

**THE NORTH OF ENGLAND PROTECTING AND INDEMNITY  
ASSOCIATION LIMITED ("The Company")**

**Company No. 505456**

Company Limited by Guarantee and not having a Share Capital

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("AGM") of the Company will be held at Mondrian at Sea Containers, 20 Upper Ground, London, SE1 9PD on Thursday 15 November 2018 at 09:45 hours where the following business will be transacted:

**SPECIAL RESOLUTIONS**

**1. AMENDMENTS TO ARTICLES OF ASSOCIATION**

That the amendments to the Articles of Association of the Company contained in Appendix A of this Notice shall be and are hereby approved with immediate effect.

**2. AMENDMENTS TO MEMBERS' BOARD TERMS OF REFERENCE**

That the amendments to the Members' Board Terms of Reference contained in Appendix B of this Notice shall be and are hereby approved with immediate effect.

**ORDINARY RESOLUTIONS**

**3. FINANCIAL STATEMENTS**

To receive and consider the reports of the Directors and the Auditors together with the financial statements for the year ended 20 February 2018.

**4. APPOINTMENT OF AUDITORS**

To appoint KPMG as Auditors and to authorise the Directors to fix the Auditors' remuneration.

**5. RE-APPOINTMENT OF NON-EXECUTIVE DIRECTORS**

To appoint the following persons as Directors of the Company, who retire by rotation at the AGM:

Mr PB Shirke

Mr JM de Groot

Mr A Engelsman

Mr AM Lynch

Mr NJO Fell

**6. APPOINTMENT OF NON-EXECUTIVE DIRECTOR**

To appoint Ms I Procopiou as a Director of the Company, who was appointed by the Board of Directors since the last AGM.

**7. ANY OTHER BUSINESS**

Any other business which may be transacted at the AGM.

Dated: 26 October 2018

By order of the Board

Chris Owen  
Company Secretary

Registered Office:

100 The Quayside  
Newcastle upon Tyne  
NE1 3DU

## NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

- 1 A Member is entitled to appoint another person as its proxy to exercise the Member's rights to attend, speak and vote at the meeting. A proxy need not be a Member of the Company.
- 2 A Form of Proxy is provided with this Notice for Members. If a Member wishes to appoint more than one proxy and so requires additional proxy forms, the Member should contact the Company Secretary, Chris Owen, on +44 (0)191 232 5221 or [chris.owen@nepia.com](mailto:chris.owen@nepia.com). To be valid, the Form of Proxy and any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority) must be received by post or (during normal business hours only) by hand at the Company's registered office, The North of England Protecting & Indemnity Association Limited, The Quayside, Newcastle upon Tyne NE1 3DU or by e-mail to [chris.owen@nepia.com](mailto:chris.owen@nepia.com) not less than 48 hours before the time of the holding of the meeting or any adjournment thereof. Completion and return of the Form of Proxy will not preclude Members from attending and voting at the meeting should they wish to do so.
- 3 Any corporation which is a Member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Member provided that they do not do so in relation to the same ship.
- 4 If Members have general queries about the meeting, they should contact Chris Owen on +44 (0)191 232 5221 or [chris.owen@nepia.com](mailto:chris.owen@nepia.com). No other methods of communication will be accepted. Members must not use any electronic address provided either in this notice of general meeting or any related documents (including the proxy form), to communicate with the Company for any purposes other than those expressly stated.

## **Appendix A**

### **Proposed Amendments to North's Articles of Association**

Amendments are required to North's Articles of Association as a result of the future termination of the United Kingdom's membership of the European Union, to:

1. implement a new group structure whereby non-EEA risks will continue to be underwritten by North but EEA risks will, subject to approval by the Central Bank of Ireland, be underwritten by an Irish subsidiary insurance company, North of England P&I Designated Activity Company (North EU); and
2. provide that mutual policyholders of North EU will acquire corporate membership rights in North in order to ensure continuity of North's existing ownership structure.

Please refer to the FAQ document for further details.

Full details of the proposed amendments to North's articles of association are provided in the table below.

<b>Article</b>	<b>Proposed Amendment</b>
2.	CALL Means any monies payable to the Association <b>or North EU</b> by a Member in discharge of calls made or levied upon the Members of a Class including, without limitation, an "additional call" "overspill call" and/or "release call", each as defined in the applicable Rules;
2.	CONTRIBUTIONS Means the contributions required to be made by Members to the funds of the Association <b>or North EU</b> from time to time including, without limitation, by way of Premiums (mutual, fixed or otherwise) and Calls, and/or such other amounts that the Directors <b>or the North EU Directors</b> may from time to time decide in accordance with these Articles and the applicable Rules;
2.	FIXED PREMIUM BASIS Means where the Association <b>or North EU</b> accepts an entry of insurance on terms that the person insured is liable to pay a fixed Premium
2.	FIXED PREMIUM MEMBER Means a Member whose Ship has been entered for insurance by the Association <b>or by North EU</b> on a Fixed Premium Basis
2.	FIXED PREMIUM NON-MEMBER BUSINESS Means where the Association <b>or North EU</b> accepts the entry of insurance on a Fixed Premium Basis and on terms that the person insured shall not be admitted as a Member of the Association in respect of that entry;
2.	FLEET ENTRY Means where the Association <b>or North EU</b> accepts the entry of more than one Ship for insurance by one or more Members on the basis that those Ships will be treated together as a fleet for underwriting purposes (by virtue of common ownership, management, control and/or otherwise), and "Fleet Entries" shall be construed accordingly;
2.	GROUP In relation to the Association, means the Association, <b>North EU and any other</b> subsidiary

	(direct or indirect) or holding company from time to time of the Association, and any subsidiary from time to time of a holding company of the Association
2.	MANAGERS The <del>m</del> Managers for the time being of the Association including the Chief Executive Officer, Managing Directors, the Joint Managing Directors, the Deputy Managing Directors and the Executive Directors (if any)
2.	MUTUAL MEMBER Means a Member in whose name a Ship is entered in the Association <u>or North EU</u> otherwise than on a Fixed Premium Basis;
2.	<u>North EU</u> <u>North of England P&amp;I Designated Activity Company, a wholly owned subsidiary of the Association</u>
2.	<u>North EU Directors</u> <u>The directors for the time being of North EU</u>
2.	<u>North EU Managers</u> <u>The managers for the time being of North EU</u>
2.	PREMIUM The money consideration paid or payable by any Member or policyholder in respect of insurance accepted for entry by the Association <u>or by North EU</u>
2.	RULES The rules and regulations for the time being in force governing the protection, indemnity and insurance of Members within the different Classes <u>of the Association</u> - the words in such rules and regulations shall have the same meanings as in these Articles
2.	SENIOR MEMBER Means, in respect of either Joint Members or a Fleet Entry, the Member whom submits the application of a Ship for entry to the Association <u>or North EU</u> for insurance (or such other Member who may be notified to the Association <u>or North EU</u> in writing instead), as determined by the Association <u>or North EU</u> acting reasonably in the case of doubt;
2.	SHIP In the context of an entry or proposed entry in any Class <u>of the Association</u> , a 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 purposes whatsoever in navigation or otherwise on, under, over or in water, or any part of such ship, or any proportion of the tonnage thereof, or any share therein, including those in the course of building or contracted to be built, or any other craft, construction, erection, equipment or offshore structures used in a marine environment
5.	Save in respect of Fixed Premium Non-Member Business, every person whose application to enter a Ship for the insurance of his interest therein in any Class <u>of the Association</u> has been accepted shall (if not already a Member) be and become a Member <u>of the Association</u> as from the date upon which the application is accepted.
7.2	where the Member is a corporation, upon the passing of any resolution for voluntary winding up (other than voluntary winding up for the purposes of <u>Ecompany</u> or <u>Ggroup</u> reorganisation) or upon an order being made for compulsory winding up or upon dissolution or upon a receiver or manager of all or part of the corporation's business or undertaking being appointed or upon possession being taken by or on behalf of the holder of any debentures secured by a floating charge or any property comprised in or subject to the charge or upon the institution of any similar process or proceeding under the laws of any relevant jurisdiction;
7.3	if having failed to pay when due and demanded by the Managers <u>or the North EU Managers (as appropriate)</u> any sum due from him to the Association <u>or North EU</u> , he is

	served with a notice by or on behalf of the Managers <u>of the Association or the North EU Managers (as appropriate)</u> requiring him to pay such sum on or before any date which may be specified in such notice and he fails to pay such sum in full on or before the date so specified;
7.4	<p>if the Member shall cease to have any Ship entered for insurance in the Association <u>or in North EU</u>;</p> <p>Provided that a person who has ceased to be a Member or (as the case may require) his estate, personal representatives, trustee in bankruptcy, committee, curator bonis, receiver, liquidator or similar official or agent shall (in addition to his liability under Article 107) be and remain liable to pay to the Association <u>and/or North EU</u> all such Contributions and other monies which under these Articles or the Rules such Member would, had he not ceased to be a Member, have been liable to pay the Association <u>and/or North EU</u> in respect of the period ending 20th February next after the date of cessation of membership.</p>
8.	Where any Ship is entered in any Class <u>of the Association</u> for insurance, all persons having an interest in such Ship so entered in such Class by them shall be deemed to be "Joint Members". Joint Members shall for the purposes of the guarantee under these Articles and of any Contribution falling due pursuant to these Articles and the Rules of any Class be treated as one Member but shall be jointly and severally liable in respect thereof.
10.1	With effect from the date of adoption of these Articles the following Classes exist and <u>each Class</u> shall operate <u>as one Class</u> within the Association <u>and North EU</u> :-
11.	The Directors shall have power to make or alter Rules (which shall be deemed to be part of the Rules) respecting the form of contracts of carriage to be entered into concerning the employment of Ships entered in any Class <u>of the Association</u> and/or to adopt as Rules 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 <u>and/or North EU</u> giving notice in writing thereof to the Members of any such Class, 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 or any alteration thereof.
16.1	A separate account shall be kept for each Class to which shall be debited all payments which, in the opinion of the Directors <u>and the North EU Directors</u> , necessarily or properly fall to be made by or on behalf of the Association <u>and/or North EU</u> in connection with that Class, including all payments of claims, expenses and other outgoings (whether incurred, accrued or anticipated). The Directors <u>and the North EU Directors</u> shall from time to time (as required) determine in what proportions the general expenses of the management and otherwise of the Association <u>and North EU</u> and any debts and liabilities not specifically provided for (including, without limitation, claims, expenses, outgoings, debts and liabilities arising in respect of Fixed Premium Non Member Business and such sums as the Association may by Governmental legislation or regulation be required to set aside in order to establish and/or maintain an adequate solvency margin and/or guarantee fund) are to be borne as between different Classes and the separate accounts of the respective Classes shall be debited accordingly.
16.2	The funds necessary to meet the amounts debited to the separate account of a Class and the funds thought necessary to meet, provide for, or reserve against anticipated claims, expenses and outgoings, including the setting up of such reserves as the Directors <u>and/or the North EU Directors</u> may deem expedient, shall be provided by Contributions to be made by the Members of that Class. The Directors <u>and/or the North EU Directors</u> shall from time to time direct that such Contributions shall be paid to the

	Association <u>or North EU</u> by the Members and shall further direct the amount thereof and by what instalments and in what manner the same shall be payable. The amount which every Member of a Class is liable to contribute to the Association <u>and/or North EU</u> shall be determined in accordance with the Rules of the particular Class.
16.3	If the amount realised by Contributions to a Class shall be more than sufficient to meet claims, expenses, outgoings and liabilities , then the whole or any portion of the surplus may be retained and applied for the purposes of that Class, or the whole or any portion of the surplus may be returned to the Members or former Members of that Class in such proportions and in such manner as the Directors <u>or the North EU Directors (as appropriate)</u> may in their absolute discretion determine provided that nothing herein contained shall be deemed to give such Members any interest in the undertaking of the Association <u>and/or the undertaking of North EU</u> and no payment shall be made in any manner which is contrary to the provisions of the Rules of that Class.
16.4	If the amount realised by Premiums from Fixed Premium Non Member Business shall be more than sufficient to meet the claims, expenses, outgoings and liabilities of Fixed Premium Non Member Business then the whole or any proportion of the surplus may be applied for the purposes of the Classes in such proportions and in such manner as the Directors <u>or the North EU Directors (as appropriate)</u> may determine in their absolute discretion.
17.1	All policies of insurance underwritten on behalf of any Class shall be underwritten in the name of the Association <u>where the Member's place of management is outside of the EEA and shall be underwritten in the name of North EU where the Member's place of management is in the EEA</u> , 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.
17.2	The policy year of each Class shall be closed and the rights and obligations of the Members of such Class in relation to any surplus or deficit arising, or to any other matter, shall be determined by the Directors <u>and the North EU Directors</u> but subject to any applicable provisions of the Rules of each such Class.
17.3	In closing the policy account for any year the Directors <u>and the North EU Directors</u> shall take into account all outstanding claims and liabilities and shall make provision for the same either by setting apart out of any surplus such sum as in the opinion of the Directors <u>and the North EU Directors</u> may be deemed sufficient, or by making a Call on the Members for such further Contributions as the Directors <u>or the North EU Directors</u> may consider necessary. The outstanding claims and liabilities of the said year, and the sums provided to meet them as aforesaid, shall then be either (i) transferred to the account for the following year, and the Members for the following year shall thereupon take over and assume liability for all the said claims and liabilities, and the Members of a Class for the year, the account of which has been closed shall thereupon be freed from liability in respect of the claims relating to such year, or (ii) otherwise transferred in such manner as the Directors <u>and the North EU Directors</u> may determine but subject to any applicable provisions of the Rules of each Class.
18.	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 Association <u>or North EU (as appropriate)</u> , and not to any other Member or other person and all moneys payable thereunder shall be paid to the Association <u>or North EU (as appropriate)</u> .
19.	All claims in respect of insurance shall be made and enforced against the Association <u>or North EU (as appropriate)</u> only, not against a Member, and a Member shall only be entitled to make and enforce such claims on the Association <u>or North EU (as appropriate)</u> . The Association <u>or North EU (as appropriate)</u> shall not be liable to a

	Member or other person for the amount of any loss, claim or demand, except to the extent of the funds which the Association <u>or North EU (as appropriate)</u> is able to recover from the Members or other persons liable for the same and which are applicable to that purpose.
20.	All payments to or by the Association <u>or North EU (as appropriate)</u> in respect of any insurance in any Class shall be due to or made by the Association <u>or North EU (as appropriate)</u> , but shall be accounted for or charged to, as the case may be, the separate account of such Class. In case the Association <u>or North EU</u> shall incur any costs or expenses in or for legal proceedings or arbitration, or otherwise, in respect of the business of a particular Class, such costs and expenses shall be charged to the separate account of such Class.
22.	In the event of any Member making default in payment of any Contribution due from him for insurance in a Class, and the Managers <u>or the North EU Managers</u> certifying that this is irrevocable, the same shall (subject to the provisions of Article 21) be paid by such of the other Members entered for insurance in such Class as is or may be prescribed by the Rules of such Class, and payment may be enforced in the name of the Association <u>or in the name of North EU (as appropriate)</u> . Each Member 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 or ships entered by him in such Class, including the ship in respect of which the loss, claim or demand arises
23.	A Member shall cease to be insured by the Association <u>or by North EU</u> in respect of any Ship entered in a particular Class or Classes in the circumstances prescribed by the Rules of each such Class. The effects of such cessation and the respective rights and obligations of the Association <u>and/or North EU</u> and such Member in relation thereto shall likewise be determined in accordance with the Rules of the relevant Class.
26.	Calls shall be determined, payable and recoverable in accordance with these Articles and the Rules of each Class and a certificate signed by a Manager <u>or a North EU Manager</u> stating that a Call has been made and certifying the amount which any Member is liable to contribute shall be binding and conclusive upon such Member
27.	If the amount specified in any notice of a Call is not paid at the time and place appointed for payment thereof it shall forthwith become recoverable by the Association <u>and/or North EU</u> by legal action.
47.3	For the avoidance of doubt, a Fixed Premium Member shall be entitled to receive notice of, attend and speak at any general meeting of the Association or any Class but shall not, in their capacity as such, have any right to vote at any general meeting of the Association, or on any resolution of the Association, or at any meeting or in relation to any resolution of any Class <u>of the Association</u> .
85.	The Directors may delegate any of their powers including the business of any particular Class or Classes <u>of the Association</u> to committees (including standing committees and local committees) consisting of such member or members of their body and/or the Members Board as they think fit. Unless otherwise determined by the Directors the quorum necessary for the transaction of the business of a committee consisting of two or more members shall be two. Any committee so formed shall in the exercise of any power so delegated conform to any regulations that may from time to time be imposed upon it by the Directors. The Chairman and Vice-chairman of the Directors shall be ex-officio members of all committees.



## **Appendix B**

### **Proposed Amendments to North's Members' Board Terms of Reference**

The proposed amendments to North's Members' Board Terms of Reference, which include the P&I and FD&D committee terms of reference, are detailed in this document.

The amendments are required to implement a new group structure necessitated by the future termination of the United Kingdom's membership of the European Union .

Please refer to the FAQ document for further details.

#### **1. Amendments to Members' Board Terms of Reference**

Full details of the proposed amendments are provided in the table below.

<b>Clause</b>	<b>Proposed Amendment</b>
2.1.4	the appointment of <del>d</del> irectors <u>of North and North of England P&amp;I DAC ("North (EU)")</u> and the election of any <del>d</del> irectors to the positions of Chairman and Vice-Chairman of North <u>and North (EU)</u> ;
2.1.11	any proposals by the Directors to establish or promote, or join in the establishment or promotion of any other company which could reasonably be considered to have a material effect upon <u>North's the Group's</u> business;
2.1.12	any proposals to sell or dispose of a substantial part of the undertaking, property and assets of <u>North the Group</u> ;
2.1.13	any proposals by the Directors to acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company which could reasonably be considered to have a material effect upon <u>North's the Group's</u> business;
<u>2.1.17</u>	<u>North (EU)'s annual accounts and directors' report</u>
2.3.1	enter into or agree to enter into any joint venture, partnership or strategic alliance with any third party which could reasonably be considered to have a material effect upon <u>North's the Group's</u> business; or
2.3.4	acquire or become subject to the control (as determined pursuant to Section 181 of Financial Services and Markets Act 2000 <u>and any equivalent local legislation applicable in Ireland or other Group jurisdictions</u> ) of any third party or agree to any of the foregoing;
2.4	Furthermore, the Directors shall also procure that <u>North no Group company</u> shall <del>not</del> do any of the following without prior consultation with the Members Board in accordance with paragraph 2.5:
2.4.3	agree to any material change to <u>North's the Group company's</u> reinsurance arrangements including, without limitation, any material change to <u>North's the Group company's</u> retention under the International Group Pooling Agreement; or
2.4.4	agree the General Increase in respect of any policy year for any Class <u>of North</u> ; or
2.4.5	levy an Additional Call upon the Members of any Class <u>of North</u> ; or
2.4.6	make a decision regarding any matters referred for the consideration of Club boards by the International Group which could reasonably be considered to have a material effect upon <u>North's the Group's</u> business;
6.3	The Board shall have reasonable access to independent professional advice at North's <u>or North EU's</u> expense, <u>as the case may be</u> , where it judges it necessary to discharge its responsibilities under this Paragraph 6. The scope and costs of such advice shall be subject to the prior approval of the Chairman.

9.1	Pursuant to Article 108.1 of North's Articles of Association, certain powers and functions of the Members Board shall be and are hereby delegated to the following committees, subject to and in accordance with the applicable regulations set out in Appendix <u>12</u> of these Terms of Reference:
9.1	the meetings and proceedings of these committees shall be governed by the provisions of these Terms of Reference regulating the meetings and proceedings of the Members Board, so far as the same are applicable and are not superseded by the applicable regulations set out in Appendix <u>12</u> .

## 2. Amendments to Appendix 1 Part 1 –Protecting & Indemnity Committee Terms of Reference

Full details of the proposed amendments are provided in the table below.

Clause	Proposed Amendment
2.1	The membership of the Committee shall consist from time to time of those Board members who have or who's appointing Members have at the relevant time one or more Ships entered for insurance in North's <u>or North of England P&amp;I DAC ("North (EU)")'s</u> Protecting & Indemnity Class ( <u>together</u> the "P&I Class") <u>for the</u> current Policy Year.
5.3	The Committee shall have reasonable access to independent professional advice at North's <u>or North (EU)'s</u> expense, <u>as the case may be</u> , where it judges it necessary to discharge its responsibilities under this Paragraph 5. The scope and costs of such advice shall be subject to the prior approval of the Chairman.

## 3. Amendments to Appendix 1 Part 2 – Freight, Demurrage & Defence Committee Terms of Reference

Full details of the proposed amendments are provided in the table below.

Clause	Proposed Amendment
2.1	The membership of the Committee shall consist from time to time of those Board members who have or who's appointing Members have at the relevant time one or more Ships entered for insurance in North's <u>or North of England P&amp;I DAC ("North (EU)")'s</u> Freight Demurrage and Defence Class ( <u>together</u> the "FD&D" Class) for North's <u>or North (EU)'s</u> current Policy Year.
5.3	The Committee shall have reasonable access to independent professional advice at North's <u>or North (EU)'s</u> expense, <u>as the case may be</u> , where it judges it necessary to discharge its responsibilities under this Paragraph 5. The scope and costs of such advice shall be subject to the prior approval of the Chairman.