

## **CLASS 8, THE FREIGHT DEMURRAGE AND DEFENCE CLASS**

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NOTICE IS HEREBY GIVEN that a SEPARATE MEETING of the MEMBERS OF CLASS 8, THE FREIGHT DEMURRAGE AND DEFENCE CLASS, of the Association will be held at the REGISTERED OFFICE of the Association, 50 LEMAN STREET, LONDON, E1 8HQ at 12:20 p.m. on WEDNESDAY, 25th JANUARY 2012, or as soon thereafter as the meeting of the Committee called for that day is finished, for the purpose of amending the Rules.

The following amendments together with such further amendments, if any, as may be proposed will be submitted for adoption with or without modification and with effect from noon G.M.T. on the 20th day of February 2012.

*[New wording is in bold. The explanatory notes in italics will not appear in the actual Rules.]*

### **RULE 31 ANNUAL AND SUPPLEMENTARY CALLS**

- 31.1** The Assureds who have entered Ships for insurance in the Association in respect of any Policy Year (not being a year closed in accordance with Rule 33) shall (unless such entry is for a fixed premium or as may be otherwise specifically agreed) provide in accordance with the provisions of Rules 31 and 32 by way of Annual and Supplementary Calls, all funds which in the sole discretion of the Committee are required to meet:
- 31.1.1** the claims, expenses and outgoings (whether incurred, accrued or anticipated) of the insurance business of the Association in respect of such Policy Year including, without prejudice to the generality of the foregoing, such excess (if any) of the claims and other outgoings in respect of any category of such business over the Calls payable to the Association in respect thereof as the Committee may charge in whole or in part to such Policy Year, and any proportion of any claims, expenses or outgoings of any insurer other than the Association which has fallen or which may be thought likely to fall upon the Association by virtue of any reinsurance or pooling agreement concluded between the Association and such other insurer;
- 31.1.2** such of the general expenses of the Association as the Committee may from time to time charge against the insurance business of the Association in respect of such Policy Year;
- 31.1.3** such transfers to the reserves or other accounts of the Association (as referred to in Rule 37) and for subsequent application for the purposes of such reserves or other accounts or otherwise as the Committee may determine;

- 31.1.4** any deficiency (but also taking account of any surplus) which has occurred or may be thought likely to occur in any ~~elosed~~ Policy Years;
- 31.1.5** any sums which the Association may by any governmental or other similar legislation or regulation be required to set aside in order to establish and/or maintain an adequate solvency margin, guarantee fund and/or other fund or capital requirement in respect of any Policy Year.
- 31.2** Towards such funds for each Policy Year Assureds shall pay an Annual Call, at the rate assessed in respect of each Assured by the Managers and shown in each Ship's Certificate of Entry for that Policy Year on the entered tonnage or on each Ship therein stated and pro rata for Ships entered for less than the whole Policy Year.
- 31.3** Further towards such funds, if determined as aforesaid by the Committee to be required in accordance with Rule 31.1 for any Policy Year, the Committee may direct that a Supplementary Call(s) shall be paid, the amount(s) of which shall be stated as a uniform percentage of the Annual Call payable by each Assured for that Policy Year.

*[Explanation: The purpose of the proposed change to Rule 31.1.4 is to extend the purposes for which funds are provided more logically to meeting deficiencies in any Policy year.]*

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

11 January 2012