by or on behalf of the Association in connection with that Class including all payments of claims, expenses and other outgoings. There shall also be debited to the separate account of each Class such proportion of the general expenses of the Association as the Board may determine.
17. ~~The~~ **Without prejudice to paragraphs (A) to (C) inclusive of Article 15, the** funds necessary to meet the amounts debited to the separate account of a Class and the funds thought proper to meet, provide for and reserve against outstanding, anticipated and future claims, expenses and outgoings shall be provided by contributions to be made by the members and their respective Co-assured(s), and any other Assureds, insured in such Class in accordance with the Rules and Special Terms of such Class, and it shall be lawful for the Board from time to time to direct that contributions shall be paid to the Association by such members and Co-assureds and Assureds accordingly. Any such contribution may be made payable in one amount or by instalments.
18. All policies of insurance underwritten on behalf of any Class shall be underwritten in the name of the Association **or the relevant Subsidiary**, but no person shall, in respect of insurance in any Class, be liable to pay or entitled to receive any money in respect of any insurance in any other Class.
19. Every engagement or liability of a member and/or a Co-assured 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 and/or Co-assured and/or any other Assured to the Association **or the relevant Subsidiary**, and not to any other member, other Co-assured, other Assured or other person and all moneys payable thereunder shall be paid to the Association **or the relevant Subsidiary** and shall be the property of the Association **or the relevant Subsidiary** and not of any member or other person.
20. All claims in respect of insurance shall be made and enforced against the Association **or the relevant Subsidiary** only, and not against any member, Co-assured, or any other Assured and members and/or Co-assureds and/or any other Assureds only shall be entitled to make and enforce such claims on the Association **or the relevant Subsidiary**. The Association **and each Subsidiary** shall not be liable to any member, Co-assured, any other Assured or other person for the amount of any loss, claim or demand, except to the extent of the funds which the Association **or the relevant Subsidiary** is able to recover from the members, Co-assureds, any other Assureds or other persons liable for the same and which are applicable to that purpose.

21. All payments to or by the Association **or a Subsidiary** in respect of any insurance in any Class shall be due to or made by the Association **or the relevant Subsidiary**, but shall be accounted for or charged to, as the case may be, the separate account of such Class. All such payments made to the Association **or a Subsidiary** shall be the property of the Association **or the relevant Subsidiary** and not of any member, Co-assured, any other Assured or other person. In case the Association **or a Subsidiary** shall incur any costs or expenses whatsoever and howsoever incurred (including in or for any legal proceedings or arbitration) in respect of the business of a particular Class, such costs and expenses shall be charged to the separate account of such Class.
22. The Board may, notwithstanding the provisions of these Articles or of the Rules **of the Association**, accept or vary entries (including within any Class) **of the Association) in the Association** upon such special terms as to contribution (including on a Fixed Premium basis and exemption from the provisions of the next succeeding Article) and as to the nature and extent of the risks covered, as to policy terms and conditions and otherwise howsoever as they may think fit, and may accept as such entries re-insurance from other insurers. The Board may also re-insure the whole or any portion of the risks of the Association upon such terms as they may think fit.
23. In the event of any member and/or his respective Co-assured(s) making default in payment of any contribution due from them for insurance in a Class, the same shall (subject to the provisions of the last preceding Article) be paid by such of the other members and their respective Co-assured(s) entered for insurance in such Class as is or may be prescribed by the Rules of such Class rateably in proportion to the contributions last due from them respectively, and payment may be enforced in the name of the Association **and/or the relevant Subsidiary**. Each member and/or Co-assured who may for the time being be entitled to receive from any Class any payment in respect of any loss, claim or demand shall bear and contribute the proportion thereof due in respect of any Ship entered by him or on his behalf in such Class, including the Ship in respect of which the loss, claim or demand arises. Where a member and/or his Co-assured(s) makes a default in payment of any contribution due from them, the Board may at any time resolve that such member shall cease to be a member.
24. ~~The~~ **Without prejudice to paragraphs (A) to (C) inclusive of Article 15, the** Board may, upon payment of such amount to the Association as they shall think proper, release any member and/or Co-assured from liability to contribute in respect of any Ship which is or has been insured in any Class. The amount so paid shall be credited to the separate account of the Class, or otherwise applied for the purposes of the Association **and/or the relevant Subsidiary**, as the Board at their discretion may determine.

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POWERS OF THE BOARD

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77. (A) No member of the Board shall be disqualified by his office from contracting with the Association either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Association in which any member of the Board shall be in any way interested be avoided nor shall any member of the Board so contracting or being so interested

be liable to account to the Association for any profit realised by any such contract or arrangement by reason of such member of the Board holding that office or of the fiduciary relationship thereby established. The nature of the interest of a member of the Board must be declared by him at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the member of the Board was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Board held after he became so interested, and, in a case where the member of the Board becomes interested in a contract or arrangement after it is made, at the first meeting of the Board held after he becomes so interested. A general notice to the Board by a member of the Board 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 member of the Board shall give the same at a meeting of the Board or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Board after it is given) be deemed to be a sufficient declaration of interest in relation to such contract or arrangement under this Article, and after such general notice it shall not be necessary to give any special notice relating to any particular contract or arrangement with such firm or company. A member of the Board shall not as such member of the Board vote in respect of any contract or arrangement which he shall make with the Association or in which he is so interested as aforesaid and if he do so vote his vote shall not be counted nor shall he be counted in the quorum present upon a motion in respect of any such contract or arrangement, but neither of these prohibitions shall apply to any contract by or on behalf of the Association to give to the members of the Board, or any of them, any security by way of indemnity or in respect of advances made by them or any of them nor to any contract or dealing with a corporation where the sole interest of such member of the Board is that he is a director, officer, member or creditor of such corporation, and these prohibitions may at any time be suspended or relaxed to any extent by the Association by Ordinary Resolution.

- (B) No member of the Board may vote upon any proposal for entry in the Association **or a Subsidiary** of any Ship in which he is in any way interested or vote upon any claim against the Association **or a Subsidiary** in which he is any way interested.
- 78.
- (A) The Board may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a member of the Board infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Association and which may reasonably be regarded as likely to give rise to a conflict of interests.
 - (B) Authorisation given by the Board under Article 78(A) may be subject to any terms and conditions which the Board consider appropriate; and the Board may at any time vary or terminate such authorisation.
 - (C) A decision to authorise any matter under Article 78(A) will only be effective if: (i) the quorum for any meeting at which the matter is considered is met without counting the member of the Board in question or any other interested member of the Board; and (ii) the matter is agreed to without any interested member of

the Board voting, or would have been agreed to if any interested member of the Board's votes had not been counted.

- (D) The provisions of this Article 78 shall not apply to any conflict of interest arising in relation to a transaction or arrangement between a member of the Board and the Association **or a Subsidiary**; Article 77 shall apply to a member of the Board's interests in any such transactions or arrangements.

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WINDING UP

108. In the event of the Association being wound up (but not, for the avoidance of doubt, in the event of a Class of the Association being wound up), the assets of the Association remaining after payment of all the debts and liabilities of the Association and all costs, charges and expenses of winding up the same shall be distributed amongst the members of the Association and/or their Co-assured(s) in proportion to the amounts of the contributions payable by them respectively to the Association **or a Subsidiary** in relation to all Classes during the period of six years immediately preceding the commencement of the winding up of the Association and actually paid by them respectively and so that the certificate of the Liquidator as to the amounts of the contributions so payable and paid shall be conclusive.

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