

Global service  
built around you

North

# The Merger Proposal

Explained

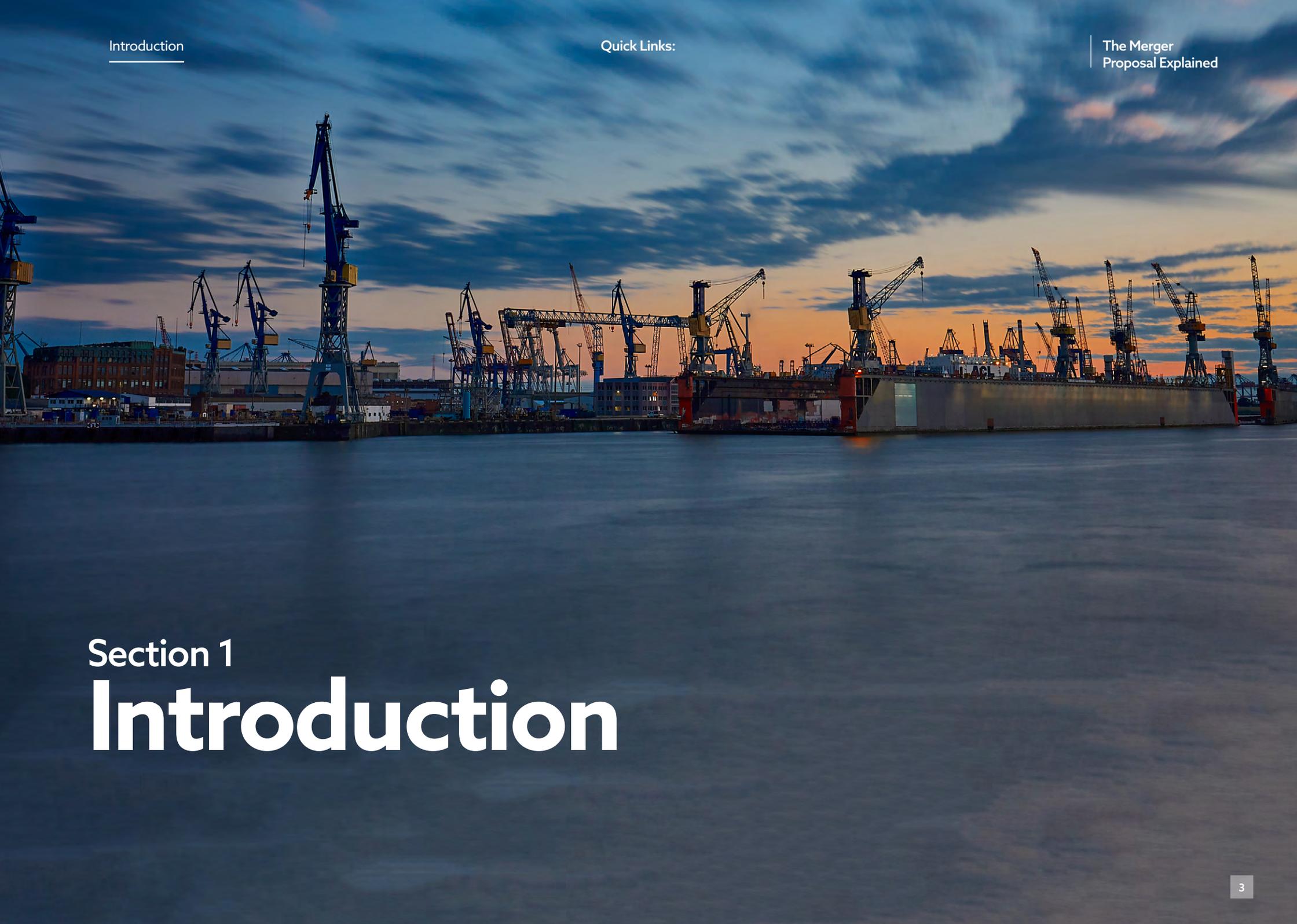
**North and Standard Club**  
Meeting the maritime challenges  
of today and tomorrow, together.



# The Merger Proposal Explained

Scroll up and down to view the next page. Alternatively click on the navigation above to jump to a specific section, or navigate with the titles below.

Section	Page	Section	Page
<b>1 Introduction</b>	<b>3</b>	<b>10 Appendices</b>	<b>37</b>
<b>2 Chairman and CEO Statements</b>	<b>6</b>	Appendix 1(A): Current Organisational Structure – North	38
Chairman’s Statement	7	Appendix 1(B): Current Organisational Structure – Standard Club	39
CEO’s Statement	9	Appendix 2: Proposed Organisational Structure – NorthStandard	40
<b>3 North &amp; Standard Club</b>	<b>11</b>	Appendix 3: Summary of proposed changes to North UK Articles of Association	41
<b>4 The rationale for the merger</b>	<b>13</b>	Appendix 4: Changes to North UK Articles of Association	44
<b>5 Why is the proposed merger compelling for members?</b>	<b>18</b>	Appendix 5: Notice of Extraordinary General Meeting on 27 May 2022	77
<b>6 Introducing NorthStandard</b>	<b>21</b>	Appendix 6: Proxy Voting Form	78
<b>7 How the merger will be implemented and differences from your current club</b>	<b>26</b>		
<b>8 Timescales and transaction process</b>	<b>33</b>		
<b>9 What should members do now?</b>	<b>35</b>		



# Section 1 Introduction

# Introduction

**The North of England Protecting and Indemnity Association (North) proposes merging with The Standard Club Limited (Standard Club). This document provides a high-level overview of what North's Board of Directors consider to be the key drivers underpinning the proposed merger and the reasons behind their decision to vote in favour of the merger.**

Discussions between the two clubs started in the summer of 2021. Following a period of due diligence by a small subset of directors of the Boards of both clubs, their senior management teams and their respective professional advisors (encompassing financial, tax, actuarial and legal), the Boards of both clubs approved the proposed merger on 11 March 2022. The clubs then entered into a legally binding framework agreement, setting out the various conditions that must be satisfied for the proposed merger to complete. This includes obtaining the approval of the members of each club and certain regulatory and merger control approvals. The merger proposal announcement was communicated to the membership on 14 March by Circular.

North's and the Standard Club's businesses have a strong strategic fit, and your Directors believe the merger will create one of the largest market-leading mutual marine insurance companies, NorthStandard, committed to the highest levels of service. We are confident that North's guiding principles of mutuality, service, security and strength are consistent with the Standard Club's values and will continue to apply to NorthStandard. If the proposed merger proceeds, NorthStandard will have greater financial competitiveness and operational resilience.

## North's and Standard Club's business

have a strong strategic fit, and your Directors believe the merger will create one of the largest market-leading mutual marine insurance companies, NorthStandard, committed to the highest levels of service.

## Introduction continued

Your Directors are also confident that combining both clubs into NorthStandard will create a larger, stronger and more resilient club for the future. We have an opportunity to create a leading P&I club, founded on exceptional service, innovation and even stronger financial resilience, offering true global reach and diversified products, creating unparalleled career opportunities for our people and providing a powerful industry voice for shipowners, resilient to face future market changes.

The merger of two strong clubs, successful in their own right, will not be without challenges. However, if approved, we are committed to ensuring that the excellent service and support you continue to enjoy today will be maintained during the coming months and upon completion, including the incredible benefits derived from being part of the International Group (IG). This document provides an overview of the proposal, and your Directors recommend the proposed merger to you.

### Next steps

The Board of Directors is asking members to vote on the proposed merger and other ancillary actions to implement the proposed merger at an Extraordinary General Meeting to be held at The Divani Apollon & Thalasso, 10 Agiou Nikolaou Str. 166 71 Vouliagmeni, Athens, Greece, on 27 May 2022 at 13.30 hours (EEST). If you cannot attend the meeting, you can appoint a proxy to vote on your behalf. Please complete and return the enclosed Voting Proxy Form to ensure that your vote is counted. Please refer to **Section 9 (What should members do now?)** for further information.

## Key dates



### 27 May 2022

Member EGM to vote on the proposed merger.



### Autumn 2022

Anticipated date for all financial, regulatory and merger control approvals to be received.

Operating model design and planning for 20 February 2023 renewal.



### 20 February 2023

Formal corporate merger of the two clubs is completed, and the first policy year of combined clubs begins with a new corporate structure and brand identity in place.

Section 2

# Chairman and CEO Statements

Chairman's Statement	7
CEO's Statement	9





# Chairman's Statement

As we move forward in an increasingly demanding world, I believe we have an opportunity for a step-change in how we address the many opportunities and threats that face us today and in the coming years. Your Board and I are recommending to members that The North of England Protecting and Indemnity Association Limited (North) and The Standard Club Limited merge to form a new club, NorthStandard, which would be legally operational from 20 February 2023, assuming all legal and regulatory approvals are granted.

The merger of North with Standard Club would create a market-leading global marine insurer and one of the largest providers of mutual cover in the maritime industries. With over 300 years of shared P&I heritage, NorthStandard, the combined insurer, will provide mutual cover for vessels equivalent to 400M GT and be at the forefront of global marine insurance, acting as a powerful

industry voice and upholding the values of the International Group (IG) system through our unwavering commitment to mutuality. I am a second-generation member and Chair of North and I care passionately about the Club and its commitment to member service, and I am very pleased to support this merger of two Clubs with a common philosophy.

**NorthStandard combined will provide:**

**300**

**YEARS OF SHARED  
P&I HERITAGE**

**400<sub>m</sub>**

**GT COVERED  
VESSELS**

## Chairman's Statement continued

Significant time and effort have been devoted to exploring and evaluating the proposed merger by me and a working group of Shipowner Directors. This has involved a number of meetings with Shipowner Board Directors of Standard which has convinced us that the merger is an exciting opportunity in the evolution of both clubs.

Both North and Standard Club have a longstanding commitment to service excellence and the provision of leading, cost-effective marine insurance services. That commitment will be carried forward into the merged club, and the sharing of skills and best practices will positively benefit service provision to both members and clients.

In this respect, NorthStandard, as one of the world's leading P&I clubs, will deliver a compelling service proposition for members and clients and all those who rely upon us to provide first-class service. The outstanding claims expertise, tried and tested on the largest and most complex claims, will complement a broad portfolio of products and services. Combined with faster innovation, NorthStandard will be better equipped to meet evolving market requirements more effectively and offer incisive guidance to navigate the continuing change affecting the global maritime sector and better anticipate future trends and challenges.

NorthStandard's operational scale and even stronger financial resilience would smooth

the volatility of year-on-year market fluctuations and deliver predictability and stability over coming years in our operational, financial and technical results. Based on prudent financial assumptions we project that the minimum expected savings from eliminating duplicate costs in the new club should lead to an approximate 3% improvement in NorthStandard's combined ratio in the short term. Furthermore, the savings on reinsurance premiums arising from NorthStandard's increased purchasing power and the ability to take more risk are expected to result in at least a further 1% improvement in NorthStandard's combined ratio. These significant reductions in operational expense ratios over the coming years would help ensure more sustainable premiums without diluting our service-led approach.

This Member Briefing document sets out the background to the merger, the expected member benefits, an overview of the combined club, and what you need to do next to register your vote approving or rejecting the proposed merger. We are targeting 20 February 2023 as the completion date of the merger. This date is conditional upon member approval of both North and Standard Club and all necessary regulatory approvals being obtained. **Appendix 5** of this document includes a Notice of Extraordinary General Meeting at which we will seek the consent of our members to the merger.



**In conclusion, I passionately believe that combining both clubs would establish a global marine insurer of choice well-positioned to thrive in the face of new opportunities and challenges and providing the highest levels of service to our members and clients, as well as a sustainable employer for our exceptional staff, and I recommend this proposal to you.**

James Tyrrell  
Chair

# CEO's Statement

**North has grown and developed significantly over the last 25 plus years by providing excellent, personal service, supported by financial stability. We have successfully merged with a number of companies during that time, which has enhanced North's position as one of the leading P&I Clubs. We have remained open-minded to further consolidation, with an appropriate partner, providing this would be in the long-term interests of our members. I believe this proposal will create a larger and stronger club that will encourage a more competitive P&I market.**

We are all aware that the wider maritime industry and the P&I sector are wrestling with a range of challenges and pressures driving the need to adapt for the long term. This has been emphasised by the recent challenges arising from operating in a world gripped by COVID to the record levels of International Group (IG) pool claim costs driving the need for large general increases to address underwriting deficits.

Factor in the emerging long-term issues of regulation, pressure for greater financial resilience, digitalisation, globalisation, sustainability, and you have a compelling argument for fundamental change in the P&I sector.

Rather than waiting and reacting to developments, Jeremy Grose, the Chief Executive at Standard Club and I, along with the support of our respective Non-Executive Chairs, Vice-Chairs and Boards, have opted to explore how we can take control of these changes by exploring the potential benefits and opportunities that a merger between our two clubs would bring. Such a merger would

open the door to new thinking, outlooks, technologies, and ways to solve old problems.

In our discussions with Standard Club, we've spoken in some depth about what a 'merger of equal clubs' really means. This is a description that doesn't just apply to premium income and tonnage figures. Most importantly, this is more about a merger of two like-minded clubs with compatible cultures, ambitions and strategies built around an unwavering commitment to mutuality. With our complementary products and services, global office network and unrivalled P&I heritage, this merger has the potential to be truly ground-breaking.

By acting now, both North and Standard Club can merge with their preferred partner of choice and realise all the expected benefits.



## The proposed merger with Standard Club

**will ensure that we continue to deliver services that build on our strong heritage, and that we are fit for the future to meet the changing requirements of our members.**

## CEO's Statement continued

Combining our two clubs with shared perspectives on mutuality, service, heritage, and diversification offers enormous potential for members, clients and partners. With several successful mergers in our history, North fully understands the benefits available to members from a well-planned and well-executed union.

Since the proposed merger was first announced in mid-March, I've met with a large selection of North's members to discuss the merger, and the feedback I have received has been overwhelmingly positive. Members have reacted favourably to the promise of greater financial and operational resilience, offering greater premium stability and predictability. Potential savings from removing duplication and reinsurance costs could quickly and conservatively deliver a 4% improvement in the combined ratio of the merged club in the coming years. The prospect of new and enhanced services and innovation,

linked to a broader global reach, with easy access to proven outstanding claims expertise, tried and tested on some of the largest and most complex claims the IG has experienced, has been welcomed. Many members commented that the new club will create increased competition within the market. I have also reassured members that we will continue to provide the high level of personal service that the North team has built over many years of growth. Maintaining and extending our outstanding reputation for service will remain a priority for me in the merged club.

I'm incredibly proud of the way we have developed into one of the leading Clubs and how we have maintained and developed strong relationships with members that last many years and I want to ensure we protect and capitalise on this. I genuinely don't believe that there has ever been an opportunity that provides such scope to deliver a step-change in our business

strategy, our financial resilience and the range and calibre of the services we provide to our members. Earlier mergers in North's recent past have demonstrated how careful development of the club and prudent diversification can successfully build business and financial performance. The proposed merger with Standard Club will ensure that we continue to deliver services that build on our strong heritage, and that we are fit for the future to meet the changing requirements of our members. I'm incredibly excited by the benefits we can successfully deliver to our members, stakeholders, the wider maritime sector and our people within North. I have no hesitation in recommending this merger with Standard Club to North's members.

**Paul Jennings**  
Chief Executive



Section 3  
**North &  
Standard Club**



# North

North is a leading global marine insurer with over 160 years of history in the P&I industry. Our purpose today remains as it was at our inception in 1860; to enable our members and clients to trade with confidence.

Founded and headquartered in Newcastle, our reach stretches around the world. We have regional offices in Greece, China (Shanghai and Hong Kong), Japan, Australasia, Singapore, Ireland, and the USA, with 370 employees. Our product range includes P&I, War Risks, FD&D, and H&M across a wide range of customer segments. Through our Sunderland Marine brand, we also provide cover for fishing vessels, small craft, aquaculture risks and fixed premium P&I.

With over 250 million GT of owned and chartered tonnage, North is a leading member of the International Group of P&I Clubs (IG). The 13 IG clubs provide liability cover for approximately 90% of the world's ocean-going tonnage. As a member of the IG, North protects and promotes the interests of the international shipping industry.

Financial information relating to North and the proposed combined club, is included later in this document.

**Please refer to North's current organisational structure in Appendix 1(A).**

## Key facts (as of 20 February 2021)

**406<sub>m</sub>**  
PREMIUM  
INCOME (US\$)

**450<sub>m</sub>**  
FREE  
RESERVES (US\$)

**A**  
S&P GLOBAL  
RATING

**113.7%**  
FINANCIAL YEAR 2021  
COMBINED RATIO  
(UNAUDITED 20 FEBRUARY  
2022 COMBINED RATIO: <108%)



# Standard Club

Standard Club is a mutual insurance association and member of the International Group of P&I Clubs, owned by its shipowner members and controlled by a Board of Directors drawn from the membership. The club offers a combination of mutual and fixed-premium covers tailored to suit shipowners, operators and charterers. It has been insuring them for their liabilities to third parties since 1884.

Standard Club insures bluewater vessels, coastal & inland operators, and specialist offshore vessels. The Club also offers other services such as War Risks and Strike & Delay insurance, a primary business interruption cover that protects a shipowner or charterer when their vessel is held up by strikes, port closures, collisions, breakdowns and other unexpected delays.

Standard Club prides itself on quality of service to members, having a personal approach, setting great store in responsiveness and support, especially in times of crisis. Claims are managed from one of six international offices, and their extensive correspondent network expands their global reach to provide support wherever and whenever needed. Standard Club emphasises financial strength and stability, which has resulted in an S&P Global A rating and no unbudgeted supplementary calls for over 20 years.

Financial information relating to Standard Club and the proposed combined club, is included later in this document.

**Please refer to Standard Club's current organisational structure in Appendix 1(B).**

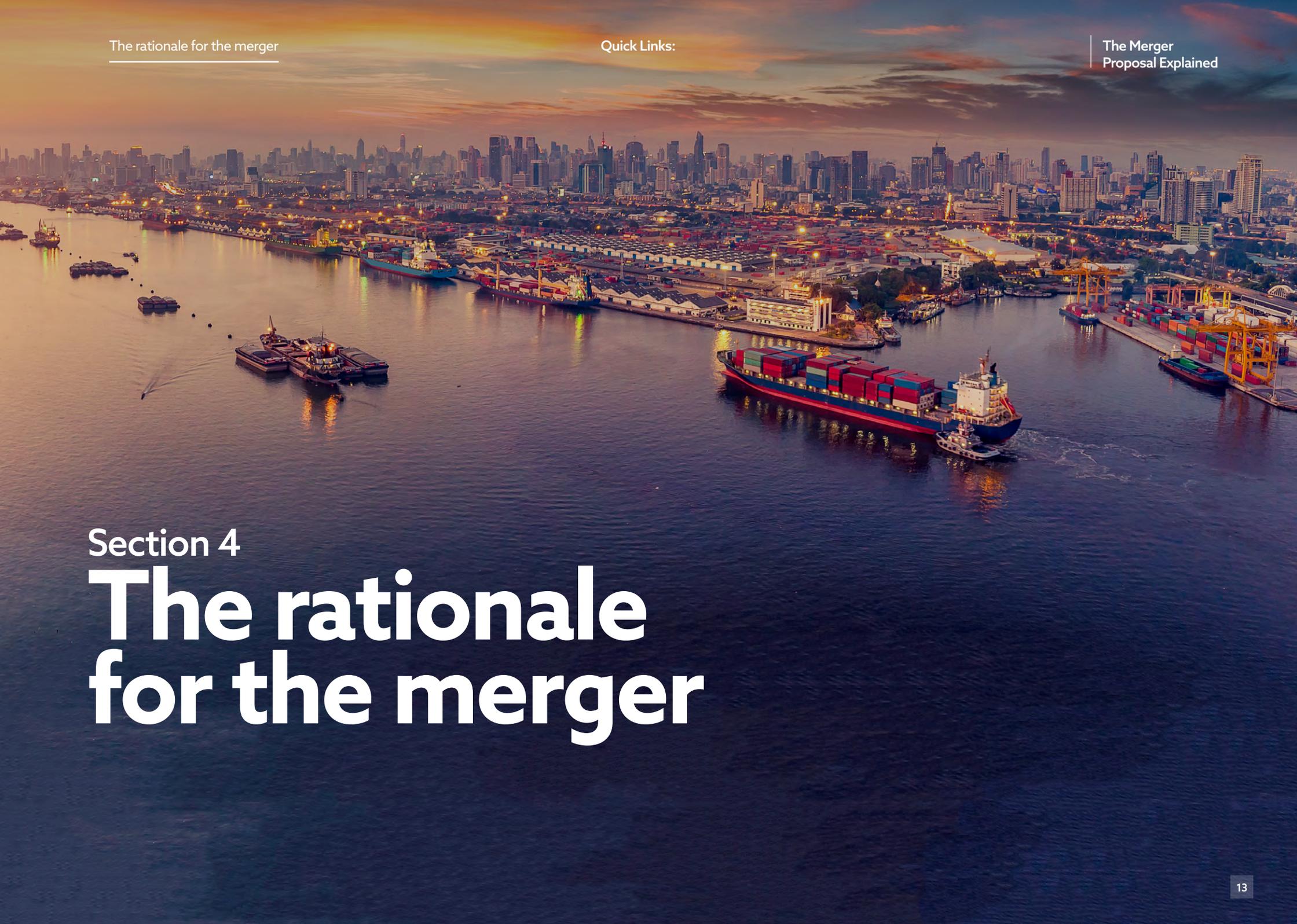
## Key facts (as of 20 February 2021)

**293<sub>m</sub>**  
PREMIUM  
INCOME (US\$)

**360<sub>m</sub>**  
FREE  
RESERVES (US\$)

**A**  
S&P GLOBAL  
RATING

**121%**  
FINANCIAL YEAR 2021  
COMBINED RATIO  
(UNAUDITED 20 FEBRUARY  
2022 COMBINED RATIO: <106%)



Section 4

# The rationale for the merger

# The rationale for the merger

## Our proposal.

The proposed merger of North and Standard Club will create a market-leading global marine insurer and one of the largest providers of mutual cover in the maritime industries. With over 300 years of shared P&I heritage, NorthStandard, the combined insurer, will provide mutual cover for vessels equivalent to 400M GT. The combined club will be at the forefront of global marine insurance, acting as a powerful industry voice and upholding the values of the International Group (IG) system through our unwavering commitment to mutuality.

Please refer to **Section 7** in this document for additional detail on how the merger will be implemented.

NorthStandard will have the most comprehensive claims expertise to underpin a more extensive, more diversified product range delivering a broader portfolio of services, faster innovation, even stronger financial resilience and be a compelling advocate for shipowners. The potential of an even deeper pool of talent will maintain and strengthen the focus on service excellence and close member relationships for which both clubs are renowned.

## Why now?

Change has brought volatility to all maritime industries – increasing costs and creating uncertainty. Change has also brought potential - new thinking, new technology and new ways to solve old and emerging problems. But, to really benefit from change, we need to embrace it. That's why North and Standard Club have been exploring the viability of combining. Together, we have the potential to achieve so much more for members and shipowners around the world, uniting as one to be at the forefront of global marine insurance, acting as a powerful industry voice and upholding the values of the IG.

### P&I is changing



Larger, more complex claims are challenging performance across the entire sector, pushing up combined ratios and putting capital under pressure. Scale is becoming increasingly important to maintain mutuality and develop the broader commercial offerings needed.

### The climate is changing



We've witnessed an increase in the number and severity of natural disasters. Members are also looking for support in their decarbonisation journey to net-zero by 2050, if not sooner.

### Tech is changing



Better use of data and automation could revolutionise the P&I market, but striking a balance between the significant, long-term investment needed to modernise while still meeting shorter-term needs is difficult.

### Regulation is changing



Global regulation continues to evolve, and more time and expense continue to be required to ensure compliance.

### Recruitment is changing



Covid has changed recruitment. Restrictions, the shift to hybrid working and staff re-evaluating their personal priorities have made it harder to recruit the experts that the industry needs now and in the future.

## The rationale of the merger continued

### Combining for the future - why North and Standard Club?

Based on our extensive work over recent months, we firmly believe that combining with Standard Club will accelerate the execution of our strategy and generate member and people benefits in a way that we could not achieve unilaterally or with an alternative merger partner. We project our combined long term financial and capital position to improve over the next five years and expect S&P Global, the global credit rating agency, to view the merger proposal favourably. We also propose fair and equal representation on 20 February 2023 at a combined group Board level, where shipowners will continue to lead their club. The senior management teams will plan and deliver wider integration over a longer timeframe.

More specifically, combining North and Standard Club offers:

- ✓ **A compelling vision:** the combination offers excellent potential for members, harnessing over 300 years of maritime heritage to create a global marine insurer for the future, based on four supporting pillars: service and innovation, financial and operational resilience, global reach and influence, and talent and succession.
- ✓ **Strong strategic fit:** our service-led growth and diversification strategies are broadly aligned and will continue to build a profitable, diversified portfolio that can offset the volatility of mutual P&I and subsidise members' premiums over time. Our strengths geographically and by line of business are fundamentally complementary, and we are confident that these different local strengths and service capabilities will accelerate our development together.
- ✓ **Scale:** a combined club is expected to create one of the largest IG clubs by poolable tonnage and premium. We would aim to be seen by the market as the 'default' club of choice for shipowners that value service.
- ✓ **Diversification:** this merger provides additional distinct product diversification opportunities and associated benefits across a broader geographic presence.
- ✓ **Capitalisation:** both clubs are A rated by S&P Global with 'AAA' capital strength as measured by S&P's capital model. The scale of the combined group will allow better diversification of risk and reduce the impact of the volatility of pool claims, strengthening the group's capital position.
- ✓ **Cultural fit:** our clubs have a similar mindset, strong service ethos, and a deep-rooted commitment to mutuality. Both clubs benefit from professional and dedicated in-house management teams, and there are no direct personal equity, financial or other incentives for the management associated with this merger.
- ✓ **People benefits:** there will be long-term benefits for people working within both clubs whilst actively seeking to preserve the heritage and culture of two such longstanding and member-focused clubs. The scale and scope of the combined club, more financially resilient and diversified, will offer many new opportunities.
- ✓ **Good timing:** the market faces a range of issues and challenges that generate increased cost and uncertainty. By acting now, North and Standard Club can be in more control of future developments. Given the pressures facing the P&I club sector, consolidation is logical and may be inevitable for others.



## The rationale for the merger continued

### Considerations around the proposal and the mitigations in place:

The successful merger of two clubs is not without the normal type of risks associated with a merger. However, we do consider the benefits to materially outweigh the risks and your Directors recommend the proposed merger to you. Whilst the Board of Directors will continue to ensure that the merger remains in the best interests of members, key considerations and potential mitigations are identified in the table below:

Considerations	Mitigation(s)
Risks to the proposed merger.	Bringing two equally strong organisations together could present distinct challenges. We have carefully considered the risks and ensured that appropriate mitigation strategies are in place. Where appropriate, we have taken independent expert advice to support us in formulating the merger proposal.
Risks to the proposed merger timescales.	Both clubs have experience in running mergers and other change projects. For North, this includes the Sunderland Marine merger and subsequent integration, setting up Brexit-related subsidiaries and delivering Part VII transfers. Standard Club's experience includes their own Brexit arrangements, Strike Club integration and, more recently, transitioning their management arrangements to an in-house model away from Charles Taylor PLC.  Our collaborative approach to the merger thus far has been effective, with senior management teams fully aligned. The use of professional advisors, with specialist skillsets and 'real-world' experience of mergers and integrations, has also been arranged. Specialist project management expertise and supporting resources have also been engaged.
Due diligence discovery.	Our due diligence procedures have covered legal, financial, taxation and operational matters. These investigations have not uncovered anything that would alter our recommendation to pursue a merger between North and Standard Club.
Retaining our people and/or disengagement.	Notwithstanding that we have a clear vision and case for this merger proposal, which shows an exciting future for our people, there will inevitably be a degree of personal uncertainty for some. We are proactively engaging with our people to minimise the risk of people leaving during this time.

## The rationale for the merger continued

Considerations	Mitigation(s)
<p>Managing internal and external responses and reactions to the proposed merger.</p>	<p>We have comprehensive Communication and Engagement Plans in place for our internal and external stakeholders. These plans are carefully coordinated between both clubs.</p> <p>The engagement plans will ensure clarity around progress being made against the timescales, outcomes and plans. We will keep our people as informed as possible.</p> <p>Externally, we will ensure that our key stakeholders – members, clients, brokers, reinsurers and regulators are fully informed of relevant developments through all the communication channels open to us. Both clubs also have a detailed member and broker visit programme to ensure that as many stakeholders’ views as possible are heard.</p> <p>In addition, we have formal media monitoring arrangements in place to track market reactions in the media.</p>
<p>Some members may choose not to support the combined club or who currently belong to both and may see a need to move some vessels to another holding club.</p>	<p>Both clubs will continue to communicate the expected benefits from the merger openly and transparently throughout the process and deal with any member or stakeholder questions or concerns. NorthStandard will be dedicated to member service and meeting members’ interests.</p> <p>It may be inevitable that some members do not enter their vessels with NorthStandard due to their own insurance arrangement preferences. We have factored this scenario into our financial and operational plans.</p>
<p>International Group (IG) considerations.</p>	<p>We are liaising closely with the IG to promote our firm belief that, if supported by our collective membership, the wishes of shipowners must be respected and reflected in continuing joint participation on the same basis as we enjoy individually today. We have had constructive engagement with the IG and anticipate that the group will be supportive and respect the decision of shipowners.</p>

Section 5

# Why is the proposed merger compelling for members?

# Why is the proposed merger compelling for members?

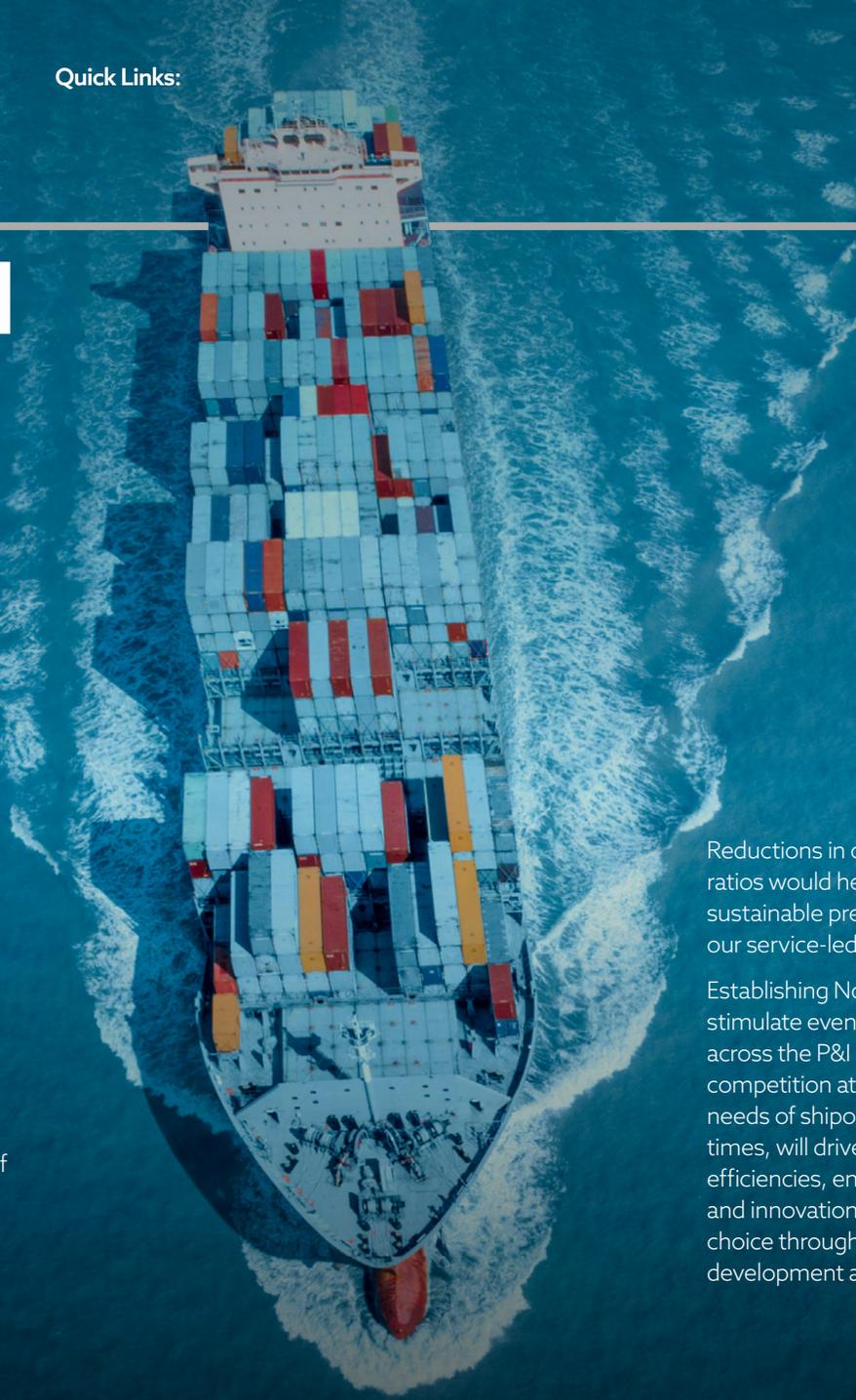
Combining our two clubs with shared perspectives on mutuality, service, heritage and diversification offers enormous potential for members and partners. However, any merger is likely to have substantial risks around it, and a merger of equals has particular risks to its delivery. We believe that the advantages of the merger far exceed the risks, which are outlined in **Section 4**.

NorthStandard, as one of the world's leading P&I clubs, will deliver a compelling service proposition for members and clients and all those who rely upon us to provide first-class service. The outstanding claims expertise, tried and tested on the largest and most complex claims, will complement a broad portfolio of products and services. Combined with faster innovation, NorthStandard will meet evolving market requirements more effectively and offer incisive guidance to navigate the continuing change affecting the global maritime sector and better anticipate future trends and challenges.

NorthStandard's operational scale and even stronger financial resilience is intended to smooth the volatility of year-on-year market fluctuations and deliver predictability and stability over future years in our operational, financial and technical results. Additionally, there are expected savings to be made from eliminating duplicate costs in the merged club over the coming years and these are anticipated to be at least 3% of the combined ratio. Furthermore, the forecast savings on reinsurance premiums arising from NorthStandard's increased purchasing power and the ability to take more risk are expected to be at least an additional 1% on the combined ratio.

Reductions in operational expense ratios would help ensure more sustainable premiums without diluting our service-led approach.

Establishing NorthStandard is likely to stimulate even greater competition across the P&I spectrum. Meaningful competition at this scale, prioritising the needs of shipowners in these turbulent times, will drive pricing and operational efficiencies, enhance service delivery and innovation, and offer even greater choice through increased product development and diversification.



## Why is the proposed merger compelling for Members? continued

The Board of Directors recommend that members vote in favour of the merger and the resolutions proposed at the Extraordinary General Meeting (EGM) for the following reasons:

### Exceptional Service and Innovation



A combined club would offer a broader and deeper claims experience, unrivalled in the International Group (IG), with more accessible services. The greater pool of market-leading knowledge and insight delivered across all key markets will support the changing needs of members.

Bringing all this expertise together would accelerate NorthStandard's appetite and ability to innovate, creating new ideas and providing more diverse data sources and a more extensive membership base to improve the viability of new products and services.

These deeper insights, tailored solutions and investments in technology could help the new combined club navigate disruptive change and anticipate future market challenges to improve service levels in the most cost-effective way.

### Global Reach and Influence



NorthStandard would deliver a global ecosystem of marine insurance solutions relevant to the widest range of shipowners, including P&I, FD&D, Hull, War, Offshore, Strike & Delay and more.

It would be a powerful global voice, acting for shipowners and their best interests, with a broader local footprint.

### Financial and Operational Resilience



Creating a stronger balance sheet will result in a highly secured club, well-positioned to thrive in all conditions. Backed by a strong capital buffer over regulatory requirements, the combined club's capital strength is expected to be S&P 'AAA' rated, with free reserves large enough to allow significant reinvestment into the value proposition.

Some increases in operational efficiency, achieved by reducing duplication and driving economies of scale, would also be available, notwithstanding that this is not the primary goal. The expected savings from eliminating duplicate costs over the medium term are anticipated to be the equivalent of at least 3% of the combined ratio. The forecast savings on reinsurance premiums arising from NorthStandard's increased purchasing power and the ability to take higher retention levels are expected to be at least a further 1% on the combined ratio. Reductions in the expense ratios would help ensure more sustainable premiums, without diluting our service-led approach.

### People Talent and Succession

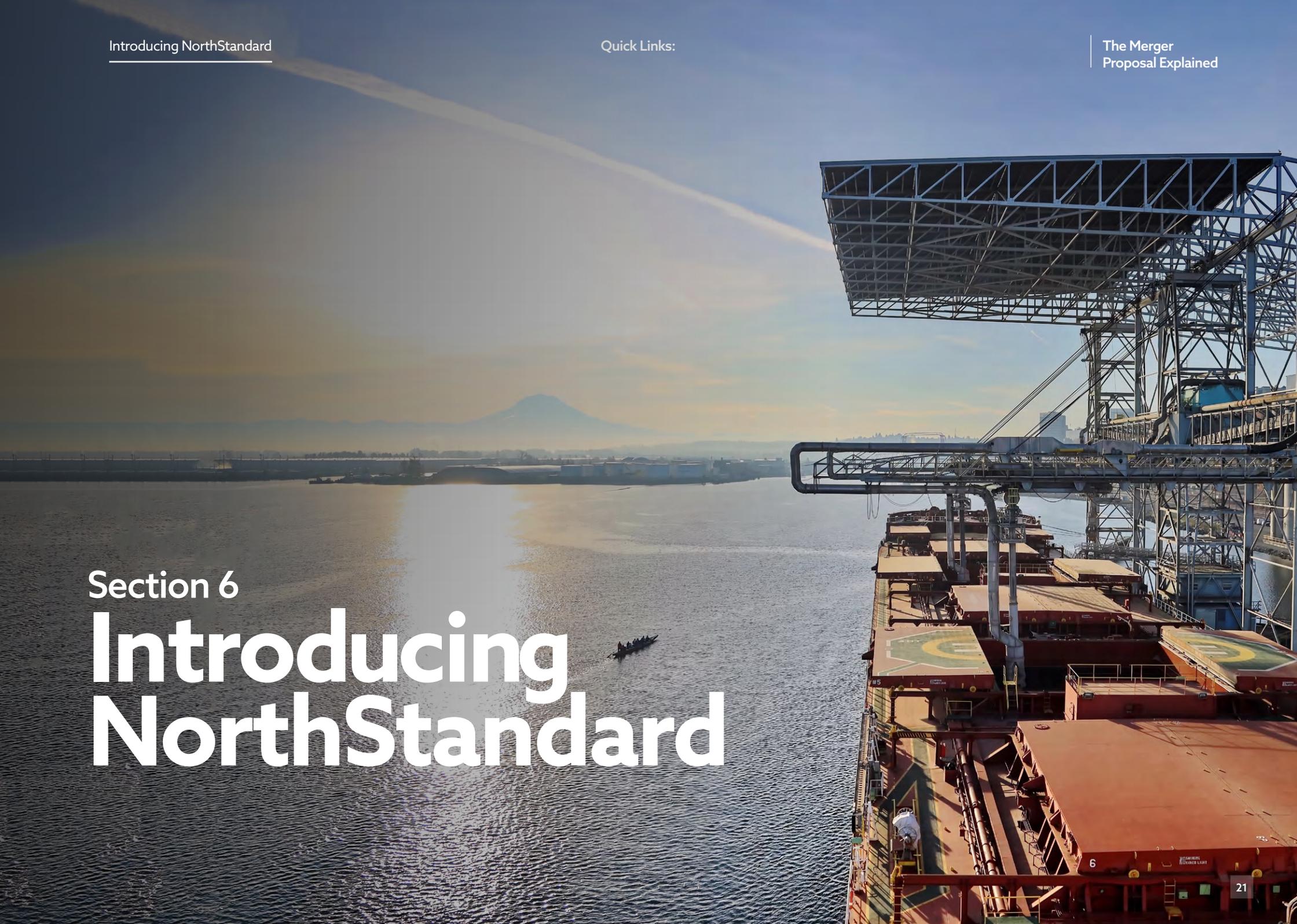


NorthStandard would also be the P&I mutual of choice for people – offering more options, more opportunities and more flexibility for people, whilst retaining the long-established family ethos and culture.

This would make it easier to attract, develop and keep the people that are the foundation of the service-led approach, consistently valued and sought by members.

Section 6

# Introducing NorthStandard



# Introducing NorthStandard

What is our vision for the combined club?

Our vision for NorthStandard is

**“To harness over 300 years of maritime heritage to create a global marine insurer for the future”.**

## Summary principles for the combined club

In developing a member-led proposition, we will be guided by the following core principles:

- o **Exceptional service.** The future operating model will focus on delivering a best in class, service-driven value proposition for its members. Member focus will be foremost within the proposed governance and culture of NorthStandard.
- o **A merger of equals.** Both clubs will have fair and equal representation to maintain a culture recognisable to members and people from both clubs. This approach will act as the foundation for the future club, its brand positioning and its operating model in order to preserve the heritage of both.
- o **Heritage and identity.** Different stakeholders will value different aspects of our respective histories and cultures. Being service-driven and member-led is of primary importance to both members and our people. The difference in cultures and our ability to take them forward in a combined culture, whilst preserving the best of both clubs, is important, as is the balance within our governance and

management teams from where cultural leadership must come. Location and brand are also important for many, given our long histories in locations such as Newcastle and London, and our respective names.

- o **Long-term success over short-term savings.** This is a question of balancing a realistic business plan with the benefits of scale and diversification and maintaining a service and member-led club – which requires people and investment. Across our business plans, the operating model proposals and the integration timetable, we have sought to deliver both short-term and long-term savings and efficiencies.

## Culture

North and Standard Club are similar in many ways, and it is for this reason that they share more members than any other two IG clubs. It is also why they have taken discussions on the merger to this point. The merged club will be firmly rooted in and reflect the culture and heritage of both its parent clubs. The management team is committed to a robust and healthy culture that will support success for generations to come.

## Exceptional Service and Innovation



Providing unequalled trading confidence to members and partners.

## Global Reach and Influence



Relevant to the widest range of shipowners and a powerful global voice.

## Financial and Operational Resilience



Meeting market changes and challenges.

## People Talent and Succession



Offering unparalleled career opportunities.

## Introducing NorthStandard continued

The culture of NorthStandard will seek to build on the best cultural elements and heritage from both North and Standard Club, and this will be addressed through our detailed integration plans. The new culture of NorthStandard will protect the heritage and long histories of both clubs, prioritise members' interests, service and mutuality, be caring and collegiate, and look to achieve our goals through looking after our people.

### Our People

We believe NorthStandard would also be the P&I club of choice for our people – offering more career choices, more opportunities and more flexibility whilst retaining the long-established family ethos and culture of both clubs. This would make it easier to attract, develop and keep the people that are the foundation of the service-led approach, consistently valued and sought by members.

### Operating model summary and integration planning

If the merger is approved, the integration of the two clubs will be carefully planned and implemented. There will be no significant changes in the short term, but a new structure, combining beneficial aspects of both clubs, will be put in place over the period of the full integration. Initially, both clubs will continue to operate separately, albeit working together as one unit in time for the February 2023 renewal. Full integration with all governance, operational structures and functional capabilities with aligned technology could take a further 12-24 months.

The merged club will be UK headquartered (and regulated) with offices in Newcastle and London. Both CEOs will sit on

the NorthStandard Board with Paul Jennings remaining the CEO of North and Jeremy Grose continuing as the CEO of Standard Club. Together they will jointly manage NorthStandard. Supporting them will be an interim Executive Leadership Team that will discharge a number of regulated Senior Management Functions (SMF) and lead the combined clubs during the initial integration phase. This transitional team has an equal representation of people from North and Standard Club, reflecting that this is a "merger of equals".

### NorthStandard and the International Group (IG)

Both clubs have a history of actively supporting the IG and engaging in its activities, which supports our proposition that we can continue to provide a strong voice for shipowners within the IG. We, along with Standard Club, are in active discussions with the IG regarding the implementation of the merger, the first of its kind between two IG members, and we anticipate agreeing over the coming months on the relevant amendments needed to the IG documents to facilitate the merger.

### Insurance arrangements

After completing the merger, expected on 20 February 2023, all insurance companies in the combined club will continue to write new business for at least one further year, meaning that there will be no change to the entity that currently writes your insurance for the 2023/2024 policy year. Your insurance will still be subject to the rules of the relevant entity and class of business, and those rules will remain essentially unchanged for the 2023/24 policy year, save for any specific changes needed to reflect the proposed corporate structure of NorthStandard, as described in this document and any other

changes in the ordinary course unrelated to the merger. In addition, the rules will remain unaltered to allow for the continuation of the Members Board and the intention to operate each class (i.e., P&I, FD&D, War, Coastal & Inland, Strike & Delay) as single classes across the combined club (i.e., calls are determined by reference to the requirements of the class as a whole).

It is envisaged that, following completion on 20 February 2023, there will be a further process to rationalise the active insurance, reinsurance and management companies of the combined club and the implementation of a new operating model for NorthStandard. There may also be further steps to close the insurance and reinsurance companies that go into run-off and the inactive management companies. We will be in touch again at a later date to explain any changes to the identity of the entity that writes your insurance cover and any other changes that may impact you with respect to the rationalisation process.

### Supplementary Calls

To the extent there were to be any supplementary calls in the future, mutual members of both clubs will remain liable for supplementary calls regarding policy years ending on or before 20 February 2023 on the same basis as they are currently. For policy years commencing on or after such date, members of both clubs will be liable for supplementary calls in respect of the combined classes of NorthStandard in which they are entered. Each of the combined classes of the combined club will operate as a single class of the combined club.



## Introducing NorthStandard continued

### Financial Overview

#### Combined ratios

Both North and Standard Club, like many other clubs within the IG, have recorded combined ratios over 100% in the last two financial years as the level of both our own (and other clubs') large claims and pool claims have risen above the historical average.

North and Standard Club's existing business plans aim to return to a breakeven position, with rate rises implemented for both at the February 2021 and 2022 renewals. These rate increases have already had a positive impact, with combined ratios for the financial year to February 2022 expected to be less than 108% for North and below 106% for Standard Club. The combined ratios for both clubs for the financial year to February 2023 are expected to be close to 100% (a breakeven underwriting result). The long-term aim is to maintain a combined ratio for the merged club at or around 100%.

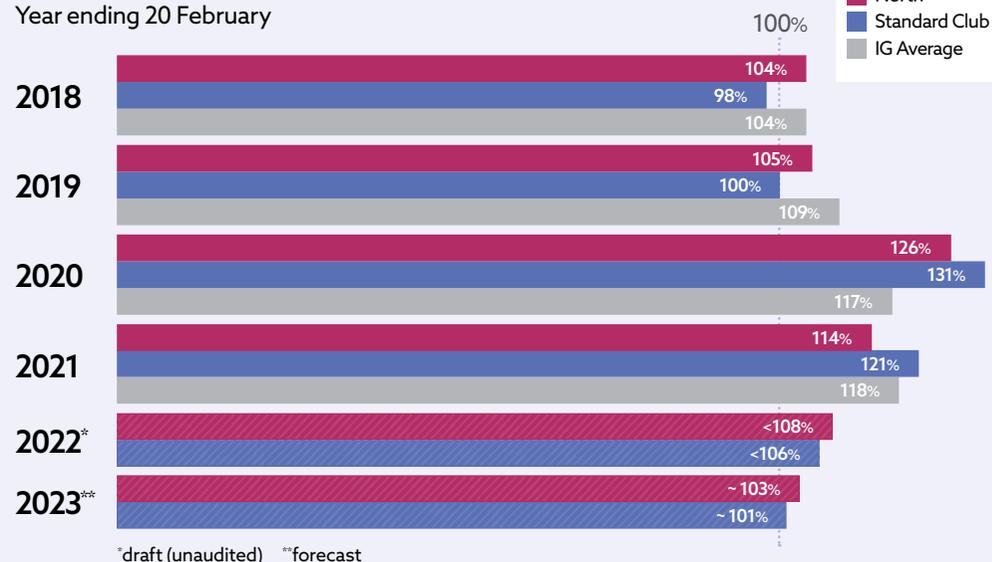
# North

North (US\$ millions)	2019	2020	2021	2022*
Gross premium**	319	320	376	394
Net premium	258	254	296	312
Poolable tonnage	142	147	160	160
Share of IG tonnage	11.8%	11.9%	12.5%	12.1%
Poolable premium	197	195	203	214
Share of IG premium	10.2%	10.0%	10.4%	10.7%
Combined ratio	105%	126%	114%	<108%
Free reserves	463	444	450	tbc
Outstanding claims	622	628	668	tbc

\* draft figures for the financial year to February 2022 \*\* premium figures shown net of brokerage

### Combined ratio

Year ending 20 February



Standard Club (US\$ millions)	2019	2020	2021	2022*
Gross premium**	289	288	293	294
Net premium	225	213	228	229
Poolable tonnage	119	117	116	106
Share of IG tonnage	9.9%	9.5%	9.1%	8.0%
Poolable premium	174	174	166	167
Share of IG premium	9.0%	8.9%	8.5%	8.3%
Combined ratio	100%	131%	121%	<106%
Free reserves	435	394	360	tbc
Outstanding claims	536	564	586	tbc

## Introducing NorthStandard continued

### Historic financial results

North is between 20%-30% larger than Standard Club when measured in terms of free reserves, premium, tonnage or outstanding claims, a position which has remained relatively stable in recent years. In common with the rest of the IG, the increased level of large claims has increased the levels of outstanding claims on the balance sheets of both clubs, with combined ratios of over 100%, reducing levels of free reserves. Both clubs are well diversified, with 35-40% of premium coming from non-poolable / fixed premium business.

### Reserve strength

Although North is larger in absolute terms, the two clubs are almost identical in relative terms. If measured in terms of free reserves per ton, per premium or per level of outstanding claims, the ratios of both clubs are very similar.

Reserve ratios (Feb 2021)	North	Standard
Per poolable ton	2.8	3.1
Per poolable premium	2.2	2.2
Per gross premium	1.2	1.2
Per net premium	1.5	1.6
Per o/s claims	0.7	0.6

Both clubs are rated 'A' by S&P Global and have reserves above their 'AAA' capital strength requirement. Both clubs also hold comfortable margins over their regulatory capital requirements. However, due to their different company structures and the different regulatory regimes which they operate under (North group regulated by the PRA following Solvency 2 regulations, The Standard Club Ltd regulated by the BMA under Bermudian regulatory requirements), meaningful comparison of their regulatory requirements and solvency margins is not possible.

### Future projections

NorthStandard will continue to target 100% combined ratios, and the merger will assist this goal through the delivery of long-term cost savings achieved by eliminating duplicate costs, anticipated to be the equivalent of at least a 3% improvement to the combined ratio. Savings are also forecast on reinsurance premiums arising from the combined club's increased purchasing power and the ability to take higher retention levels are expected to be at least a further 1% on the combined ratio.

In addition, tonnage growth projections on a merged basis are expected to exceed the projections from North and Standard Club's pre-merger business plans, reducing pressure on the combined ratio. Lastly, the scale of the merged club will reduce volatility around large (and pool claims), allowing more consistent underwriting results over time.



Section 7

# How the merger will be implemented and differences from your current club

# How the merger will be implemented and differences from your current club

## North P&I Club

North P&I currently operates its insurance business on the basis of a 'one club, two company' structure, with global insurance underwriting activity shared across two legal entities:

- The North of England Protecting and Indemnity Association Limited ('North UK'), a non-life insurance company incorporated in England and Wales; and
- North of England P&I DAC ('North EU), a non-life insurance company incorporated in Ireland.

The Club operates three classes of mutual business: P&I, FD&D and War Risks. It also operates several non-mutual business lines. North UK underwrites the club's Non-EEA insurance business, and North EU underwrites its EEA insurance business. North EU is a wholly-owned subsidiary of North UK, and EEA members of the club's P&I, FD&D and War Risk's classes, therefore, have insurance contracts with North EU in respect of their entered vessels and corporate membership rights in North UK. Non-EEA members of the club's P&I, FD&D and War Risks classes have contracts of insurance with North UK in

respect of their entered vessels, as well as corporate membership rights in North UK.

Discretionary claims arising under the rules of the P&I, FD&D and War Risks classes are determined by the club's Members Board. This is a committee of member representatives established to provide a forum for mutual members to play an enhanced role in the governance of the club outside of General Meetings and to promote a mutual ethos within its governance structure.

The Club also has a parallel mutual reinsurance structure in place with The North of England Mutual Insurance Association (Bermuda) Limited ('North Re'), a multi-owner captive reinsurance company incorporated in Bermuda. North Re provides reinsurance to North UK, and North EU for P&I and FD&D risks through a quota share reinsurance contract.

Under the parallel mutual reinsurance structure, North Re is not part of the club's group of companies, and there is no relationship of legal ownership or control between any of the legal entities in the club and North Re. Instead, North entities and North Re

## Glossary of Terms

<b>NorthStandard</b>	Term used to describe combined club from completion
<b>Standard Club</b>	Term used to refer to all companies within the Standard Club group pre-completion
<b>North</b>	Term used to refer to all companies within the North Group pre-completion
<b>North UK or NorthStandard UK</b>	North of England Protecting and Indemnity Association Limited (to be renamed North Standard Limited at completion)
<b>North Re or NorthStandard Re</b>	The North of England Mutual Insurance Association (Bermuda) Limited (to be renamed North Standard Reinsurance Limited at completion)
<b>North EU</b>	North of England P&I DAC
<b>NEIS</b>	North of England Insurance Services Inc
<b>North Shanghai</b>	North of England Marine Consultant (Shanghai) Ltd. Co
<b>NEPIA Trust</b>	NEPIA Trust Company Limited
<b>NGSL</b>	North Group Services Limited
<b>North Hydra</b>	Hydra Insurance Company Limited (North Segregated Cell)
<b>VODG</b>	Van Olst De Graaff & Co B.V
<b>HMU</b>	Harlock Murray Underwriting Limited
<b>HMU USA</b>	Harlock Murray Underwriting LLC
<b>Standard Bermuda</b>	The Standard Club Limited
<b>Standard Asia</b>	The Standard Club Asia Ltd
<b>Standard Ireland</b>	The Standard Club Ireland DAC
<b>Standard UK</b>	The Standard Club UK Ltd
<b>Standard Hydra</b>	Hydra Insurance Company Limited (Standard Segregated Cell)
<b>Standard Re</b>	Standard Reinsurance (Bermuda) Limited
<b>SCM (Bermuda)</b>	Standard Club Management (Bermuda) Limited
<b>SCM (Asia)</b>	Standard Club Management (Asia) Pte. Limited
<b>SCM (Americas)</b>	Standard Club Management (Americas), Inc
<b>SCM (Europe)</b>	Standard Club Management (Europe) Limited
<b>SCM (UK)</b>	Standard Club Management (UK) Limited

## How the merger will be implemented and differences from your current club continued

are subject to the common ownership of the members of the club's P&I and FD&D classes. This is achieved by those members being granted corporate membership rights in both North UK (as described above) and North Re for the term of their insurance policies.

### Standard Club

The Standard Club currently shares its global insurance underwriting activity across three legal entities:

- The Standard Club UK Ltd (Standard UK), a non-life insurance company incorporated in England and Wales;
- The Standard Club Ireland DAC (Standard Ireland), a non-life insurance company incorporated in Ireland; and
- The Standard Club Asia Ltd (Standard Asia), a non-life insurance company incorporated in Singapore.

Standard UK, Standard Ireland and Standard Asia are subsidiaries of Standard Club Limited (Standard Bermuda), an insurance holding company incorporated in Bermuda, which acts as the parent company of the Standard Club.

The Standard Club operates five classes of insurance business: P&I, FD&D, War Risks, Coastal & Inland and Strike & Delay. Standard Asia also separately operates a Singapore Mutual War Risks class.

Policyholders of Standard UK, Standard Ireland and Standard Asia have a contract of insurance with the relevant insuring entity as well as corporate membership rights in Standard Bermuda. Policyholders of Standard Asia's Singapore Mutual War Risks class do not have corporate membership rights in Standard Bermuda.

The Standard Club does not operate a parallel mutual reinsurance structure. Instead, a group captive reinsurance company incorporated in Bermuda, Standard Reinsurance (Bermuda) Limited (Standard Re), provides quota share reinsurance to Standard UK, Standard Ireland and Standard Asia.

### The proposed structure of the merged club on 20 February 2023

It is proposed that the structure of the merged club on 20 February 2023 will be based on North's parallel mutual structure, resulting in the formation of a merged group of insurance companies and a separate merged group of reinsurance companies. The proposed group structure of the combined club following 20 February 2023 is shown in **Appendix 2**, which also includes a summary of the key corporate steps that are proposed to take effect on 20 February 2023 if the proposed merger is approved and the relevant conditions are satisfied.

### Merged insurance group

In summary, the merged group of insurance companies will be formed by relevant entities in the North and Standard Clubs taking the necessary corporate actions to achieve the following key outcomes:

- North UK changing its registered company name to North Standard Limited ('NorthStandard');
- NorthStandard becoming the sole member of Standard Bermuda and the ultimate parent company of the merged insurance group;
- Existing corporate members of Standard Bermuda ceasing to be corporate members of that entity and becoming corporate members of NorthStandard in common with the existing corporate members of North UK;



## How the merger will be implemented and differences from your current club continued

- Changing the composition of the NorthStandard Board of Directors to include appropriate representation for each club, commensurate with a 'merger of equals', as further detailed below in the section 'NorthStandard Board of Directors';
- Establishing Coastal & Inland and Strike & Delay classes within NorthStandard and class committees to enable continuity of the existing arrangements in place for those classes within Standard Bermuda;
- Expanding the role of the Members Board to include the power to determine discretionary claims arising under the P&I, FD&D, War Risks, Coastal & Inland and Strike & Delay class rules of all entities within the merged club and enlarging the membership of the Members Board to include all existing Shipowner Directors on the Standard Bermuda Board of Directors;
- The termination of minority membership interests in Standard UK and a minority shareholding in Standard Asia with the effect that both entities become wholly-owned subsidiaries of Standard Bermuda.

The corporate structure resulting from these actions will create a merged club with global insurance underwriting activity shared across five insurance entities (NorthStandard (formerly North UK), North EU, Standard UK, Standard Ireland and Standard Asia).

The merged club will have five separate classes of mutual business (P&I, FD&D, War Risks, Coastal & Inland and Strike & Delay) and several non-mutual business lines. Mutual policyholders of the merged club will have contracts of insurance with one of the five insurance entities in respect of their entered vessels, as well as corporate membership rights in NorthStandard.

Consistent with a 'one club' mutual ethos and existing arrangements in place for the North P&I Club for North UK and North EU, the constitutional documents and class rules of the five insurance entities will be amended to provide that any

insurance entity within the merged club can levy an additional call on all members of a class and not just their own policyholders. This will ensure that one of the merger's main benefits, the sharing of risk amongst a greater number of members, is realised.

### Merged parallel reinsurance group

In summary, the merged, parallel group of reinsurance companies will be formed by North Re and relevant entities in Standard Club, taking the necessary corporate actions to achieve the following key outcomes:

- North Re changing its registered company name to North Standard Reinsurance Limited (NorthStandard Re);
- NorthStandard Re becoming the sole shareholder of Standard Re through the transfer of the entire issued share capital in that entity by Standard Bermuda to NorthStandard Re, resulting in NorthStandard Re becoming the ultimate parent company of the merged reinsurance group;
- Changing the composition of the NorthStandard Re Board of Directors to include appropriate representation for each club commensurate with a 'merger of equals'

A separate meeting of the members of NorthStandard Re will be held to approve these changes.

### Impact on North P&I Club Policyholders

In respect of the 2023/24 policy year, it is intended that insurance policies will continue to be underwritten by North UK or North EU (as applicable) subject to the rules of the North Group's P&I, FD&D and War Risks classes.

Therefore, save for member communications being issued on behalf of the NorthStandard Group and the North Group rules, certificates of entry and other insurance documentation for North UK policyholders referring to its new name, 'North Standard Limited', there will be no material difference in management, operation or administration of the North Group policies for the 2023/24 policy year.

## How the merger will be implemented and differences from your current club continued

### NorthStandard Board of Directors

The new Board of Directors of NorthStandard from 20 February 2023 will consist of similar numbers of existing Directors from each club, consistent with the principle of a 'merger of equals'. The precise composition is still to be finalised and will be subject to regulatory approvals in due course, but the current proposal is for 16 Directors on the statutory Board from 20 February 2023 as follows:

Position	Name	Pre-merger affiliation	Summary Biography
Non-Executive Directors (Shipowner member representatives)	Cesare D'Amico (Chair)	Standard Club	Cesare is the Principal, along with his cousin Paolo, of d'Amico Società di Navigazione, Italy, holding company of the shipping group managing the dry bulk and container ships and the publicly listed but family-controlled product tankers segment. Cesare joined the Standard Club board as a Non-Executive Director in 2004 and became Chair of the board in 2017. He also chairs the club's Nomination & Governance Committee and is a member of the club's Audit & Risk Committee and Remuneration Committee, as well as Standard Asia and Standard Ireland.
	Ioanna Procopiou (Deputy-Chair)	North	Representing Sea Traders SA, Greece, Ioanna joined the North UK Board as a Non-Executive Director in 2018 and became Vice-Chair of the Board in September 2020. She is also a member of North's Group Audit Committee and Group Nominations & Remuneration Committee.
	Nicolas Hadjioannou (Deputy-Chair)	Standard Club	Nicolas is the CEO of Cymona Maritime Holdings Inc. and Cymona Shipping Management S.A.M., the founder of Alassia Newships Management and a shipping investor. Nicolas joined the Standard Club board as a Non-Executive Director in 2014. He also chairs the club's Remuneration Committee and is a member of the club's Nomination & Governance Committee.
	James Tyrrell	North	James is a Director of Arklow Shipping, Ireland. He was appointed as a Non-Executive Director of North UK in 2017 and became Chair of the Board in 2021. James has a PhD in Financial Econometrics and Chairs the North Group Investment Committee. He is also a Non-Executive Director of North EU.
	Erik Johnsen	Standard Club	Erik is President of Shipinvest Corporation and Director of Seaocean Carriers Pte, Ltd. Erik joined the Standard Club board as a Non-Executive Director in 2003. He chairs the club's Audit & Risk Committee and is a member of the club's Nomination & Governance and Remuneration Committees, as well as Standard UK.
	Johann-Philipp Reith	North	Philipp is Managing Director of Orion Bulkcarriers based in Hamburg, Germany. He became a Non-Executive Director of North UK in 2017 and was appointed Vice-Chair in May 2021. He is also a member of North's Group Risk Committee and Group Nominations & Remuneration Committee.
	Ricardo Menendez	Standard Club	Based in Punta del Este, Uruguay, Ricardo is the Principal and co-CEO of Interocean Transportation Inc (fleet of bulk carriers) and Naviera del Sud (container vessels). Ricardo joined the Standard Club board as a Non-Executive Director in 1990. He was Chair of the Board from 2004 to 2014. Ricardo is a member of the club's Nomination & Governance Committee, as well as Standard UK and Standard Asia.

## How the merger will be implemented and differences from your current club continued

Position	Name	Pre-merger affiliation	Summary Biography
Non-Executive Directors (Shipowner member representatives) continued	Pratap Shirke	North	Pratap represents ASP Ship Management and has been a director of North UK since 1997. He was Chair of the Board from 2012 to 2021. During his time as Chair and as a director, he has been a member of and participated at, many Board committees. He is currently Chair of North's Group Nominations & Remuneration Committee and a Non-Executive Director and Chair of the Board of North EU.
	Takis Vellis	Standard Club	Takis has worked in shipping since 2005, previously having worked at SNP Brokers and pool/chartering companies before joining Pleiades, his family's business, where he worked and gained experience in crewing, accounting, insurance, chartering, SNP / newbuilding projects, financing and hedging strategies. Takis joined the Standard Club board as a Non-Executive Director in 2020.
	Nicholas Fell	North	Nick has been a Non-Executive Director of North UK since 2015 and is General Counsel & Executive Vice President of BW Group and is based in Singapore.
Non-Executive Directors (Insurance, risk and audit experts)	Nicholas Taylor	North	Nick is Chair of North's Group Risk Committee and was appointed as a Non-Executive Director in 2017. Nick was previously the Global Head of the P&I Practice for Marsh Ltd. He has also undertaken consultancy work for clients in the marine insurance sector.
	Alistair Groom	Standard Club	Alistair is a Non-Executive Director of the Standard Club and the former CEO of Charles Taylor & Co. Limited, the club's former managers. He is also a Non-Executive Director of International Transport Intermediaries Club Ltd and has had other Non-Executive positions in the maritime sector.
	Michael Thompson	North	Mick is a former officer Senior Partner of KPMG LLP's Newcastle office and joined the North UK Board in September 2020. He is a member of North's Group Audit and Risk Committees and a Non-Executive Director and Audit and Risk Committee member of North EU. He holds several other Non-Executive positions, including as a member of the Board and Audit Committee Chair of Newcastle Building Society.
	TBC - New appointment		
Executive Directors	Paul Jennings	North	Paul is Chief Executive of North, responsible for all aspects of the Group's activities. Paul has been involved in the marine insurance industry for over 30 years, and he is an Executive Director of North UK and North EU. Paul was appointed as Chairman of the International Group of P&I Clubs (IG) in November 2018.
	Jeremy Grose	Standard Club	Jeremy has been Chief Executive of The Standard P&I Club since 2014. He started his career with the P&I club in 1991. His time with the club has involved roles in claims, underwriting and business development, including a period of deployment for the club working in Athens. Jeremy is an Executive Director of the Standard Club.

## How the merger will be implemented and differences from your current club continued

### Conditions for implementation of the merger and actions required from North UK members at the EGM

Implementation of the proposed merger is conditional on a number of items, including (i) regulatory change in control approval being obtained from the UK PRA/FCA, the Bermuda Monetary Authority, the Central Bank of Ireland and the Monetary Authority of Singapore, (ii) relevant merger control approvals being obtained, (iii) the passing of the relevant member approvals by each club; and (iv) a satisfactory agreement with the IG on the clubs' continued participation in the International Group (IG) Agreement and the IG Pooling Agreement.

The following corporate actions require the approval of North UK members to enable the creation of the merged insurance group and form the basis of the resolutions that are proposed for member approval at the EGM on 27 May 2022:

- Approve the merger
- Change the company name to North Standard Limited, with effect from 20 February 2023
- Adopt new Articles of Association, with effect from 20 February 2023. Please refer to **Appendix 3** for a summary of the proposed changes and **Appendix 4** for a full copy of the Articles of Association highlighting the proposed changes
- Appoint Standard Club CEO Mr Jeremy Grose as an executive director of North Standard Limited, with effect from 20 February 2023

- Appoint the following individuals from the Standard Bermuda Board of Directors as Non-Executive Directors of North Standard Limited with effect from 20 February 2023:

- Cesare D'Amico
- Erik Johnsen
- Nicolas Hadjioannou
- Ricardo Menendez
- Takis Vellis
- Alistair Groom

The full wording of the proposed resolutions are set out in the notice of the meeting at **Appendix 5**.

With the exception of the resolution to approve the merger, all of the resolutions proposed for approval at the EGM on 27 May 2022 will be subject to all conditions under a framework agreement being satisfied or waived and the parties obtaining all necessary regulatory approvals.

### Voting at the EGM

The level of support needed to approve the resolutions at the EGM varies depending on whether the resolution is classified as a 'special' or 'ordinary' resolution. Special resolutions require at least 75% of votes cast at the meeting in favour of the resolution, whilst ordinary resolutions require a simple majority of votes cast at the meeting in favour of the resolution. The resolutions to change the company name and

adopt new Articles of Association are special resolutions. The resolutions to approve the merger and appoint Directors (executive and non-executive) are ordinary resolutions.

Votes can be cast at the meeting by members either attending the meeting in person or by appointing a proxy to vote on their behalf at the meeting. Further information on how to appoint a proxy is provided in the **Section 9 'What should members do now?'** and the notes to the proxy form provided at **Appendix 6**.

Voting on resolutions at an EGM is normally decided on a show of hands, with each member attending in person or by proxy having one vote each. However, in the event that a poll vote is demanded on a resolution, then each member attending in person or by proxy has one vote per ship entered for insurance with the club subject to a maximum of 30 votes. Please note that fixed premium members do not have the right to vote on any resolutions at an EGM.

A poll vote on a resolution can be demanded by any of the following either before or upon the declaration of the result of a vote on a show of hands:

- The Chair of the meeting;
- At least five members having the right to vote at the meeting; or
- Members representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting.





Section 8  
**Timescales  
and transaction  
process**

# Timescales and transaction process

The table to the right summarises the key milestones and timings for the implementation of the merger:

## Key dates



**27 May 2022**

North EGM and Standard Club Member general meeting to vote on the merger proposal. Details of the North EGM are available in Appendix 5.



**Autumn 2022**

Anticipated date for all financial regulatory and merger control approvals to be received.

Operating model design and planning for 20 February 2023 renewal.



**20 February 2023**

Formal corporate merger of the two clubs is completed, and the first policy year of combined clubs begins with a new corporate structure and brand in place.

Commence detailed Target Operating Model design and planning.

Section 9

# What should members do now?

# What should members do now?

Your Directors, with the assistance of external professional advisors, have considered the merger at length and recommend it to our members. We are seeking our members' support for the merger at an extraordinary general meeting ('EGM'), which is a condition for the merger to proceed. **Appendix 5** of this document contains the Notice of the EGM, which will be held at The Divani Apollon & Thalasso 10 Agiou Nikolaou Str. 166 71 Vouliagmeni, Athens, Greece, on 27 May 2022 at 13.30 hours (EEST). Details of the venue can be found [here](#).

Members with mutual entries (i.e., those members liable to additional calls) are entitled to attend, speak and vote at the EGM. Members with only fixed premium entries (i.e. those members not liable to additional calls) are entitled to attend and speak at the EGM but do not have the right to vote at the EGM.

If you would like to attend the meeting in person, please e-mail [boardsupport@nepia.com](mailto:boardsupport@nepia.com)

If you cannot attend in person but still wish to cast your vote, please complete the proxy form provided at **Appendix 6**. Please confirm the name of your proxy (which can be the Chairman of the Board or another person of your choosing) and voting preferences, and return it to North UK's Company

Secretary, Chris Owen, not less than 48 hours before the time appointed for holding the meeting either:

- by post to 100 The Quayside, Newcastle upon Tyne, NE1 3DU, UK; or
- by e-mail to [boardsupport@nepia.com](mailto:boardsupport@nepia.com)

North will inform members of the outcome of the resolutions proposed at the Extraordinary General Meeting. We will also display this information on our website [www.nepia.com](http://www.nepia.com)

## Next steps at a glance

- This pack contains all the information you should require. Your club contacts are also available to answer any questions you may have.
- We encourage all members to vote. Please decide whether you wish to attend the EGM in person or vote by Proxy.

[Appendix 6: Proxy Voting Form](#)

[Quick Links:](#)  
[Merger rationale](#)   [Benefits for members](#)   [What should members do now?](#)

[The Merger Proposal Explained](#)

### Appendix 6: Proxy Voting Form

The North of England Protecting and Indemnity Association Limited

The undersigned, a Member of The North of England Protecting and Indemnity Association Limited, hereby appoints the Chair of the meeting or \_\_\_\_\_ or \_\_\_\_\_ to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the General Meeting of the Members of the said company to be held on Friday 27 May 2022, and any adjournment thereof. This form is to be used in respect of the following Resolutions:

	For	Against	Vote Withheld
1. The Ordinary Resolution to approve the proposed merger between the Company, The North of England Mutual Insurance Association (Bermuda) Limited and The Standard Club Ltd.			
2. The Ordinary Resolution to appoint Mr Jeremy Grose as an Executive Director of the Company.			
3. a) The Ordinary Resolution to appoint Mr Cesare D'Amico as a Non-Executive Director of the Company.			
b) The Ordinary Resolution to appoint Mr Erik Johnsen as a Non-Executive Director of the Company.			
c) The Ordinary Resolution to appoint Mr Nicolas Hadjoannou as a Non-Executive Director of the Company.			
d) The Ordinary Resolution to appoint Mr Ricardo Menendez as a Non-Executive Director of the Company.			
e) The Ordinary Resolution to appoint Mr Takis Vellis as a Non-Executive Director of the Company.			
f) The Ordinary Resolution to appoint Mr Alistair Groom as a Non-Executive Director of the Company.			
4. The Special Resolution to adopt Articles of Association of the Company.			
5. The Special Resolution to change the name of the Company to North Standard Limited.			

As witness the hand of the undersigned this \_\_\_\_\_ day of \_\_\_\_\_ 2022

For (Name of Member) \_\_\_\_\_

Signed \_\_\_\_\_

By (Name) \_\_\_\_\_ (Office) \_\_\_\_\_

**Notes**

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.

2. A Member may appoint more than one party to attend, speak and vote on the same occasion, provided that each Proxy is appointed by each Member for insurance in the Association.

3. If a Member wishes to appoint more than one Proxy and requires additional forms, the Member should contact the Company Secretary, Chris Owen on **+44(0)191 332 5231** or [boardsupport@nepia.com](mailto:boardsupport@nepia.com). You wish any person other than the Chair to act as your Proxy, please insert the name of your Proxy in the space provided. If no name is inserted, you will be deemed to have appointed the Chair of the meeting. A Proxy need not be a Member.

4. Please indicate with an X in the appropriate spaces how you wish your vote to be cast in respect of each of the Resolutions. On receipt of this form duly signed but without any specific direction how you wish your votes to be cast, the Proxy will vote in favour of the Resolutions unless so instructed, and on any other Resolutions proposed at the meeting, your Proxy will vote or abstain at his discretion.

5. In the case of a corporation this form should either be under its seal or be signed by an authorised officer of the corporation, who should state in the line below his office (e.g. Company Secretary, Director).

6. To be valid at the Annual General Meeting referred to, this form must be completed, signed and deposited with the Company Secretary of the Company by post to 100 The Quayside, Newcastle upon Tyne, NE1 3DU, UK, or by e-mail to [boardsupport@nepia.com](mailto:boardsupport@nepia.com) not less than 48 hours before the time appointed for holding the meeting. Completing and returning this form will not prevent you from attending and voting in person if you wish.

To print your Proxy Voting Form please click on the printer icon in the top right hand corner.

# Section 10

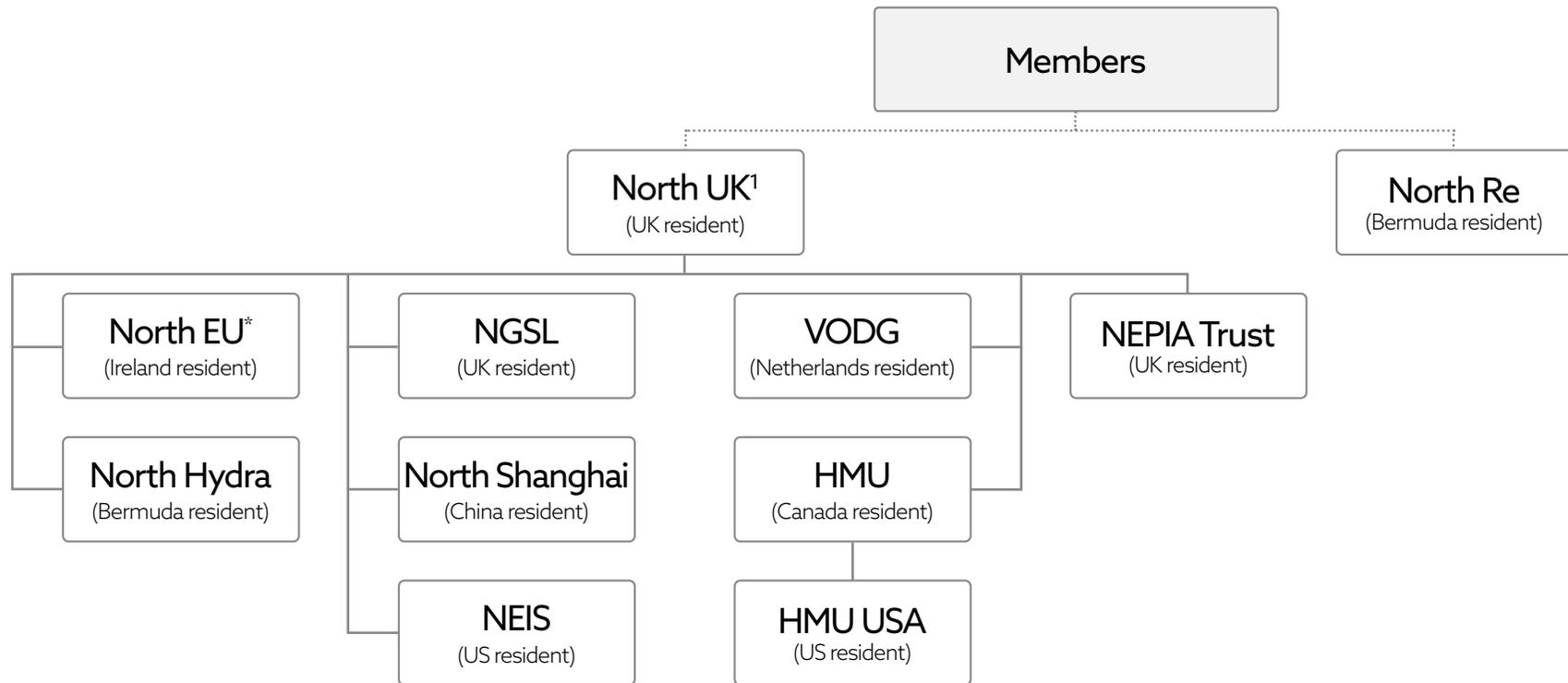
# Appendices

Appendix 1(A): Current Organisational Structure – North	38
Appendix 1(B): Current Organisational Structure – Standard Club	39
Appendix 2: Proposed Organisational Structure – NorthStandard	40
Appendix 3: Summary of proposed changes to North UK Articles of Association	41
Appendix 4: Changes to North UK Articles of Association	44
Appendix 5: Notice of Extraordinary General Meeting on 27 May 2022	77
Appendix 6: Proxy Voting Form	78

# Appendix 1(A): Current Organisational Structure – North

\*North UK has branches in Japan, Singapore, Hong Kong, Australia and New Zealand, and North Ireland has a UK branch and a Greek office.

This structure chart excludes dormant entities and companies in run-off.

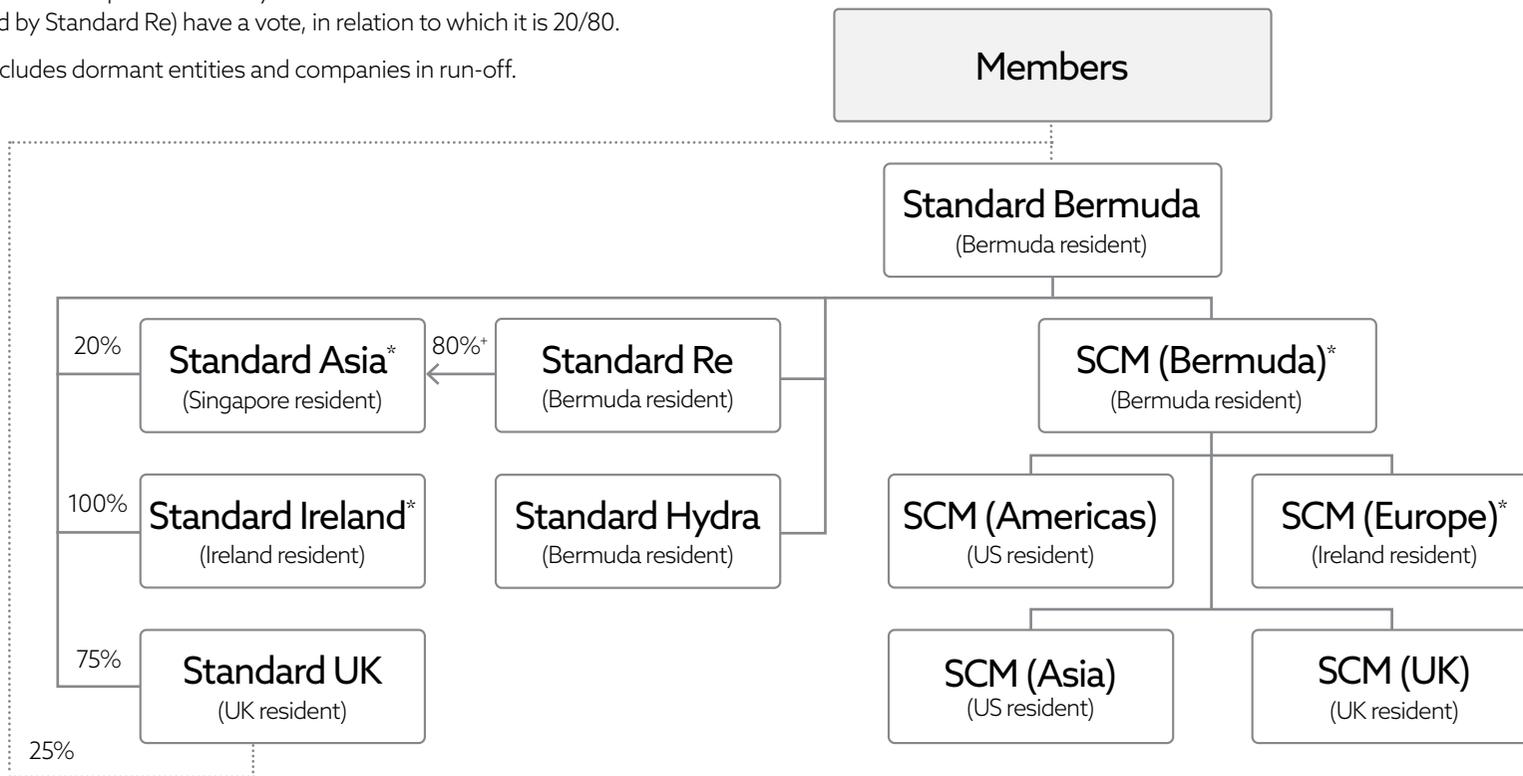


# Appendix 1(B): Current Organisational Structure – The Standard Club

\* Standard Asia has a Hong Kong branch; Standard Ireland has a UK branch; SCM (Bermuda) has a Japanese branch; SCM (Asia) has a Hong Kong branch; and SCM (Europe) has UK and Greek branches.

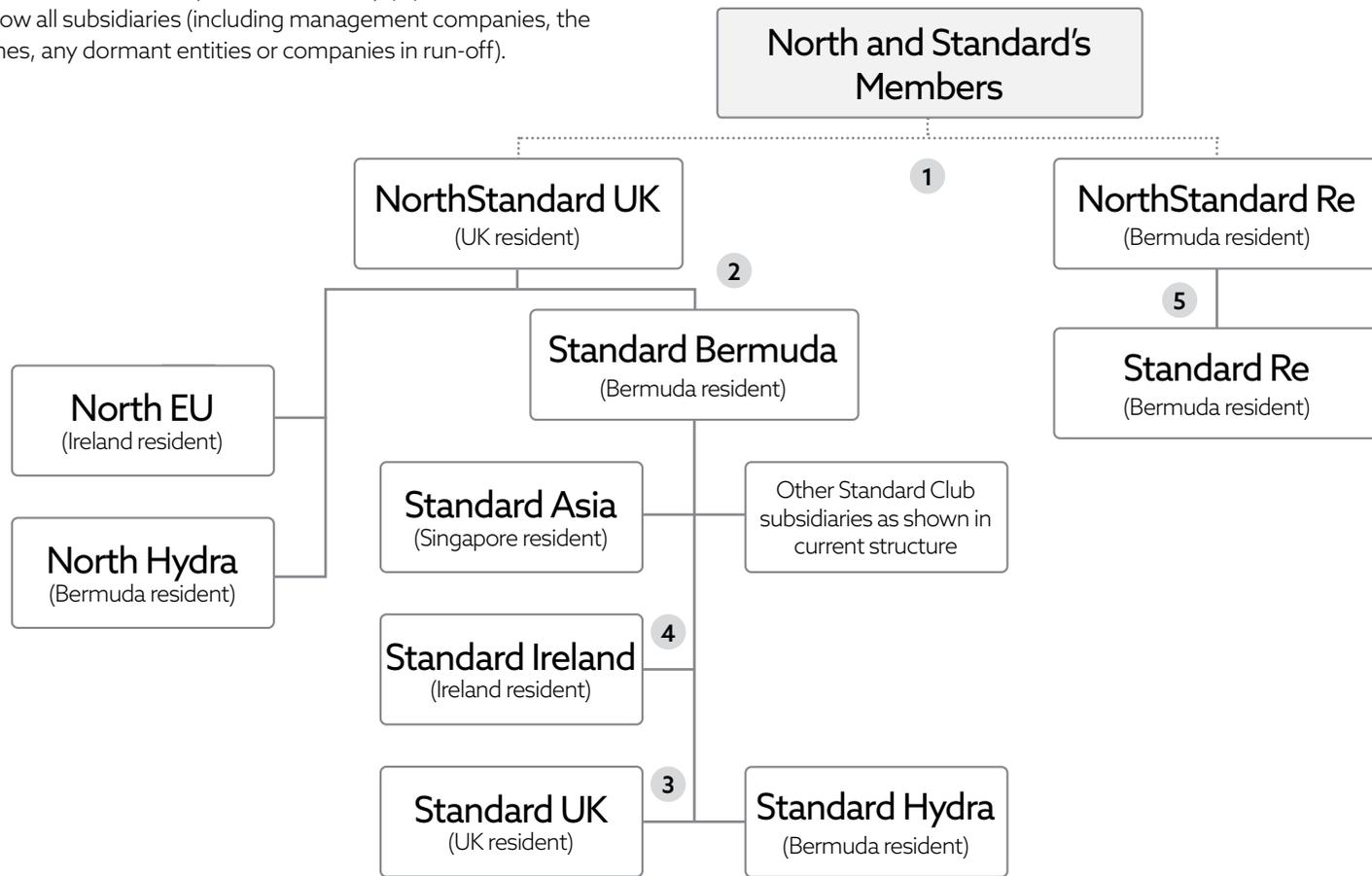
+ Standard Asia is 100% controlled by Standard Bermuda (which holds all the issued ordinary shares) other than in respect of the very limited matters where the redeemable preference shares (held by Standard Re) have a vote, in relation to which it is 20/80.

This structure chart excludes dormant entities and companies in run-off.



# Appendix 2: Proposed Organisational Structure – NorthStandard

This structure chart is simplified to show key (re)insurers and does not show all subsidiaries (including management companies, the branches, any dormant entities or companies in run-off).



**At completion (expected to be on 20 February 2023):**

1. The policyholders of the Standard Club insurer subsidiaries will, upon renewal of their policies, become corporate members of NorthStandard UK (formerly North UK) and, save for war risks policyholders, NorthStandard Re (formerly North Re). This will be achieved through amendments to the rules of the Standard Club insurer subsidiaries for 2023/24 and the constitutions of NorthStandard UK and NorthStandard Re.
2. Standard Bermuda will become wholly owned by NorthStandard UK (through amendments to its constitutional documents) and will convert to become a company limited by shares.
3. Standard UK will become wholly owned by Standard Bermuda (through amendments to its articles of association). Its policyholders will no longer become corporate members of it.
4. Standard Re's redeemable preference shares in Standard Asia will either be redeemed or transferred to Standard Bermuda so that it becomes a wholly owned subsidiary of Standard Bermuda.
5. Standard Bermuda will transfer its entire shareholding in Standard Re to NorthStandard Re.

# Appendix 3: Summary of proposed changes to North UK Articles of Association

Description	Proposed Amendments	Relevant provisions
Change of name	Amendments to reflect the change of name of "The North of England Protecting and Indemnity Association Limited" to "North Standard Limited".	Amended definition of 'Association.' Amended Article 104.
Change of corporate structure/ membership	Amendments to reflect that: (a) Standard Bermuda, being the parent company of the Standard Group, will become a wholly-owned subsidiary of North UK; (b) the corporate members of Standard Bermuda will become corporate members of North UK.  Members of Standard Club Asia's Singapore War Risks Mutual class will not become corporate members of North UK or North Re, which is consistent with the Standard Club position whereby the Singapore War Risks Mutual class members do not obtain any corporate membership rights.	New definitions identifying Standard Club Asia, Standard Club Ireland and Standard Club UK. New defined term 'Club Subsidiary' introduced incorporating North EU, Standard Club Asia, Standard Club Ireland and Standard Club UK and used throughout the document. New defined terms of Subsidiary Directors and Subsidiary Managers introduced respectively to capture the directors and managers of these entities and used throughout the document. Updated definitions of 'Mutual Member', 'Fixed Premium Member' and 'Fixed Premium Basis', each incorporating reference to ships entered for insurance with North UK and any other Club Subsidiary. Amended Article 5.
New mutual classes	Amendments to include the following as new classes of membership: (a) the Coastal & Inland Class; and (b) the Strike & Delay Class.	Updated definition of 'Classes'. New Articles included at 10.1.4 and 10.1.5.
Re-naming of classes	Amendments to allow the North Standard Limited directors to change the name of any class.	Amended Article 10.1
Applicability of multiple sets of rules to one class.	Wording has been introduced to clarify that, in light of North and Standard Club having different sets of rules for certain insurance classes that will continue to apply, more than one set of rules may apply to any class.	Amended Article 10.2
Change of voting rights on a poll	In general meetings, matters can be decided either on a show of hands or on a poll with the default position being that matters are decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by the Chairman or by at least five mutual members (i.e. those members liable to additional calls) or by mutual members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.  On a show of hands each mutual member only has one vote. On a poll the mutual members may have up to 30 votes calculated in accordance with the provisions below to reflect the number of ships that they have entered in the NorthStandard group.	Amended Article 47.

**Appendix 3: Summary of proposed changes to North UK Articles of Association continued**

Description	Proposed Amendments	Relevant provisions
Change of voting rights on a poll (continued)	<p>The voting rights on a poll in the Articles of Association of North UK will be amended so that (subject always to the cap of a maximum of 30 votes, which is retained):</p> <ul style="list-style-type: none"> <li>(a) mutual members of the P&amp;I, FD&amp;D, War Risks and Coastal &amp; Inland Classes shall have one vote for every ship whose tonnage is 1,500 gross tons or greater which is entered by them in such classes;</li> <li>(b) mutual members of the P&amp;I, FD&amp;D, War Risks and Coastal &amp; Inland Classes shall have one vote for in total for all ships whose gross tonnage is less than 1,500 gross tons which is entered by them in such classes; and</li> <li>(c) mutual members of the Strike &amp; Delay Class shall have one vote in total for all ships entered by them in the Strike &amp; Delay Class.</li> </ul> <p>As such, Standard Club's weighted voting provisions, namely the gross tonnage threshold and limited voting rights for the members of the Strike &amp; Delay Class, are introduced into the voting rights and are designed to prevent voting rights from being weighted unfairly in favour of small ship owners to the detriment of the other mutual members.</p> <p>Fixed premium members of the P&amp;I, FD&amp;D, War Risks, Coastal &amp; Inland and Strike &amp; Delay classes shall not be entitled to any voting rights, whether on a show of hands or a poll, which reflects the current North group position.</p>	
Liability for additional calls	<p>The Articles of Association of North UK (and the P&amp;I, FD&amp;D and War Risks rules together with the relevant Standard Club class rules) will be amended to provide that any insurance entity within the NorthStandard group can levy an additional call on all members of a class and not just their own policyholders. This reflects the current North group position whereby either North UK or North EU can levy an additional call which must be made against all members of the relevant class irrespective of whether the policy is written by North UK or North EU.</p> <p>This position is consistent with the 'one club' mutual ethos and the vertical class structure (i.e. the existence of one P&amp;I class, one FD&amp;D class, one War Risks class, one Coastal and Inland class and one Strike and Delay class across the NorthStandard group).</p> <p>It also ensures that one of the merger's main benefits, the sharing of risk amongst a greater number of members, is realised.</p>	<p>New defined terms 'Call', 'Club Subsidiary', 'Subsidiary Directors' and 'Subsidiary Managers' included.</p> <p>Updated definition of 'Contributions'.</p> <p>Amended Articles 16 and 17.</p>
Class committees	<p>The concept of class committees will be introduced into the North UK Articles of Association. It is intended that each class committee will be established by the Board of Directors of North UK and its role will be set and governed by separate terms of reference. In practice, these committees will be consultative bodies, for example, where amendments are proposed to the class rules.</p>	<p>New defined term 'Class Committee'.</p> <p>Amended definition of 'Classes.'</p> <p>New Article 109.</p>

**Appendix 3: Summary of proposed changes to North UK Articles of Association** continued

Description	Proposed Amendments	Relevant provisions
<b>Rights on a winding up</b>	<p>The winding-up provisions will be amended to:</p> <p>(a) permit distributions on a winding up to be made to current and former members of the current North group and the current Standard Club group to reflect that all such current and former members have contributed to the financial position of the new NorthStandard group; and</p> <p>(b) allow directors to make distributions on a winding-up to such members and former members in a fair and equitable manner having regard to their past contributions. This will aid the 'circle of mutuality' analysis for UK corporation tax purposes.</p> <p>In practice these provisions will have no impact on the management or operation of the NorthStandard group. They will only become relevant in the unlikely event of a solvent winding-up of North Standard Limited, in circumstances where there are surplus assets to make a return to members/former members after payment of the company's creditors.</p>	Amended Article 101.
<b>Reinsured entries</b>	Clarification that entries of reinsurances from other insurers can be made on the basis that the insurer may become a member of North Standard Limited.	Amended Article 21.
<b>Non-rules based fixed premium cover</b>	Wording has been introduced to provide that fixed premium members may be subject to non-rules based terms (to reflect Standard Club's practice of writing some non-rules based fixed premium business).	Amended Article 15.
<b>Miscellaneous</b>	Various changes aligning wordings with Rules and Constitutional documents of Standard Club entities.	Amended definition of 'Ship.' Amended Article 100.5 incorporating references to a group rating agreement.

Company No 505456

**The Companies Act 2006**

**Company Limited by Guarantee and not having a Share Capital**

**ARTICLES OF ASSOCIATION**

of ~~THE~~

~~NORTH OF ENLAND-PROTECTING-AND-INDEMNITY-~~  
~~ASSOCIATION~~STANDARD LIMITED

---

~~THE~~

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

~~NORTH OF ENLAND-~~  
~~PROTECTING-AND-INDEMNITY~~  
~~ASSOCIATION~~STANDARD LIMITED

**ARTICLES OF ASSOCIATION**

INDEX

No of Article	Descriptive Matter
1	General
2	Interpretation
3	Business
4 to 8	Membership
9 to 15	Classes and Rules
16 to 22	Insurance and Contributions
23 to 25	Cesser of Insurance
26 and 27	Calls
28	General Meetings
29 to 35	Notice of General Meetings
36 to 44	Proceedings at General Meetings
45	Separate Meetings of Members of Classes
46 to 60	Votes of Members
61	Written Resolutions
62 to 66	Number, Qualification and Remuneration of Directors
67 to 71	Retirement, Appointment, Disqualification and Removal of Directors
72 to 76	Powers of Directors & Directors' Conflicts of Interest
77 to 89	Proceedings of Directors
90	Managing Director/Executive Directors
91	Managers
92	Secretary
93 and 94	The Seal

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

95	Reserves
96 and 97	Accounts
98 and 99	Audit
100	Notices
101	Winding-up
102	Indemnity
103	Documents sent in Electronic Form or by Means of a Website
104	Name
105	Registered Office
106	Objects
107	Liability of Members
108	Members Board
<a href="#">109</a>	<a href="#">Class Committees</a>

Company No 505456

*The Companies Act 2006*

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A  
SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

**THE NORTH OF ENGLAND  
PROTECTING AND INDEMNITY  
ASSOCIATION STANDARD LIMITED**

(Adopted by Special Resolution passed ~~15 November 2018~~ on [\[27\] May 2022](#))

GENERAL

- |                |   |
|----------------|---|
| Preliminary    | 1. The regulations contained in Table A and Table C in the Schedule to the Companies (Table A to F) Regulations 1985 in force at the time of adoption of these Articles and the Model Articles of Association for private companies limited by guarantee in Schedule 2 to the Companies (Model Articles) Regulations shall not apply to the Association and these Articles alone shall constitute the regulations of the Association. |
| Interpretation | 2. In these Articles the following expressions shall have the following meanings unless inconsistent with the context:  |

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

WORDS	MEANING
ARTICLES	These Articles of Association, whether as originally adopted or as altered from time to time by Special Resolution
ASSOCIATION	<del>The</del> <u>Means North of Standard Limited, a company limited by guarantee and not having a share capital incorporated in England Protecting and Indemnity Association Limited Wales with company number 505456</u>
CALL	<u>Means any monies payable to the Association or a Club Subsidiary by a Member in discharge of calls made or levied upon the Members of a Class including, without limitation, an "additional call", "overspill call", "release call" and/or "supplementary call", each as defined in the applicable Rules</u>
CHAIRMAN	The person (if any) appointed as chairman pursuant to Article 82
CHIEF EXECUTIVE OFFICER	The person or persons appointed by the Directors to be a Chief Executive Officer of the Association pursuant to Article 90
<u>CLASS COMMITTEE</u>	<u>has the meaning given in Article 109</u>
<del>CALL</del>	<del>Means any monies payable to the Association or North EU 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;</del>
CLASSES	The Protecting and Indemnity Class <u>(also known as the Protection and Indemnity Class and which includes the Offshore Class)</u> , the Freight Demurrage and Defence Class <u>and (also known as the Defence Class)</u> , the War Risks Class <u>(but excluding the Singapore War Risks Mutual Class of Standard Asia), the Coastal and Inland Class and the Strike and Delay Class</u> , each as defined and circumscribed by the applicable Rules and "Class"

EME\_ACTIVE-582177191.8-760135-00021

6

Company No 505456

<u>CLUB SUBSIDIARY</u>	shall be construed accordingly; <u>Means each of the following subsidiaries of the Association, which, together with the Association, are the underwriting entities in the 'North Standard Club':</u>  (a) <u>North EU;</u> (b) <u>Standard Asia;</u> (c) <u>Standard Ireland; and</u> (d) <u>Standard UK.</u>  <u>together being, the "Club Subsidiaries"</u>
COMPANY	Any partnership or other body of persons, whether incorporated or not and whether domiciled in the United Kingdom or elsewhere
CONTRIBUTIONS	Means the contributions required to be made by Members to the funds of the Association or <del>North EU a Club Subsidiary</del> 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 or <del>the North EU any Subsidiary</del> Directors <u>(as applicable)</u> may from time to time decide in accordance with these Articles, <u>the articles of association of any Club Subsidiary</u> and the applicable Rules;—
COMPANIES ACT 2006	The Companies Act 2006 (as amended from time to time)
DAY	The day of any occurrence means the day as computed according to GMT
DEPUTY MANAGING DIRECTOR	The person or persons appointed by the Directors to be a Deputy Managing Director of the Association pursuant to Article 90
DIRECTORS	The directors for the time being of the Association or any of them duly acting as the board of directors of the Association including any duly appointed Member Director and/or Chief Executive Officer and/or Managing Director and/or Joint Managing

EME\_ACTIVE-582177191.8-760135-00021

7

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

	Director and/or Executive Director and/or Deputy Managing Director and/or Independent Director
DIRECTORS MEETING	A meeting of the Directors duly convened in accordance with the provisions of these Articles
EXECUTIVE DIRECTORS	The persons appointed by the Directors to be Executive Directors of the Association pursuant to Article 90
FIXED PREMIUM BASIS	Means where the Association or <del>North-EUa Club Subsidiary</del> accepts an entry of insurance on terms that the person insured is liable to pay a fixed Premium
FIXED PREMIUM MEMBER	Means a Member whose Ship has been entered for insurance by the Association or by <del>North-EUa Club Subsidiary</del> on a Fixed Premium Basis
FIXED PREMIUM NON-MEMBER BUSINESS	Means where the Association or <del>North-EUa Club Subsidiary</del> 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;
FLEET ENTRY	Means where the Association or <del>North-EUa Club Subsidiary</del> 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;
GMT	Greenwich Mean Time or such other time as shall hereafter be adopted by Act of Parliament as standard time throughout the year in the United Kingdom
GROUP	<del>In relation to the Association, means the Association, North-EU and any other 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</del>

EME\_ACTIVE-582177191.8-760135-00021

8

Company No 505456

HARD COPY FORM	Has the meaning given in section 1168 of the Companies Act 2006
INDEPENDENT DIRECTOR	The person or persons (if any) appointed as an independent non-executive Director of the Association pursuant to Article 90
JOINT MANAGING DIRECTOR	The person or persons appointed by the Directors to be a Joint Managing Director of the Association pursuant to Article 90
JOINT MEMBERS	Has the meaning given in Article 8
MANAGERS	The 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)
MANAGING DIRECTOR	The person or persons appointed by the Directors to be a Managing Director of the Association pursuant to Article 90
MEMBER	A person admitted to membership of the Association in accordance with these Articles either as a Mutual Member or a Fixed Premium Member
<del>MEMBER DIRECTOR</del>	<del>A Director who is eligible for appointment as a Director on the grounds prescribed in Article 63</del>
MEMBERS BOARD	The Members Board (if any) established pursuant to Article 108.1 and where the context requires shall include a committee of the Members Board formed pursuant to Article 108.1 or Article 108.3
<del>MEMBER DIRECTOR</del>	<del>A Director who is eligible for appointment as a Director on the grounds prescribed in Article 63</del>
MONTH	Calendar Month
MUTUAL MEMBER	Means a Member in whose name a Ship is entered in the Association or <del>North-EUa Club Subsidiary</del> otherwise than on a Fixed Premium Basis;
NOON	Noon calculated according to GMT

EME\_ACTIVE-582177191.8-760135-00021

9

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

NORTH EU	North of England P&I Designated Activity Company, a <del>wholly owned subsidiary of the Association</del> <a href="#">designated activity company limited by shares incorporated in The Republic of Ireland with company number 628183</a>
<del>NORTH EU DIRECTORS</del>	<del>The directors for the time being of North EU</del>
<del>NORTH EU MANAGERS</del>	<del>The managers for the time being of North EU</del>
OFFICE	The Registered Office for the time being of the Association
ORDINARY RESOLUTION	Has the meaning given in section 282 of the Companies Act 2006 <del>(save that, when used in the context of a resolution to be passed at any Class meeting, it shall mean a resolution passed by a simple majority of the votes cast at such Class meeting)</del>
POLICY YEAR	A year from Noon on any 20th February to Noon on the next following 20th February
PREMIUM	The money consideration paid or payable by any Member or policyholder in respect of insurance accepted for entry by the Association or by <del>North EU</del> <a href="#">Club Subsidiary</a>
RULES	The rules and regulations for the time being in force governing the protection, indemnity and insurance of Members within the different Classes - the words in such rules and regulations shall have the same meanings as in these Articles
SEAL	The common seal of the Association
SECRETARY	The Secretary for the time being of the Association and (subject to the provisions of the Statutes), any assistant or deputy Secretary, and any person appointed by the Directors to perform any of the duties of Secretary
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 or <del>North EU</del> <a href="#">Club Subsidiary</a> for insurance (or such other

[EME\\_ACTIVE-582177191.8-760135-00021](#)

10

Company No 505456

	Member who may be notified to the Association or <del>North EU</del> <a href="#">Club Subsidiary</a> in writing instead), as determined by the Association or <del>North EU</del> <a href="#">Club Subsidiary</a> acting reasonably in the case of doubt;
SHIP	In the context of an entry or proposed entry in any Class, <del>any</del> ship, boat, <del>hydrofoil</del> , hovercraft; or other description of vessel or structure (including <del>any ship, boat, hovercraft</del> <a href="#">lighter, barge or other similar vessel howsoever propelled</a> ), <del>whether completed or structure</del> under construction <del>(but excluding (a) a unit or vessel constructed or adapted for the purpose of carrying out drilling operations in connection with oil and gas exploration or production (b) a fixed platform or fixed rig and (c) a wing-in-ground craft)</del> 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, <del>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</del>
SPECIAL RESOLUTION	Has the meaning given in section 283 of the Companies Act 2006 <del>(save that, when used in the context of a resolution to be passed at any Class meeting, it shall mean a resolution passed by a majority of not less than seventy-five percent of the votes cast at such Class meeting)</del>
<del>STANDARD ASIA</del>	<del>The Standard Club Asia Ltd, a public company limited by shares incorporated in Singapore with company number 199703224R</del>
<del>STANDARD BERMUDA</del>	<del>The Standard Club Ltd, a company incorporated in Bermuda under The Standard Steamship Owners Protection and Indemnity Association (Bermuda) Limited Consolidation and Amendment Act 1994 (as the same may be consolidated, amended, extended, modified, supplemented or re-enacted (whether before or after the date hereof) with company number 1837</del>

[EME\\_ACTIVE-582177191.8-760135-00021](#)

11

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

[STANDARD IRELAND](#) [The Standard Club Ireland Designated Activity Company, a designated activity company limited by shares incorporated in The Republic of Ireland with company number 631911](#)

[STANDARD UK](#) [The Standard Club UK Ltd, a private company limited by guarantee incorporated in England and Wales with company number 00017864](#)

STATUTES The Companies Acts as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Association

[SUBSIDIARY DIRECTORS](#) [The directors for the time being of any Club Subsidiary](#)

[SUBSIDIARY MANAGERS](#) [The managers for the time being of any Club Subsidiary](#)

UNITED KINGDOM Great Britain and Northern Ireland

VICE-CHAIRMAN The person or person (if any) appointed as Vice-chairman pursuant to Article 82

WRITING Hard Copy Form or to the extent agreed (or deemed to be agreed by virtue of a provision of the Statutes) electronic form or website communication

- 2.1 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Statutes but excluding any statutory modification thereof not in force when these Articles become binding on the Association.
- 2.2 Words importing the masculine gender only shall include the feminine gender and the neuter (as appropriate).
- 2.3 References to any Statute or statutory provision include, unless the context otherwise requires, a reference to that Statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant Statute or statutory provision.
- 2.4 Where the word "address" appears in these Articles it is deemed to include postal address and, where applicable, electronic address.

12

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

- 2.5 The expression "working day" in relation to a period of notice means any day other than Saturday, Sunday and Christmas Day, Good Friday or any day that is a bank holiday under the Banking and Financial Dealing Act 1971 in the part of the UK where the Association is registered.
- 2.6 The expression "clear days" in relation to a period of notice to call a meeting means the number of days referred to excluding the day when the notice is given and the day of the meeting.
- 2.7 Where the word "company" appears in the Articles it shall be deemed to include any partnership or other body of persons, whether incorporated or not and whether domiciled in the United Kingdom or elsewhere.
- 2.8 In these Articles the expressions "holding company" and "subsidiary" shall have the meanings given to them respectively by section 1159 of the Companies Act 2006 and the expression "subsidiaries" shall include a subsidiary undertaking as defined by section 1162 of the Companies Act 2006.
- 2.9 Where the word "person" appears in the Articles it shall be deemed to include a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 2.10 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

**BUSINESS**

3. The head office shall be at such ~~place in Newcastle-upon-Tyne or elsewhere~~ **location(s)** as the ~~Association in general meeting~~ **Directors** shall from time to time determine.

**MEMBERSHIP**

4. The Members as at the adoption of these Articles and such other persons as are from time to time admitted to membership in accordance with these Articles shall be Members. The Association shall consist of an unlimited number of Members.
5. Save in respect of Fixed Premium Non-Member Business, every person whose application to enter a Ship for the insurance

13

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- of his interest therein in any Class has been accepted shall (if not already a Member) be and become a Member as from the date upon which the application is accepted. [For the avoidance of doubt, and notwithstanding any other provision of these Articles, the entry by a person of a Ship for insurance in the Singapore War Risks Mutual Class of Standard Asia shall not entitle such person to be or become a Member.](#)
- 6.
- 6.1 Every person who wishes to become a Member shall apply for membership in such form as the Directors require to be executed by him agreeing to be bound by these Articles and on being so admitted his name shall be entered in the register of members of the Association.
- 6.2 The Directors shall have an absolute discretion in determining whether to accept or reject any application for membership and shall not be bound to assign any reason for their decision.
- 6.3 Membership shall not be transferable.
- 6.4 Membership shall commence as from Noon on the 20th day of February, or as from Noon on the day stated in a Member's application, if accepted, until such membership is terminated.
- Cessation of Membership 7.
- 7.1 A Member shall cease to be a Member:-
- 7.1 where the Member is an individual, upon his or her death or if a receiving order shall be made against him or if he shall become bankrupt or make any composition or arrangement with his creditors generally or if he shall become incapable by reason of mental disorder of managing and administering his property and affairs;

14

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

- 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 company or group 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 or ~~the North-EU~~any Subsidiary Managers (as appropriate) any sum due from him to the Association or ~~North-EU~~a Club Subsidiary, he is served with a notice by or on behalf of the Managers or ~~the North-EU~~any Subsidiary Managers (as appropriate) 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 if the Member shall cease to have any Ship entered for insurance in the Association or in ~~North-EU~~a Club Subsidiary;
- 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 and/or ~~North-EU~~a Club Subsidiary 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

15

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

Association and/or ~~North-EU~~ [Club Subsidiary](#) in respect of the period ending 20th February next after the date of cessation of membership.

Joint Members 8. Where any Ship is entered in any Class 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.

**CLASSES AND RULES**

9. The Members shall be divided into Classes, according to the risks against which they respectively shall be insured, and any Member may belong to one or more Classes at the same time.

Existing classes 10.

10.1 With effect from the date of adoption of these Articles the following Classes exist and each Class shall operate as one Class within the Association and ~~North-EU~~ [the Club Subsidiaries](#):-

10.1.1 the Protecting and Indemnity Class, [\(also known as the Protection and Indemnity Class and which shall include the Offshore Class\)](#);

10.1.2 the Freight, Demurrage and Defence Class [\(also known as the Defence Class\)](#); ~~and~~

10.1.3 the War Risks Class;

[10.1.4 the Coastal and Inland Class; and](#)

Company No 505456

[10.1.5 the Strike and Delay Class.](#)

[Any Class may be renamed from time to time by resolution of the Directors.](#)

10.2 The Rules of each such Class in force at the date of the adoption of these Articles shall remain in force and be binding on the Members subject to any alterations, additions or repeals made in accordance with the terms of these Articles from time to time. [Any Class may have more than one set of Rules at the same time and a Member of a Class may, accordingly, be subject to more than one set of Rules at the same time. In addition, a Member may belong to more than one Class at the same time and may as a result be subject to more than one set of Rules.](#)

Alteration of Rules 10.3

Any Rule of a Class may be altered, added to or repealed by:

10.3.1 Ordinary Resolution at any general meeting of the Association; or

10.3.2 by resolution of the Directors,

but this provision shall be without prejudice to the powers conferred upon the Directors by Articles 11, 12 and 13;

Contracts of Carriage 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 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 and/or ~~North-EU~~ [Club Subsidiary](#) 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

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

Company No 505456

			to give such notice to or the non-receipt of such notice by any Member shall not invalidate such Rules or any alteration thereof.
Limit or Extension of Cover	12.		Notwithstanding anything contained in these Articles or the Rules, the Directors shall have the power to limit or extend the insurance afforded by any of the Rules. The power to extend the insurance afforded by any of the Rules may be applied retrospectively in individual cases in the Directors' absolute discretion.
Government Reinsurance Scheme	13.		Notwithstanding anything contained in these Articles or the Rules, the Directors shall have power to impose such further terms and conditions as may appear advisable to them in the interests of the Members in respect of any matters arising directly or indirectly in connection with any Scheme of Government Reinsurance 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.
Discontinuance of Institution of Classes	14.		Any Class may be discontinued, merged or wound up and any new Class may be instituted in such manner and upon such terms as may be directed by the Association by Special Resolution.
	15.		The business of each Class shall, subject to these Articles, be conducted according to the Rules of the Class <u>and, only in respect of any entries in any Class accepted on a Fixed Premium Basis, upon such other terms as the Managers or the relevant Subsidiary Managers shall determine, which shall be binding on the Members.</u>
			<b>INSURANCE AND CONTRIBUTIONS</b>
Class Accounts Funds	16.		

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 and the <del>North-EU</del> Subsidiary Directors, necessarily or properly fall to be made by or on behalf of the Association and/or <del>North-EU</del> a Club Subsidiary in connection with that Class, including all payments of claims, expenses and other outgoings (whether incurred, accrued or anticipated). The Directors and the <del>North-EU</del> Subsidiary Directors shall from time to time (as required) determine in what proportions the general expenses of the management and otherwise of the Association and <del>North-EU</del> the Club Subsidiaries 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 and/or the <del>North-EU</del> Subsidiary Directors may deem expedient, shall be provided by Contributions to be made by the Members of that Class. The Directors and/or the <del>North-EU</del> Subsidiary Directors shall from time to time direct that such Contributions shall be paid to the Association or <del>North-EU</del> a Club Subsidiary by the Members and shall further direct the amount thereof and by

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

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 and/or ~~North-EU~~any Club Subsidiary 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, outgoing 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 or the ~~North-EU~~Subsidiary Directors (as appropriate) 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 and/or the undertaking of ~~North-EU~~any Club Subsidiary 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, outgoing 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 or the ~~North-EU~~Subsidiary Directors (as appropriate) may determine in their absolute discretion.

17.

17.1 All policies of insurance underwritten on behalf of any Class shall be underwritten in the name of the Association ~~where the~~

Company No 505456

~~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, or a Club 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.

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 and the ~~North-EU~~Subsidiary Directors 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 and the ~~North-EU~~Subsidiary Directors 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 and the ~~North-EU~~Subsidiary Directors may be deemed sufficient, or by making a Call on the Members for such further Contributions as the Directors or the ~~North-EU~~Subsidiary Directors 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 and the ~~North-EU~~Subsidiary Directors may determine but subject to any applicable

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

Member liable to 18.  
[Association North Standard Club](#)

provisions of the Rules of each Class.

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 or ~~North-EU~~ [Club Subsidiary](#) (as appropriate), and not to any other Member or other person and all moneys payable thereunder shall be paid to the Association or ~~North-EU~~ [Club Subsidiary](#) (as appropriate).

Member claims 19.  
against  
[Association North Standard Club](#) only

All claims in respect of insurance shall be made and enforced against the Association or ~~North-EU~~ [Club Subsidiary](#) (as appropriate) only, not against a Member, and a Member shall only be entitled to make and enforce such claims on the Association or ~~North-EU~~ [any Club Subsidiary](#) (as appropriate). The Association ~~or North-EU~~ [and any Club Subsidiary](#) (as appropriate) 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 or ~~North-EU~~ [Club Subsidiary](#) (as appropriate) 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 or ~~North-EU~~ [Club Subsidiary](#) (as appropriate) in respect of any insurance in any Class shall be due to or made by the Association or ~~North-EU~~ [Club Subsidiary](#) (as appropriate), but shall be accounted for or charged to, as the case may be, the separate account of such Class. In case the Association or ~~North-EU~~ [Club Subsidiary](#) 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

Company No 505456

Entries accepted 21.  
on Special Terms

account of such Class.

The Directors may, notwithstanding the provisions of these Articles or of the Rules, accept entries upon a Fixed Premium Basis, or on such other special terms as to membership, Contribution (including exemption from the provisions of Article 22) and, within the scope of the Rules, as to the nature and extent of the risks covered and otherwise as they may think fit and may accept as such entries reinsurances from other insurers, including on the basis that such other insurers shall become Members (and, accordingly, the provisions of Articles 46 and 47 shall apply to such insurers, who become Members, in respect of the Ships entered by such insurers). The Directors may also reinsure any portion of the risks of the Association upon such terms as they may think fit. Where an entry is accepted on a Fixed Premium Basis, the Directors may decide in their absolute discretion whether such entries are accepted as Fixed Premium Non-Member Business, or on the basis that the relevant party becomes a Fixed Premium Member.

Default of 22.  
Members

In the event of any Member making default in payment of any Contribution due from him for insurance in a Class, and the Managers or the ~~North-EU~~ [Subsidiary](#) Managers 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 or in the name of ~~North-EU~~ [the Club Subsidiary](#) (as appropriate). 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

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

or ships entered by him in such Class, including the ship in respect of which the loss, claim or demand arises

**CESSER OF INSURANCE**

23. A Member shall cease to be insured by the Association or by ~~North-EU~~ [Club Subsidiary](#) 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 and/or ~~North-EU~~ [any Club Subsidiary](#) and such Member in relation thereto shall likewise be determined in accordance with the Rules of the relevant Class.

Continuation of 24. All Ships whose entry does not cease as aforesaid shall, except as otherwise provided by the Rules, continue in insurance year after year without further application for that purpose.

25. Upon the cesser of insurance in respect of any Ship the Managers may release the Member concerned from liability for further Contributions or Calls in respect thereof upon such terms as they may deem appropriate in accordance with the Rules of the relevant Class.

**CALLS**

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 or a ~~North-EU~~ [Subsidiary](#) Manager 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

Default in paying 27. If the amount specified in any notice of a Call is not paid at the time and place appointed

24

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

Calls

for payment thereof it shall forthwith become recoverable by the Association and/or ~~North-EU~~ [Club Subsidiary](#) by legal action.

**GENERAL MEETINGS**

28. The Association shall in each year hold a general meeting as its annual general meeting in addition to any other general meetings in that year. The annual general meeting shall be held at such time and place as the Directors shall determine. The Directors may call general meetings at any time. The Members Board may also call general meetings at any time.

**NOTICE OF GENERAL MEETINGS**

Notice 29. A notice convening a general meeting of the Association shall be called by at least fourteen clear days' notice in writing. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted. Subject to the provisions of these Articles notice of general meetings shall be given to all Members, to all Directors and to the auditors .

Short Notice 30. Notwithstanding any foregoing provisions of these Articles a general meeting may be called by shorter notice if it is so agreed in accordance with section 307(4) of the Companies Act 2006.

Proxy Forms 31. Notwithstanding that the Association does not have a share capital, every notice convening a general meeting shall comply with the provisions of section 325(1) of the Companies Act 2006 as to giving information to Members in regard to their right to appoint proxies.

Form of Notice 32. Every notice convening a general meeting shall be given in accordance with section 308 of the Companies Act 2006 that is, in Hard Copy Form, electronic form or by means of a

25

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

		website.
Electronic Notice	33.	The Association may send a notice of meeting by making it available on a website or by sending it in electronic form and if notice is sent in either way it will be valid provided it complies with the relevant provisions of the Companies Act 2006.
Requisition Members	by 34.	Subject to the provisions of the Statutes it shall be the duty of the Association, on the requisition in writing of such number of Members as is specified in the Statutes and (unless the Association otherwise resolves) at the expense of such Members, to give to Members entitled to receive notice of any general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting and to circulate to such Members any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
Accidental omission to give notice	35.	The accidental omission to give notice to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
		<b>PROCEEDINGS AT GENERAL MEETINGS</b>
	36.	No business shall be transacted at any general meeting unless a quorum is present. Seven persons entitled to vote upon the business to be transacted, each being a Mutual Member or a proxy for a Mutual Member or a duly authorised representative of a Mutual Member which is a corporation shall be a quorum.
	37.	If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of or by Members, shall be dissolved. In any other case it shall stand

26

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

		adjourned to such day and such time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.
Adjournments	38.	The chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. Whenever a meeting is adjourned for fourteen days or more, seven clear days' notice at least, specifying the place, the day and the hour of the adjourned meeting shall be given as in the case of the original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no Member shall be entitled to any notice of an adjournment. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
Chairman	39.	The chairman (if any) of the board of Directors, or in his absence the Vice-chairman (or if more than one, any one Vice-chairman) or in the absence of both position some other Director nominated by the Directors shall preside at every general meeting, but if at any meeting neither the Chairman nor any one Vice-chairman nor such other Director be present within fifteen minutes after the time appointed for holding the same, or if none of them be willing to act as chairman, the Directors present shall choose some Director present to be chairman, or if no Director be present, or if all Directors present decline to take the chair the Mutual Members shall choose some Mutual Member present to be chairman.

27

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

Voting on show of 40.  
hands or poll

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by the chairman or by at least five Members having the right to vote at the meeting or by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting. Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the book containing the minutes of proceedings of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

41.

The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll, and for the purposes of the last preceding Article a demand by a person as proxy for a Member shall be the same as a demand by the Member.

Votes wrongly 42.  
counted

If any vote shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the meeting or adjourned meeting at which the vote is given, and not in that case unless it shall in the opinion of the chairman of the meeting be of sufficient magnitude to vitiate the result of the voting. The chairman's decision shall be final and conclusive.

Polls 43.

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such time (not being more

Company No 505456

than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded) and place as the chairman shall direct and no notice need be given of a poll taken immediately. A poll shall be taken in such manner (including the use of ballot or voting papers) as the chairman shall direct. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand has made. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Chairman's  
Casting Vote

44.

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a further or casting vote.

**SEPARATE MEETINGS OF MEMBERS OF CLASSES**

45.

The Directors may at any time call a separate meeting of the Members of any Class. A separate meeting of the Members of a Class shall also be convened on the requisition in writing of not less than ten Mutual Members of such Class and all the provisions of the Statutes shall, mutatis mutandis, apply to any such requisition as if such requisition were in respect of a general meeting of the Association. To every such separate meeting all the provisions of these Articles relating to general Meetings of the Association, or to the proceedings thereat shall, mutatis mutandis, apply, except that if at any adjourned Meeting a quorum is not present those Mutual Members of the Class who are present

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

in person or by proxy shall be a quorum.

**VOTES OF MEMBERS**

46. Subject to the provisions of the Companies Act 2006 and any restrictions imposed by these Articles, on a resolution on a show of hands:
- 46.1 every Mutual Member present in person shall have one vote;
- 46.2 every proxy present who has been duly appointed by one or more Mutual Members entitled to vote on the resolution has one vote unless the proxy has been appointed by more than one Mutual Member entitled to vote on the resolution in which case:
- 46.2.1 where the proxy has been instructed by one or more of such Mutual Members to vote for the resolution any by one or more of such Mutual Members to vote against the resolution the proxy has one vote for and one vote against the resolution;
- 46.2.2 where the proxy has been instructed by one or more of such Mutual Members as to how he should vote on the resolution and all those instructions are to vote the same way, and one or more other Members have given the proxy discretion as to how to he should vote, he may cast one vote "for" or one vote "against" in accordance with these instructions and may cast a second discretionary vote the other way;
- 46.3 each person authorised by a corporation to exercise voting powers on behalf of the corporation is entitled to exercise the same voting powers as the corporation would be entitled to. Where a corporation authorises

Company No 505456

more than one person, this is subject to the following provisions of Articles 46.3.1 and 46.3.2:

- 46.3.1 if more than one person authorised by the same corporation purport to exercise the power to vote on a show of hands in respect of the same Ships and exercise the power in the same way as each other, the power is treated as exercised in that way;
- 46.3.2 if more than one person authorised by the same corporation purport to exercise the power to vote on a show of hands in respect of the same Ships and do not exercise the power in the same way as each other, the power is treated as not exercised.
47. Subject to the provisions of the Companies Act 2006 and any restrictions imposed by these Articles, on a vote on a resolution on a poll every Mutual Member present in person or by proxy or (being a corporation) present by a duly appointed representative shall have: (i) one vote for every Ship whose tonnage is 1,500 gross tons or more entered by him (or his appointor) for insurance in ~~the Association~~, and which remains entered in, The Protecting and Indemnity Class, the Freight, Demurrage and Defence Class, the War Risks Class or the Coastal and Inland Class; and/or (ii) one vote in total for all Ships whose tonnage is less than 1,500 gross tons entered by him (or his appointor) for insurance in, and which remains entered in, The Protecting and Indemnity Class, the Freight, Demurrage and Defence Class, the War Risks Class and/or the Coastal and Inland Class; and/or (iii) one vote in total for all Ships entered by him (or his appointor) for insurance in, and which remain entered

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- [in, the Strike and Delay Class,](#) discounting [in each case,](#) any Ships entered on a Fixed Premium Basis), and if entitled to more than one vote need not, if he votes, use all his votes or cast all his votes he uses in the same way, provided always that:
- 47.1 no Mutual Member, whether present in person or by proxy or (being a corporation) present by a duly appointed representative, shall on a poll be entitled to more than 30 votes. Where any Mutual Member has appointed multiple proxies or (being a corporation) multiple representatives, such proxies or representatives together shall be deemed to have a maximum of 30 votes on a poll. Any person who is appointed from time to time to represent a certain Member on the Members Board shall be deemed, without further formality (subject to a written notice to the contrary from that Member), to be authorised to act either as a proxy or corporate representative for that Member (as the case may be) at any meeting of the Members convened under these Articles; and
- 47.2 ~~Joint Members shall only be entitled to one vote together on a poll for each Ship entered, and in the case of in relation to~~ Joint Members, the vote of the senior who tenders a vote, whether in person or by proxy or by way of a duly appointed representative, shall be accepted to the exclusion of the votes of the other Joint Members, and for this purpose seniority shall be determined by the order in which the names stand as Joint Members in the Register of Members.
- 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

Company No 505456

- any meeting or in relation to any resolution of any Class.
- Corporation may 48. authorise Representatives to act
- A corporation which is a Member of the Association may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative(s) at any meeting of the Association, or at any separate meeting of the Members of any Class, and each person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Association. Any Director of the Association who is qualified as such as being chairman, director, manager or secretary of a corporation such as is mentioned in Article 63 shall in the absence of any resolution of the directors of such corporation to the contrary be deemed to have been appointed the representative of such corporation for the purpose of this Article.
- Members unable 49. to vote may appoint Representative
- A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in mental disorder, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by such court and such committee, receiver, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which such person claims to vote.
- Before Voting 50. Members must pay sums
- No Member shall, unless the Directors otherwise determine, be entitled to vote at any general meeting, either personally or by proxy, or to exercise any privilege as a

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

due		Member unless all sums presently due from him to the Association <a href="#">or any Club Subsidiary</a> have been paid.
	51.	On a poll votes may be given either personally or by proxy.
Qualification of Voters	of 52.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
Proxies	53.	A Member may appoint more than one proxy to attend and speak and vote (as applicable) on the same occasion, provided that each proxy is appointed to exercise the rights attached to a different Ship or Ships entered by such Member for insurance in the Association.
	54.	A proxy must vote in accordance with any instructions given by the Member by whom the proxy is appointed. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney so authorised.
	55.	An instrument of proxy may be in any common form or in such other form as the Directors shall approve. Instruments of proxy need not be witnessed.
	56.	The Directors may at the expense of the Association send, by post or otherwise, to the Members instruments of proxy for use at any general meeting or at any separate meeting of the Members of any Class, either in blank or nominating in the alternative any one or

34

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

		more persons. If for the purpose of any meeting invitations to appoint as proxy a person or one of a number of persons specified in the invitations are issued at the expense of the Association, such invitations shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy.
	57.	The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
	58.	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a copy of that power or authority notarially or in some other way approved by the Directors may:
	58.1	in the case of a proxy not being sent in electronic form be deposited at the Office or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting or in any instrument of proxy sent out by the Association in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
	58.2	in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
	58.3	where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of that meeting or to the secretary or to any <del>director</del> <a href="#">Director</a> ,
	58.4	A proxy appointment which is being sent in electronic form must be received at an

35

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

address specified by the Association for the purpose of receiving such communications in electronic form:

58.4.1 in (or by way of a note to) the notice convening the meeting; or

58.4.2 in any form of proxy appointment sent out by the Association; or

58.4.3 in any invitation contained in an electronic form to appoint a proxy issued by the Association;

in each case not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote or in the case of a poll taken more than 48 hours after it is demanded, not less than 24 hours before the poll is taken or where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of that meeting or to the secretary or to any ~~director~~Director.

An instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

59. In calculating the time periods in Article 58, no account shall be taken of any part of a day that is not a working day.

60. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the death or insanity of the principal, or the revocation of the instrument of proxy or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Association at the Office at least three hours before the commencement of the meeting or adjourned meeting at

Company No 505456

which the instrument of proxy is used.

61. **WRITTEN RESOLUTIONS**

61.1 A written resolution, proposed in accordance with section 288(3) of the Companies Act 2006, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.

61.2 For the purposes of this Article 61 "circulation date" is the day on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days.

**NUMBER, QUALIFICATION AND REMUNERATION OF DIRECTORS**

62. Unless otherwise determined by the Association by Ordinary Resolution or by a resolution of the Members Board, the number of Directors shall be not less than seven nor more than twenty.

Qualification of 63. Directors No person shall be eligible for appointment or reappointment as a Director unless he is a Member or he is the authorised representative of a Member (as the case may be).

The provisions of this Article 63 shall not apply to the eligibility for appointment of any person as a Chief Executive Officer, Managing Director, a Joint Managing Director, a Deputy Managing Director, an Executive Director or an Independent Director- the appointments of which are governed by the provisions of Article 67 and Article 69.

Directors' Remuneration 64. The Directors shall be entitled to receive as remuneration for their services such sum as they may from time to time determine, not exceeding such sum as the Association in general meeting may from time to time determine, and such remuneration shall be

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- divided amongst the Directors in such manner as they shall from time to time think fit.
65. The Directors shall also be entitled to be paid all travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from meetings of the Directors or committees of the Directors or general meetings, or the meetings of any Class.
66. If by arrangement with the other Directors any Director shall perform or render any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration.
67. **RETIREMENT, APPOINTMENT, DISQUALIFICATION AND REMOVAL OF DIRECTORS**
- 67.1 No person shall be appointed or re-appointed a Director at any general meeting unless:
- 67.1.1 he is recommended by the Directors; or
- 67.1.2 not less than three nor more than twenty-one clear days before the date appointed for the meeting, notice signed by a Member qualified to vote at the meeting has been given to the Association of the intention to propose that person for appointment or re-appointment stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Association's register of Directors together with notice signed by that person of his willingness to be appointed or

Company No 505456

- re-appointed.
- 67.2 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting or a meeting of the Members Board (as the case may be) notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the Directors for appointment or re-appointment as a Director at the meeting or in respect of whom notice has been duly given to the Association of the intention to propose him at the meeting for appointment or re-appointment as a ~~director~~Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Association's register of Directors.
- 67.3 Subject as aforesaid, the Association may by Ordinary Resolution or by a resolution of the Members Board appoint a person who is willing to be a Director either to fill a vacancy or as an additional Director.
- 67.4 Chief Executive Officer, Managing Directors, Joint Managing Directors, Deputy Managing Directors, Executive Directors and Independent Directors shall be appointed to the office of Director pursuant to the provisions of Article 90.
- Increase or reduction in number Directors
68. The Association may by Ordinary Resolution increase or reduce the number of Directors and may make any appointments necessary for effecting any such increase, but this Article shall not be construed as authorising the removal of a Director otherwise than under the terms of these Articles or in accordance with the Statutes.
- Casual Vacancies
69. The Directors may from time to time and at any time appoint any qualified person to be a Director to fill a casual vacancy. The

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

Director vacates office	70.	Directors may also from time to time and at any time appoint any qualified person to be an additional Director provided that the total number of Directors shall not exceed the maximum number fixed by or in accordance with these Articles and so that not more than five persons shall be appointed as additional Directors in any one year.
		The office of a Director shall be vacated if:
	70.1	he becomes bankrupt or makes any arrangement or composition with his creditors generally;
	70.2	by reason of his mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have;
	70.3	a registered medical practitioner who is treating him gives a written opinion to the Association stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
	70.4	he becomes prohibited from being a Director by virtue of any provision of the Statutes or these Articles or by law;
	70.5	he resigns his office by notice in writing to the Association;
	70.6	he ceases to be eligible for appointment as a Director under these Articles, except and provided that a Director shall not vacate office under this Article:
		i. if and so long as he or (as the case may be) the firm of which he is a Member or the corporation which he represents continues to be a Member

40

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

		of the Association; or
		ii. if the Directors approve the continuation of his appointment for a period of up to six months, in which case the office of that Director shall not be vacated until that period has expired.
	70.7	in the case of a Chief Executive Officer, Managing Director, a Joint Managing Director, a Deputy Managing Director, an Executive Director or an Independent Director, his appointment as Chief Executive Officer, Managing Director, Joint Managing Director, Deputy Managing Director, Executive Director or Independent Director (as the case may be) is revoked by the Directors or the Members Board (as the case may be) pursuant to Article 90 or he ceases to hold the position of Chief Executive Officer, Managing Director, Joint Managing Director, Deputy Managing Director, Executive Director or Independent Director (as the case may be) for any reason whatsoever
	70.8	Retirement by Rotation Unless expressly stated to the contrary in these Articles at every annual General Meeting held pursuant to Article 28 any Director:
		(a) who has been appointed by the Directors or the Members Board since the last annual General Meeting held pursuant to Article 28; or
		(b) who was not appointed or reappointed at one of the preceding two annual General Meetings held pursuant to Article 28;
		must retire from office and may offer himself for reappointment provided always that a Director shall cease to be eligible for reappointment once they have served as a Director for a period exceeding 9 years in total. For the purposes of calculating the

41

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

		length of service of a Director pursuant to this Article 70.8, any period of service prior to the date of adoption of this Article 70.8 shall be disregarded. The provisions of this Article 70.8 may be waived in whole or in part in relation to any person by an Ordinary Resolution.
Removal of Directors	71.	In addition to any power to remove a Director conferred on the Association by the Statutes, the Association may by Special Resolution remove any Director before the expiration of his period of office and may, if thought fit, by Ordinary Resolution appoint another qualified person in his stead.
		<b>POWERS OF DIRECTORS</b>
	72.	The business of the Association and of all its Classes shall be managed by the Directors, who may exercise all such powers of the Association, and do on behalf of the Association all such acts as may be exercised and done by the Association and as are not by the Statutes or by these Articles required to be exercised or done by the Association in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Association in general meeting. No regulation made by the Association in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The powers given by this Article 72 shall not be limited by any special power given to the Directors by these Articles and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.
Power to contribute to	73.	The Directors may pay out of the funds of the Association any sum or sums of money, to

42

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

		Charitable objects etc	any hospital, to any benevolent, charitable, educational, industrial, training or other institution, society or fund or other like object. 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 shipowners, 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 they may deem necessary. The Directors may elect and send representatives to take part in the deliberations or management of any such association or organisation.
		Pension Scheme	74. The Directors may establish and maintain or procure the establishment and maintenance of any non contributory or contributory pension or superannuation scheme or fund for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Association, or who are or were at any time officers of the Association or any persons in whose welfare the Association is or has been at any time interested, and the wives, widows, families and dependants of any such persons, and may make payments for or towards the insurance of such persons.
		Association's moneys to be deposited with Bankers	75. All moneys, bills and notes belonging to the Association shall be paid or deposited with the Association's bankers to an account to be opened in the name of the Association. Cheques on the Association's bankers, until otherwise from time to time resolved by the Directors, shall be signed by one Director and countersigned by a Manager of the Association or in such other manner as the Directors shall from time to time determine. The Association's banking account shall be kept with such bankers or bankers as the

43

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

		Directors shall from time to time determine.
	76.	
Directors holding other offices - inherent conflict situations	76.1	In the event that a Director is in any way interested in a Member (whether as a director, shareholder, employee or otherwise) it is acknowledged that such relationship may result in a potential conflict with the interests of the Association (referred to for the purposes of this Article 76 as an Inherent Conflict Situation). Subject to compliance with these Articles of Association, all such Inherent Conflict Situations in existence as at the date of adoption of these Articles and any future Inherent Conflict Situations are deemed authorised, subject always to the ability of the Directors (at their discretion) to revoke such authorisation in relation to individual Directors and/or impose such restrictions or conditions as the Directors in their absolute discretion see fit. For the avoidance of doubt, authorisation of any conflict or potential conflict situations other than Inherent Conflict Situations must be considered by the Directors on a case by case basis.
Directors' authority to authorise conflicts of interest	76.2	Subject to Articles 76.1 and 76.3 the board of Directors acting as a whole and not by committee may by resolution authorise a situation in which the interests of a Director could or actually do directly or indirectly conflict with those of the Association.
Directors not to consider or vote on cases in which they are interested	76.3	A Director shall not be entitled to vote on any matter relating to a case or claim involving a Ship in which he is in any way interested ("Ship Claim"), nor shall a Director be entitled to vote on any matter relating to a contract or arrangement in which he is in any way interested ("Interested Contract"). For the avoidance of doubt a Director shall be permitted to attend any meeting at which a Ship Claim or an Interested Contract is due

44

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

		to be discussed or considered but must absent himself from such meeting whilst a Ship Claim or an Interested Contract is being discussed or considered. If a Director should vote on such matters his vote shall not be counted and he shall not be counted in the quorum present at the meeting.
Directors contracting with Association	76.4	Subject to the provisions of the Statutes, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office: <ul style="list-style-type: none"> <li>(i) may be a party to or otherwise interested in any transaction or arrangement with the Association;</li> <li>(ii) may hold any office or place of profit under the Association (except that of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Association, on such terms as to remuneration and otherwise as the Directors shall arrange;</li> <li>(iii) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Association or in which the Association is in any way interested;</li> <li>(iv) may, or any firm or company of which he is a <del>Member</del>member or director may, act in a professional capacity for the Association;</li> <li>(v) shall not 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 Director shall in any way be interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Association for any</li> </ul>

45

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

profit realised by any such contract or arrangement by reason of such Director holding that office or of the statutory relationship thereby established. The nature and extent of a Director's interest 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 becomes so interested.

**PROCEEDINGS OF DIRECTORS**

## Directors Meetings

77.1

Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Meetings of the Directors shall be called Directors Meetings. Questions arising at any Directors Meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote. Notice of every Directors Meeting shall be given to each Director.

78.

The Chief Executive Officer, the Chairman, the Managing Director, the Secretary or a Joint Managing Director may, and on the request of a Director, the Chief Executive Officer, the Managing Director or Secretary shall, at any time summon a Directors Meeting. Notice shall be given of Directors Meetings to all Directors.

## Participating by Telephone 79.

Any Director may participate in a Directors Meeting or a committee constituted pursuant to Article 85 of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear

Company No 505456

each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Statutes, shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

## Quorum

80.

At Directors' Meetings, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another Directors' Meeting or a proposal for a decision permitted under Article 80.3.

80.1

The quorum for Directors' Meetings shall be unless otherwise determined by the Directors, four Member Directors

80.2

If the total number of Directors for the time being is less than the quorum required, or if during a meeting such a quorum ceases to be present, the Directors must not take any decision other than a decision:

80.2.1 to appoint further Directors; or

80.2.2 to call a general meeting so as to enable the Members to appoint further Directors; or

80.2.3 to adjourn and reconvene a Directors' Meeting to such a time and place as the Directors present may deem appropriate.

81.

The continuing Directors may at any time act notwithstanding any vacancy in their body; provided that in the case where the Directors shall at any time be reduced in number to less than the minimum number fixed by or in accordance with these Articles, the continuing Directors may act for the purpose

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

Election of Chairman and Vice- Chairman	82.	of appointing an additional Director or Directors to make up such minimum, or of summoning a general meeting of the Association, but for no other purpose.  The Directors shall appoint a Chairman and Vice-chairman (or Vice-chairman, if more than one) at such remuneration and upon such terms as may be thought fit and such Chairman and Vice-chairman shall, if continuing to be Directors, retain such respective offices until the first Directors Meeting following the anniversary of their appointment where they shall retire from such respective offices and may offer themselves for reappointment pursuant to this Article 82 provided always that a Director shall cease to be eligible for reappointment as Chairman or Vice-chairman (as the case may be) once they have been appointed to that office on four previous occasions. The provisions of this Article 82 may be waived in whole or in part in relation to any person by Ordinary Resolution.
	83.	If any casual vacancy shall occur in the office of chairman or vice-chairman the Directors shall appoint a Director to fill the same.
	84.	The Chairman, or in his absence the Vice-chairman (or if more than one, any one Vice-chairman), shall preside at all Directors Meetings, but if at any meeting neither the Chairman nor any one Vice-chairman be present at the time appointed for holding the same, the Directors present shall choose one of their number to be a chairman of such meeting and the Director so chosen shall preside at such meeting accordingly so long as neither the Chairman nor any one Vice-chairman shall be present. The Directors present shall choose someone of their number to act as chairman of the meeting if the chair shall be vacated by

48

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

Delegation of Directors Powers to Committees	85.	reason of Article 76.3 taking effect.  The Directors may delegate any of their powers including the business of any particular Class or Classes 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.
Proceedings of Committees	86.	The meetings and proceedings of any such committees consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under Article 85.
Defective Acts of Committees	87.	All acts done by any Directors Meeting or by any meeting of a committee of the Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them had vacated office, be as valid as if every person had been duly appointed and had continued to be a Director.
Minutes	88.	The Directors shall cause minutes to be made of all proceedings of general meetings of the Association and of Directors Meetings and of meetings of committees of the Directors and of the attendances thereat and of all

49

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- appointments of officers made by the Directors. Any such minute, if purporting to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.
- Resolution in writing
89. A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one or more Directors.
90. **MANAGING DIRECTOR/EXECUTIVE DIRECTORS**
- 90.1 The Directors may from time to time appoint any one or more of the Managers to any executive office carrying the title of Chief Executive Officer, Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director, for such period, on such terms and at such remuneration as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment.
- 90.2 An individual appointed as a Chief Executive Officer, Managing Director, Joint Managing Director, Deputy Managing Director, or an Executive Director shall be deemed to be automatically appointed to the office of Director but shall not be subject to the provisions of Article 70.8.
- 90.3 The Association may from time to time by Ordinary Resolution or by resolution of the Members Board appoint a person to a non executive office carrying the title of independent non-executive Director on such terms and at such remuneration as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment.

50

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

- 90.4 An individual appointed as an Independent Director shall be deemed to be automatically appointed to the office of Director and shall be subject to the provisions of Article 70.8.
- MANAGERS**
91. The Directors may from time to time appoint any persons to be Managers of the Association for such period and on such terms as they may think fit and, subject to the terms of any contract with the Managers or any of them, the Directors may revoke any such appointment. The Managers shall have authority to engage such professional or technical assistance on such terms as they may consider necessary in the execution of the duties of their office.
- The duties and powers of the Managers shall be such as are placed and conferred upon them by these Articles and the Rules and such other duties and powers not inconsistent therewith as the Directors shall from time to time determine.
- SECRETARY**
92. The Secretary shall be appointed by the Directors for such term at such remuneration, and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. Anything by the Statutes required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any reason no Secretary capable of acting, be done by or to any assistant or deputy secretary or, if there is no assistant or deputy secretary capable of acting, by or to any officer of the Association authorised generally or specially in that behalf by the Directors, provided that any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be

51

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

satisfied by its being done by or to the same person acting both as a Director and as, or in the place of, the Secretary.

**THE SEAL**

93. If the Association has a Seal, the Directors shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of a resolution of the Directors or of a committee of Directors duly authorised by the Directors. The Directors may from time to time make such regulations as they see fit determining the persons and the number of such persons in whose presence the Seal shall be used, and until otherwise so determined the Seal shall be affixed in the presence of one Director and a Manager or the Secretary who shall both sign the instrument to which the Seal is so affixed.

94. The Association may have an official Seal for use abroad under the provisions of the Statutes where and as the Directors shall determine, and the Association may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Association for the purpose of affixing and using such official Seal and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such official Seal as aforesaid.

**RESERVES**

95. Any moneys for the time being in the hands of the Association and not immediately required to meet any claims, expenses and outgoings to which under these Articles or the Rules of any Class the same are applicable may be allocated to such reserve or reserves as the Directors think proper but

Company No 505456

so that moneys representing Contributions made by Members of one Class shall be kept separate from moneys representing Contributions made by Members of any other Class. Any moneys for the time being standing to the credit of any reserve or reserves may be invested in such investments as the Directors think fit.

**ACCOUNTS**

96. The Directors shall cause proper accounts to be kept in accordance with the provisions of the Statutes.

97. The books of account shall be kept at the Office, or (subject to the provisions of the Statutes) at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors. No Member (not being a Director) shall have any right of inspecting any account or book or document of the Association except as conferred by Statute or authorised by the Directors or by Ordinary Resolution of the Association.

**AUDIT**

98. Auditors must be appointed for each financial year of the Association. The appointment must be made in the period for appointing auditors as defined in section 485 of the Companies Act 2006.

99. Auditors cease to hold office at the end of the next period for appointing auditors unless and until they are re-appointed by the Members in accordance with section 485(4) of the Companies Act 2006.

**NOTICES**

100.1 A notice or document required under these Articles to be served on a Member may be served by:

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- 100.2 Notices and documents shall be deemed to have been sent:
- (a) if served personally, on service; and
  - (b) if sent by post, on the expiration of 24 hours after the envelope containing the same is posted; and
  - (c) if sent in electronic form to an address notified from time to time by the member to the Association, 48 hours after the notice or document was sent; and
  - (d) if sent by making it available on a website, the notice shall be deemed to have been given when the member received or was deemed to have received notice of the fact that the notice was available on the website; and
  - (e) if sent by facsimile on the day of dispatch.
- 100.3 Every legal personal representative, committee, 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 to the last registered address of such Member, notwithstanding that the Association may have notice of the death, mental disorder, bankruptcy, liquidation or disability of such

Company No 505456

- 100.4 Member.
- Any Member described in the Register of Members as having an address not within the United Kingdom shall be entitled to have notices or other documents served upon him at such address and all notices served at such address shall be deemed well served.
- 100.5 The Association shall be deemed to have discharged any obligation which it may have under these Articles or the Statutes to give any notice or documentation to the Members comprising:
- (a) Joint Members; and/or
  - (b) a Fleet Entry; and/or
  - (c) a group rating agreement (as referred to in the applicable Rules),
- by giving such notice only to the relevant Senior Member or group principal (as referred to in the applicable Rules) for the time being on behalf of all the relevant Members. The Senior Member or group principal (as referred to in the applicable Rules) shall be deemed to have the power to act on behalf of all Members comprising the Joint Members ~~or~~, Fleet Entry or group rating agreement (as referred to in the applicable Rules) (as the case may be) for the purposes of exercising their rights as a Member of the Association, and the Association shall be entitled to rely on the authority of the Senior Member or group principal (as referred to in the applicable Rules) to so act absolutely and without liability to the other Members.
101. **WINDING UP**
- In the event of the Association being wound up, the assets of the Association remaining after payment of all debts and liabilities of the Association and of all costs, charges and

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

expenses of winding up the same, shall be distributed amongst such of the Members and/or former Members of the Association and ~~in such proportion or amounts as the Directors in their discretion shall recommend prior to such winding up and subject always~~ or former members of Standard Bermuda in a fair and equitable manner, having regard to their past contributions (including premium (mutual, fixed or otherwise) and calls) paid to the final decision of any liquidator Association or any Club Subsidiary.

102.

**INDEMNITY**

102.1

Subject to the provisions of, and so far as may be permitted by, the Statutes but without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Association shall indemnify every Director, secretary or other officer of the Association against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director, secretary or other officer of the Association and against any such liability incurred by him in connection with the Association's activities as trustee of an occupational pension scheme as defined in section 235(6) of the Companies Act 2006.

102.2

The Directors may buy and maintain at the cost of the Association insurance cover for or for the benefit of every Director, secretary or other officer of the Association or of any associated company (as defined in section

Company No 505456

256 of the Companies Act 2006) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Association (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director, secretary or other officer of the Association or associated company.

102.3

Subject to the provisions of, and so far as may be permitted by, the Statutes, the Association shall be entitled to fund the expenditure of every Director or other officer of the Association incurred or to be incurred:

102.3.1 in defending any criminal or civil proceedings; or

102.3.2 in connection with any application under sections 144(3), 144(4) or 1157 of the Companies Act 2006.

103.

**DOCUMENTS SENT IN ELECTRONIC FORM OR BY MEANS OF A WEBSITE**

103.1

Where the Statutes permit the Association to send documents or notices to its Members in electronic form or by means of a website, the documents will be validly sent provided the Association complies with the requirements of the Statutes.

103.2

Subject to any requirement of the Statutes only such documents and notices as are specified by the Association may be sent to the Association in electronic form to the address specified by the Association for that purpose and such documents or notices sent to the Association are sufficiently authenticated if the identity of the sender is confirmed in the way the Association has specified.

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

104. **NAME**
- The name of the Association is ~~"The North of England Protecting and Indemnity Association Standard Limited"~~.
105. **REGISTERED OFFICE**
- The registered office of the Association will be situated in England.
106. **OBJECTS**
- The objects for which the Association is established are:
- 106.1 to carry on the business of a general commercial company;
- 106.2 to carry on marine and transit insurance business, that is to say, the business of effecting and carrying out contracts of insurance upon ships or upon the hull, machinery, tackle, furniture or equipment of Ships, or upon goods, merchandise or property of any description whatever on board Ships, or upon the freight of, or any other interest in or relating to Ships or against damage arising out of or in connection with the use of Ships, or against risks incidental to the construction, repair or docking of Ships, or against transit risks (whether the transit is by sea, inland water or land, or air or partly one and partly another) including risks incidental to the transit insured from the commencement of the transit to the ultimate destination covered by the insurance (but not including risks the insurance of which is motor vehicle insurance business) or against any other risks the insurance of which is customarily undertaken in conjunction with or incidental to any such business as aforesaid including liabilities to third parties in respect of any of the above and including on such special terms and conditions as may appear

58

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

- desirable to the Directors;
- 106.3 to insure:
- 106.3.1 a Member and/or any person or company in which a Member has an interest, whether financial or otherwise, and which is usually or properly covered by or included in insurances with respect to Ships and interests therein or relating thereto; and
- 106.3.2 any other person or company against which the Directors may from time to time determine the Association shall insure;
- 106.4 to carry on an aquaculture insurance business, that is to say, the business of effecting and carrying out contracts of insurance on the equipment, installation, machinery, livestock and other assets associated with aquaculture, as well as on the risks arising from or associated with the carrying on of an aquaculture business. "Aquaculture" as referred to in this Article 106.4 shall be taken to include, without limitation, aquafarming and mariculture (whether of fish, crustaceans or molluscs, and whether in freshwater or seawater), algaculture and the cultivation of ornamental fish.
- 106.5 to reinsure or accept reinsurance of any risk insured or which could be insured by the Association;
- 106.6 (i) to divide the Members into different classes with reference to the risks accepted by the Association and upon the terms that the Members of a Class shall be protected, indemnified or insured on either a mutual

59

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- basis or a Fixed Premium Basis without recourse to the Members of another Class except as to working and other expenses or upon any other terms;
- 106.6 (ii) to effect and carry out contracts of insurance pursuant to Articles 106.2, 106.3 and 106.4 in respect of Fixed Premium Non Member Business:
- a) with such persons or companies as the Managers (or if at any time there are no Managers, the Directors) may from time to time determine; and
- b) upon such other terms and conditions as the Managers (or if at any time there are no Managers, the Directors) may from time to time determine to be in the interests of the Association.
- 106.7 to consider all questions connected with the shipping industry, or any allied industry, or insurance, to collect and circulate statistics and other information relating thereto and generally to supply information and advice relating thereto or to the interests of any member therein and to promote or oppose legislative or other measures affecting the same;
- 106.8 to enter into any arrangement with any government or authority, supreme, municipal, local or otherwise, that may seem conducive to the Association's objects or any of them and to obtain from any such government or authority any rights, privileges or concessions, which the Association may think it desirable to obtain, and to carry out, exercise and comply with such arrangements, rights, privileges or concessions and further to support or oppose any proposal made by any person or by any body of persons to secure any changes in the law affecting the Association or the business of the Association or any of its rights, privileges or concessions and to subscribe to

Company No 505456

- any fund that may be raised or utilised for the purpose of or in connection with the support of, or opposition to, any such proposal;
- 106.9 to join, co-operate with, or become a member of, any society, committee, organisation or association having amongst its objects the defence or advancement of the interests of shipowners or shipowners' associations by joint or concerted action, and to support and contribute to the funds of any such society, committee, organisation or association;
- 106.10 to pay, satisfy or compromise any claims made against the Association which it may be deemed expedient to pay, satisfy or compromise, whether or not the same may be valid in law, and to make gratuitous payments to any person being an assignee, chargee, legal personal representative, trustee in bankruptcy or liquidator of a Member or former Member in relation to Ships entered by such Member or former Member for protection, indemnity or insurance to the Association;
- 106.11 to purchase, take on lease or in exchange, hire or otherwise acquire, any real or personal property, rights or privileges which the Association may think necessary or convenient for the purpose of its business, and to construct, maintain and alter any buildings or works necessary or convenient for the purposes of the Association;
- 106.12 to pay for any property or assets acquired by the Association either in cash or by the issue of securities or obligations or partly in one mode and partly in another and generally on such terms as may be determined;
- 106.13 to lend and advance money or give credit on any terms and with or without security to any

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Association) and to receive money on deposit or loan upon any terms;
- 106.14 to guarantee or otherwise support or secure, either with or without the Association receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property, assets, rights and revenues (present and future) of the Association, or by both such methods or by any other means whatever, the performance of the liabilities and obligations of and the repayment or payment of any moneys whatever by any person, firm or company, including (but not limited to):
- 106.14.1 any liabilities and obligations whatever of, and the repayment or payment of any moneys whatever by, any company which is for the time being or is likely to become the Association's holding company or a subsidiary of the Association or another subsidiary of the Association's holding company or otherwise associated with the Association in business; and
- 106.14.2 any liabilities and obligations incurred in connection with or for the purpose of the acquisition of shares in any company which is for the time being the Association's holding company in so far as the giving of any such guarantee or other support or security is not prohibited by law; and

62

[EME\\_ACTIVE-582177191.8-760135-00021](#)

Company No 505456

- 106.14.3 the repayment or payment of the principal amounts of, and premiums, interest and dividends on, any borrowings and securities;
- 106.15 to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Association's property or assets (whether present or future), and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Association of any obligation or liability it may undertake or which may become binding on it;
- 106.16 to enter into derivative transactions (including, but not limited to, contracts for differences, options, futures and forwards), whether on exchange or over-the counter, that may be deemed expedient;
- 106.17 to issue and deposit any securities which the Association has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Association or of its Members or of any other person or company having dealings with the Association, or in whose business or undertaking the Association is interested;
- 106.18 to make, draw, accept, indorse and execute promissory notes, bills of exchange, and other negotiable instruments;
- 106.19 to invest and deal with the moneys of the Association not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined;

63

[EME\\_ACTIVE-582177191.8-760135-00021](#)

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

- 106.20 to establish or promote, or join in the establishment or promotion of, any other company whose objects shall include the taking over of any of the assets or liabilities of the Association or the promotion of which shall be calculated to advance its interests, and to acquire and hold any shares, securities or obligations of any such company;
- 106.21 to sell or dispose of the undertaking, property and assets of the Association or any part thereof in such manner and for such consideration as the Association may think fit, and in particular for shares (fully or partly paid up), debentures, debenture stock, securities or obligations of any other company, whether promoted by the Association for the purpose or not, and to improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and assets of the Association;
- 106.22 to acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Association is authorised to carry on and as part of the consideration for any such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock

Company No 505456

- or securities so received;
- 106.23 to establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation scheme or fund for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Association or who are or were at any time officers of the Association or any persons in whose welfare the Association is or has been at any time interested, and the wives, widows, families and dependants of any such persons, and also to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Association or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object;
- 106.24 to cause the Association to be registered or recognised in any foreign country;
- 106.25 to do all or any of the things set out in above in this Article 106 in any part of this world and either as principal, agent, trustee or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise;
- 106.26 to do all such other things as are incidental or the Association may think conducive to the attainment of the objects set out above in this Article 106 or any of them and it is hereby declared that the objects specified above in this Article 106 shall, except if at all where otherwise expressed, be in no way limited or restricted by reference to or

## Appendix 4: Changes to North UK Articles of Association continued

Company No 505456

inference from the terms of any other paragraph of the name of the Association, or the order in which such objects are stated.

107. **LIABILITY OF MEMBERS**

107.1 The liability of the Members is limited.

107.2 Every Member of the Association undertakes to contribute to the assets of the Association in the event of its being wound up while he is a Member or within one year afterwards, for payment of the debts and liabilities of the Association contracted before he ceases to be a Member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding One Pound.

108. **MEMBERS BOARD**

108.1 The Members may form a Members Board consisting of Members of the Association and/or the nominated representatives of [such](#) Members for such purposes and subject to such regulations, being not inconsistent with any regulations of these Articles and the provisions of the Statutes, as may be prescribed by Special Resolution and ~~the~~[such](#) Members may by Special Resolution disband any Members Board so created. Any regulations prescribed by the Members pursuant to this Article 108.1 may provide for certain functions and/or powers of the Members Board, including those functions and/or powers relating to any particular Class or Classes of the Association, to be delegated to committees (including standing committees and local committees) consisting of such member or members of the Members Board as ~~the~~[such](#) Members think fit.

Company No 505456

108.2 These Articles, the Rules of any Class and/or any terms of reference approved by the Members pursuant to Article 108.1 may from time to time vest certain powers and/or discretions in the Members Board and any exercise by the Members Board of any such power or discretion shall, subject to the terms upon which such power or discretion has been vested in the Members Board, be binding upon the Association.

108.3 The Members Board may delegate any of its functions or powers to committees (including standing committees and local committees) consisting of such member or members of their body as they think fit or to the Managers. The Managers and any committee so formed (as the case may be) shall in the exercise of any function or power so delegated conform to any regulations that may from time to time be imposed upon it by the Members Board being not inconsistent with any regulations of these Articles, any regulations prescribed by the Members pursuant to Article 108.1 and the provisions of the Statutes.

[109.](#) **CLASS COMMITTEES**

[109](#) Any Class may, if the board of Directors determines, and for as long as the board of Directors shall determine, have a single committee for that Class (a "Class Committee"). The duties and obligations of the Class Committee shall be conferred by the Class Committee's terms of reference, as determined by the board of Directors.

# Appendix 5: Notice of Extraordinary General Meeting on 27 May 2022

**The North of England Protecting and Indemnity Association Limited. Company No. 505456 (The Company)**

**NOTICE IS HEREBY GIVEN** that a general meeting of the Company will be held at The Divani Apollon Palace & Thalasso, 10 Agiou Nikolaou Str., 166 71 Vouliagmeni, Athens, Greece on Friday 27 May 2022 at 13.30 hours (EEST) where the following business will be transacted:

## Ordinary Resolutions

### 1. Approval of Proposed Merger

THAT, the proposed merger between the Company, The North of England Mutual Insurance Association (Bermuda) Limited and The Standard Club Ltd. be approved.

### 2. Appointment of Executive Director

THAT, subject to and conditional upon:

- a) the satisfaction or waiver of the conditions (the 'Conditions') set out in the framework agreement between the Company, The North of England Mutual Insurance Association (Bermuda) Limited and The Standard Club Ltd dated 13 March 2022 (the 'Framework Agreement'); and
- b) the Company obtaining the necessary regulatory approvals required by applicable law;

with effect from noon Greenwich Mean Time on 20 February 2023 (or such other time and/or date as the parties to the Framework Agreement may agree in writing), Mr Jeremy Grose be appointed as an Executive Director of the Company.

### 3. Appointment of Non-Executive Directors

THAT, subject to and conditional upon the satisfaction or waiver of the Conditions, with effect from noon Greenwich Mean Time on 20 February 2023 (or such other time and/or date as the parties to the Framework Agreement may agree in writing), the following persons

be appointed as Non-Executive Directors of the Company:

- a) Mr Cesare D'Amico
- b) Mr Erik Johnsen
- c) Mr Nicolas Hadjioannou
- d) Mr Ricardo Menendez
- e) Mr Takis Vellis
- f) Mr Alistair Groom

## Special Resolutions

### 4. Adoption of Articles of Association

THAT, subject to and conditional upon the satisfaction or waiver of the Conditions, with effect from noon Greenwich Mean Time on 20 February 2023 (or such other time and/or date as the parties to the Framework Agreement may agree in writing), the draft Articles of Association produced to the meeting and, for the purposes of identification, initialled by the Chair, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing Articles of Association.

### 5. Change of Company Name

THAT, subject to and conditional upon the satisfaction or waiver of the Conditions, with effect from noon Greenwich Mean Time on 20 February 2023 (or such other time and/or date as the parties to the Framework Agreement may agree in writing), the registered name of the Company be changed to North Standard Limited.

Dated: 3 May 2022

By order of the Board, Chris Owen – Company Secretary

Registered Office: 100 The Quayside, Newcastle upon Tyne, NE1 3DU

## Notes to the notice of 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 **boardsupport@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, 100 The Quayside, Newcastle upon Tyne, NE1 3DU, UK or by e-mail to **boardsupport@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 **boardsupport@nepia.com**. No other methods of communication will be accepted. Members must not use any electronic address provided either in this Notice or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

# Appendix 6: Proxy Voting Form

## The North of England Protecting and Indemnity Association Limited



The undersigned, a Member of The North of England Protecting and Indemnity Association Limited, hereby appoints the Chair of the meeting or ..... or ..... to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the General Meeting of the Members of the said company to be held on Friday 27 May 2022, and any adjournment thereof. This form is to be used in respect of the following Resolutions:

	For	Against	Vote Withheld
1. The Ordinary Resolution to approve the proposed merger between the Company, The North of England Mutual Insurance Association (Bermuda) Limited and The Standard Club Ltd.			
2. The Ordinary Resolution to appoint Mr Jeremy Grose as an Executive Director of the Company.			
3. a) The Ordinary Resolution to appoint Mr Cesare D'Amico as a Non-Executive Director of the Company.			
b) The Ordinary Resolution to appoint Mr Erik Johnsen as a Non-Executive Director of the Company.			
c) The Ordinary Resolution to appoint Mr Nicolas Hadjioannou as a Non-Executive Director of the Company.			
d) The Ordinary Resolution to appoint Mr Ricardo Menendez as a Non-Executive Director of the Company.			
e) The Ordinary Resolution to appoint Mr Takis Vellis as a Non-Executive Director of the Company.			
f) The Ordinary Resolution to appoint Mr Alistair Groom as a Non-Executive Director of the Company.			
4. The Special Resolution to adopt Articles of Association of the Company.			
5. The Special Resolution to change the name of the Company to North Standard Limited.			

As witness the hand of the undersigned this ..... day of ..... 2022

For (Name of Member) .....

Signed .....

By (Name) ..... (Office) .....

### Notes

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.
2. A Member may appoint more than one party to attend, speak and vote on the same occasion, provided that each Proxy is appointed to exercise the rights attached to a different ship or ships entered by such Member for insurance in the Association.
3. If a Member wishes to appoint more than one Proxy and requires additional forms, the Member should contact the Company Secretary Chris Owen on **+44(0)191 232 5221** or **boardsupport@nepia.com**. If you wish any person other than the Chair to act as your Proxy, please insert the name of your Proxy in the space provided. If no name is inserted, you will be deemed to have appointed the Chair of the meeting. A Proxy need not be a Member.
4. Please indicate with an X in the appropriate spaces how you wish your votes to be cast in respect of each of the Resolutions. On receipt of this form duly signed but without any specific direction how you wish your votes to be cast, the Proxy will vote in favour of the Resolutions unless so instructed, and on any other Resolutions proposed at the meeting, your Proxy will vote or abstain at his discretion.
5. In the case of a corporation this form should either be under its seal or be signed by an authorised officer of the corporation, who should state in the line below his office (e.g. Company Secretary, Director).
6. To be valid at the Annual General Meeting referred to, this form must be completed, signed and deposited with the Company Secretary of the Company by post to 100 The Quayside, Newcastle upon Tyne NE1 3DU, UK or by e-mail to **boardsupport@nepia.com** not less than 48 hours before the time appointed for holding the meeting. Completing and returning this form will not prevent you from attending and voting in person if you wish.

To print your Proxy Voting Form please click on the printer icon in the top right hand corner.

# Connect

 [www.nepia.com](http://www.nepia.com)

 [@NorthPandlClub](https://twitter.com/NorthPandlClub)

 [NorthPandlClub](https://www.facebook.com/NorthPandlClub)

 [The North of England P&I Association Limited](https://www.linkedin.com/company/the-north-of-england-p-i-association-limited)

 [North P&I Club](https://www.youtube.com/channel/UC...)