

# 2025

CORPORATE GOVERNANCE MANUAL

Gard group



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# INTRODUCTION

The Gard group of companies (the “Gard group”, “Gard” or the “group”) is committed to maintaining high standards of corporate governance. We believe that effective corporate governance is essential to the group and establishes an open and transparent framework for delivering insurance products and services to our members and clients.

The Gard Corporate Governance Manual aims to assist the members of the group’s various boards and committees in the exercise of their responsibilities to serve the best interests of the group and its members and clients. These guidelines are intended to ensure that the members of the boards and committees will be better able to review and evaluate the business operations of the group and to make appropriate decisions as needed. The guidelines are not exhaustive and are not intended to change any statutory regulations, Bye-Laws, Articles of Association or Statutes of the entities of the Gard group.

Updated information regarding the Gard group can be found on the Gard website at [www.gard.no](http://www.gard.no).

Bermuda, November 2024

Lingard Limited  
As Manager for  
**Gard P. & I. (Bermuda) Ltd.**

# CORE PURPOSE AND CORE VALUES

## Core purpose

In a rapidly changing world, a critical factor for our organisation to succeed is to have a fixed core purpose and fixed values. This is the glue that holds the organisation together as it grows and diversifies its business. The Gard core purpose statement embodies what we stand for and our mission:

*To help our members and clients in the marine industries to manage risk and its consequences*

## Core values – F A I R

Our core values are enduring beliefs which Gard's staff and management hold in common and endeavour to put into action. The core values are intended to guide the work of all Gard group employees in performing their work. Fairness and equity form the foundation of Gard's business activities, now and in the future.

***Friendliness*** – Being friendly and courteous towards colleagues and clients. We look for the positive in people. We aim to create an atmosphere where people feel at home.

***Adaptability*** – Embracing change as a way of life. To be curious, to seek opportunities and accept challenges.

***Integrity*** – Doing the right thing. Bringing integrity into everything we say and do. We strive for honesty, trust, transparency and respect, both as individuals and as an organisation.

***Result oriented*** – To be successful; we must meet our goals on time, set new ones, and seek better ways of achieving them.

# THE GARD GROUP

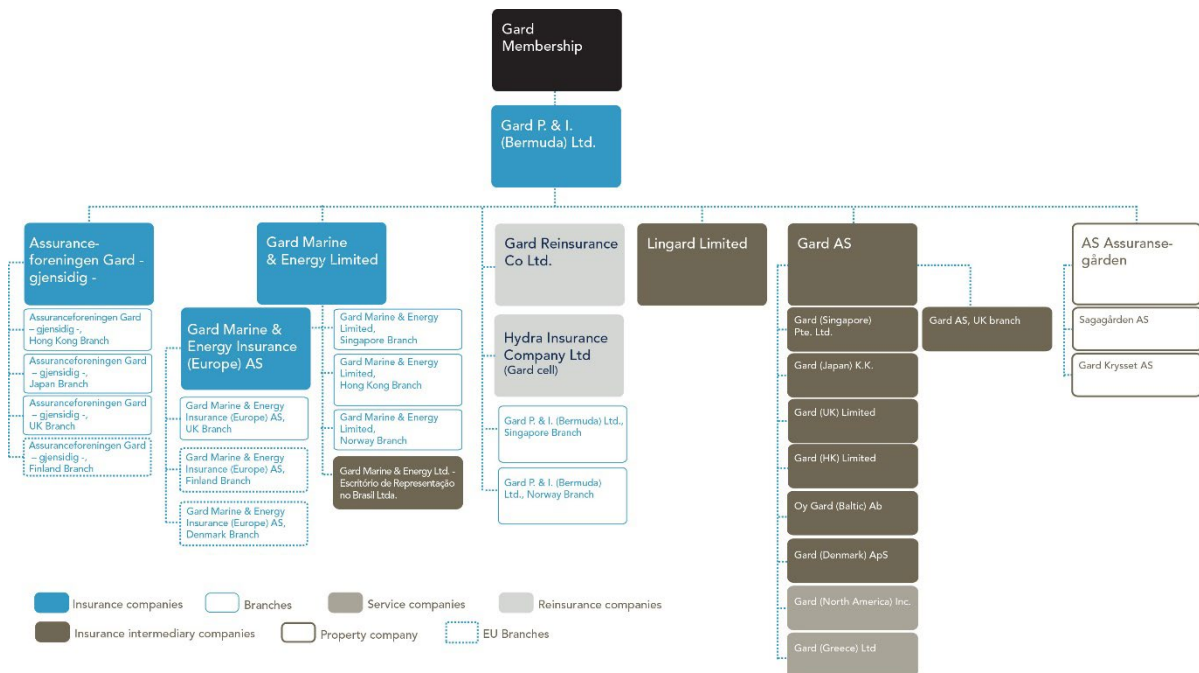
This section outlines the ownership and governance structure of the Gard group and some key details about each individual company.

## Ownership and governance structure

The Gard group consists of the following legal entities:

- Gard P. & I. (Bermuda) Ltd. (as noted above, “Gard P&I Bermuda” or the “parent company”)
- Assuranceforeningen Gard – gjensidig (“Gard P&I Norway”)
- Gard Marine & Energy Limited (“Gard M&E”), including its subsidiaries: Gard Marine & Energy Insurance (Europe) AS (“Gard M&E Europe”) and Gard Marine & Energy Limited – Escritório de Representação no Brasil Ltda (“Gard Brazil”)
- Gard Reinsurance Co Ltd (“Gard Re”)
- Hydra Insurance Company Ltd. (“Hydra”)
- Lingard Limited (“Lingard”)
- Gard AS (the Norwegian agency company) and its subsidiaries
- A/S Assuransegården (property company)

The Gard group ownership and governance structure are as follows:



## Gard P&I Bermuda

Gard P&I Bermuda is the parent company in the Gard group. This Bermuda domiciled company was established in 1988 as a mutual insurance association and is registered by the Bermuda Monetary Authority as a “Class 3B” insurer.<sup>1</sup> The Manager of Gard P&I Bermuda is Lingard Limited.

Gard P&I Bermuda provides Protection & Indemnity insurance (“P&I”) and related products to its policyholders (Members), who are shipowners, operators and charterers with ships entered in the association. As a mutual insurance association, the company does not issue shares and is owned by its Members. There are no external capital owners, therefore, any profits which are earned by Gard P&I Bermuda are retained by the company for the benefit of the Members.

Gard P&I Bermuda carries out its direct insurance business through branches located in Norway and Singapore. The general agents of the branches are Gard AS in Norway and Gard (Singapore) Pte. Ltd. in Singapore.

The Members of Gard P&I Bermuda are also Members of Gard P&I Norway, and *vice versa*.<sup>2</sup> However, in accordance with the group’s structure, Gard P&I Bermuda has been given the right to exercise membership rights on behalf of the entire membership in Gard P&I Norway.<sup>3</sup> Thus, Gard P&I Norway is treated as a subsidiary of Gard P&I Bermuda in the same way as the other wholly owned subsidiaries.

Gard P&I Bermuda and Gard P&I Norway are members of the International Group of P&I Clubs (the “I.G.”) and both are parties to the I.G.’s Pooling Agreement. The Pooling Agreement is the contractual basis for the sharing of large claims among the 12 P&I Clubs in the I.G. and for their collective purchase of market reinsurance. The two associations are recorded as “Paired Associations” in the Pooling Agreement, with Gard P&I Bermuda as the principal.

## Gard P&I Norway

Gard P&I Norway is a Norwegian P&I Club which was founded in Arendal, Norway, in 1907. The company is registered and domiciled in Norway and is licensed by the Norwegian Ministry of Finance to carry out P&I defence and hull and machinery insurances.<sup>4</sup> The head office of Gard P&I Norway is in Arendal, Norway. Gard AS acts as agent for Gard P&I Norway. The club has established branches in Finland, Japan, Hong Kong and the United Kingdom.

Gard P&I Norway provides P&I and related insurance products to its policyholders (Members), who are shipowners, operators and charterers with ships entered in the club. As with Gard P&I Bermuda, as a mutual insurance association the company does not issue shares and is owned by its Members. There are no external capital owners.

Based on the group’s current governance structure, whereby Gard P&I Norway is treated as a subsidiary of Gard P&I Bermuda, the latter has the power to appoint the members of Gard P&I Norway’s Board of Directors and thereby can govern and control the business activities of Gard P&I Norway. Based on internationally accepted accounting standards, this creates the legal basis required for consolidation of the two companies’ accounts.<sup>5</sup>

Gard P&I Norway is used primarily as the insurance vehicle in countries where it has established branches and within the EU/EEA<sup>6</sup> where an EU/EEA based insurer is required in order to comply with EU regulations governing cross-border activities. The club is used to insure a small proportion of the group’s combined P&I portfolio, which is predominantly direct P&I business.

<sup>1</sup> A Class 3B insurer is a multi-owner captive which is permitted to underwrite only the risks of its owners. Class 3B insurers are required to maintain minimum capital and surplus of USD 250,000.

<sup>2</sup> See Article 2.6 of the Bye-Laws of Gard P&I Bermuda, and Article 4.7 of the Statutes of Gard P&I Norway. Gard P&I Bermuda and Gard P&I Norway have entered into mutual reinsurance agreements whereby the two associations reinsure each other.

<sup>3</sup> Ibid.

<sup>4</sup> Classes 6, 8, 9, 12, 13, 16 and 17 in the Norwegian regulations of 9 December 2016 (the Finance Activity Regulations), § 2-12, regarding insurance classes.

<sup>5</sup> Reference is made to the International Financial Reporting Standard 10 (IFRS 10).

<sup>6</sup> The European Union and the European Economic Area.



As noted above, Gard P&I Bermuda and Gard P&I Norway are recorded as “Paired Associations” in the I.G.’s Pooling Agreement.

## Gard M&E

Gard M&E is a stock company established in Bermuda in December 2003 and is a wholly owned subsidiary of Gard P&I Bermuda. The company is domiciled in Bermuda and is registered by the Bermuda Monetary Authority as a “Class 3B” insurer,<sup>7</sup> covering, *inter alia*, marine and energy risks. The manager of Gard M&E is Lingard Limited.

Gard M&E offers standard marine and energy insurance products, on a commercial basis, to shipowners and operators, and to operators within the international oil and gas industry. Gard M&E carries out its direct insurance business through branches in Norway, Singapore and Hong Kong. The general agents of the branches are: Gard AS in Norway; Gard (Singapore) Pte. Ltd. in Singapore; and Gard (HK) Ltd. in Hong Kong.

Gard Marine & Energy Limited – Escritório de Representação no Brasil Ltda. (“Gard Brazil”) is a subsidiary of Gard M&E domiciled in Brazil. Gard Brazil is registered as a representative office and is authorised to carry out insurance agency activities in Brazil on behalf of Gard M&E which is registered as an Admitted Reinsurer in Brazil.

## Gard M&E Europe

Gard M&E Europe is a stock company established in Norway in 2014 and is a wholly owned subsidiary of Gard M&E. It is registered and domiciled in Arendal, Norway and licensed by the Norwegian Ministry of Finance to carry out marine and energy insurance business.<sup>8</sup> Gard M&E Europe is used as a vehicle for business in the EU/EEA where an EU/EEA based insurer is required in order to comply with EU regulations governing cross border activities. The company has established a branch in Finland and the United Kingdom. Gard AS acts as agent for Gard M&E Europe.

## Gard Re

Gard Re is a stock company established in Bermuda in February 2010 and is a wholly owned subsidiary of Gard P&I Bermuda. The company is domiciled in Bermuda and is registered by the Bermuda Monetary Authority as a “Class 3A” insurer,<sup>9</sup> covering, *inter alia*, marine (incl. P&I) and energy risks. The manager of Gard Re is Lingard Limited.

Gard Re acts as the group’s captive insurance company. It has entered into reinsurance agreements with Gard P&I Bermuda and Gard M&E as the reassured, to cover a certain proportion of these two direct insurers’ retained risks, i.e. the proportion of the risks underwritten by Gard P&I Bermuda and Gard M&E which are not reinsured elsewhere. It has also entered into a stop loss reinsurance agreement with Gard P&I Norway as the reassured.

## Hydra

Hydra Insurance Company Ltd. (“Hydra”) is a segregated accounts company established in Bermuda by the thirteen parties to the I.G.’s Pooling Agreement in February 2004. It was formed as a captive insurance company for the purpose of reinsuring certain layers of risk retained by the parties to the Pooling Agreement. Hydra is registered as a “Class 3B” insurer by the Bermuda Monetary Authority.

A Bermuda segregated accounts company<sup>10</sup> is a company which is permitted to create ‘segregated accounts’ or ‘cells’ in order to legally segregate the assets and liabilities attributable to a particular

<sup>7</sup> Class 3B insurers are **large** commercial insurers whose percentage of unrelated business represents 50% or more of net premiums written or net loss or loss expense provisions and where the unrelated business net premiums are **more** than USD 50 million. Class 3B insurers are required to maintain capital and surplus of USD 1 million.

<sup>8</sup> Classes 6, 8, 9, 12, 13 and 16 in the Norwegian regulations of 9 December 2016 (the Finance Activity Regulations), § 2-12, regarding insurance classes.

<sup>9</sup> Class 3A insurers are **small** commercial insurers whose percentage of unrelated business represents 50% or more of net premiums written or net loss or loss expense provisions and where the unrelated business net premiums are **less** than USD 50 million. Class 3B insurers are required to maintain capital and surplus of USD 1 million.

<sup>10</sup> Segregated Accounts Companies Act 2000

segregated account from those attributable to other segregated accounts, and from the segregated accounts company's general account.

Each party to the Pooling Agreement owns a segregated account in Hydra and is responsible for its own account, or cell, within the company. The Hydra Gard cell is wholly owned by Gard P&I Bermuda.

## Lingard Limited

Lingard is a stock company established in Bermuda in August 2006. It is a wholly owned subsidiary of Gard P&I Bermuda and is registered as an Insurance Manager by the Bermuda Monetary Authority.

Lingard has entered into management agreements with each of Gard P&I Bermuda, Gard Re and Gard M&E and is responsible for administering the day-to-day business and corporate functions of these Bermuda domiciled companies. Certain insurance functions, such as, *inter alia*, underwriting and claims handling, have been sub-delegated by Lingard to Gard AS under an insurance agency agreement.

## Gard AS

Gard AS is a Norwegian joint stock company established in Arendal, Norway in 2000, and is a wholly owned subsidiary of Gard P&I Bermuda. Gard AS is registered with the Norwegian Financial Supervisory Authority as an insurance agent.

Gard AS has entered into separate agency agreements with Gard P&I Norway, Gard M&E Europe and Lingard Limited pursuant to which Gard AS acts as agent and intermediary with regard to the portfolios of direct business of Gard P&I Bermuda, Gard P&I Norway, Gard M&E and Gard M&E Europe. The agency agreements give Gard AS, *inter alia*, the power to conclude contracts of insurance on behalf of these companies, and to handle claims which fall within the scope of each company's insurance cover.

Gard AS has also established a service network of wholly owned subsidiaries in;

- i. Finland – Oy Gard (Baltic) Ab
- ii. United Kingdom/England – Gard (UK) Limited
- iii. United States – Gard (North America) Inc.
- iv. Hong Kong – Gard (HK) Ltd.
- v. Greece – Gard (Greece) Ltd
- vi. Japan - Gard (Japan) K.K.
- vii. Singapore - Gard (Singapore) Pte. Ltd.

These subsidiaries are the Members' and clients' local contact points and they perform, *inter alia*, insurance intermediary services in their respective local markets on behalf of Gard AS' principals.

## A/S Assuransegården

A/S Assuransegården is a Norwegian joint stock company established in Arendal, Norway, and is a wholly owned subsidiary of Gard P&I Bermuda. Assuransegården is the legal owner and manager of the office buildings and other properties used by Gard AS and its employees in Norway.

## Members of Boards and Committees

The current members of the corporate governing bodies of the individual entities of the Gard group are listed in **Appendix 1**.

# GOVERNANCE PRINCIPLES

*This section contains general governance principles and procedures for the boards and committees of the Gard group.*

## **Duty to adhere to decisions by the parent company**

Gard P&I Bermuda is the parent company in the Gard group. Each subsidiary is a separate legal entity organised under the law of its country of incorporation and subject to that jurisdiction's domestic laws and regulations. The board of directors of each individual subsidiary shall give due consideration to all applicable laws and to the constitutional documents of the relevant company. To the extent it is appropriate and consistent with such laws and regulations, the board of each subsidiary shall comply with the directions from the Board of Directors of Gard P&I Bermuda, as the ultimate beneficial owner of the relevant subsidiary.<sup>11</sup>

## **Composition of Boards and Committees**

The Members of Gard P&I Bermuda and Gard P&I Norway are the owners of the Gard group. For this reason, the composition of the corporate governing bodies of the various legal entities of the group should mirror, to the extent possible and practical, the composition of the membership of the two associations taking into account, *inter alia*, the categories of tonnage entered and geographical spread.

Participation in the sub-committees established by the Board of the parent company should be widely distributed among the members of the Board. With the exception of the Executive Committee, a Director should preferably not be a member of more than one sub-committee.

## **Fit and proper requirement**

The Solvency II regulations require insurance companies to ensure that the members of the corporate governing bodies collectively possess the right professional qualifications, knowledge and experience. This is known as the "fit and proper" requirement.<sup>12</sup>

As a standard procedure, before the Annual General Meeting each year, the Election & Governance Committee reviews the current composition of the group's various boards and committees to ensure that they each meet the overall "fit and proper" criteria. All candidates to be nominated for election to Gard's boards and committees are required to complete a questionnaire and skills matrix prepared by the Election & Governance Committee and to submit a curriculum vitae outlining their experience and skills.

## **President & Chief Executive Officer**

The President and Chief Executive Officer (CEO) of Gard P&I Bermuda is appointed by, and reports to, the company's Board of Directors. The CEO is responsible for the day-to-day management of the company and shall ensure that the company and its subsidiaries are managed in accordance with applicable laws and regulations, all relevant bye-laws, statutes and/or articles of association, as well as any policies or instructions approved by the Board.

The CEO's day-to-day management authority does not include taking decisions of an extraordinary character or of major importance for the company without the approval of the Board.

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<sup>11</sup> Gard P&I Bermuda is given the right to exercise all membership rights in Gard P&I Norway, see the Statutes of Assuranceforeningen Gard -gjensidig, Article 4.7.

<sup>12</sup> Directive 2009/138 EU Article 42. 1 (a) and (b) reads as follows:

1. *Insurance and reinsurance undertakings shall ensure that all persons who effectively run the undertaking or have other key functions at all times fulfil the following requirements:*
  - (a) *their professional qualifications, knowledge and experience are adequate to enable sound and prudent management (fit); and*
  - (b) *they are of good repute and integrity (proper) ...*

The CEO's terms of reference outlining the CEO's authority, general duties and responsibilities are included at **Appendix 9**.

## Meetings

All management activities, decisions, etc. which are performed by the Board of Directors or the Executive Committee of Gard P&I Bermuda shall be performed outside of Norway.

Meetings of a corporate governing body of an entity in the group shall be called by the chairman of the relevant board or committee or by its secretary, at the request of and in consultation with the chairman, with no less than seven days' notice, if possible. All matters shall be determined by a majority vote, unless stated otherwise in the relevant company's Articles of Association, Statutes or Bye-Laws.

## Agenda and minutes

The agenda and documents for the meetings of a company or committee within the group shall be prepared by the group's Legal Department (in the case of the Bermuda entities, by Lingard Limited) in consultation with the chairman of the relevant board or committee. The proposed agenda for each meeting shall be sent to the relevant chairman for approval at least three weeks before the meeting, if possible. The documents for each meeting shall be sent to the members of the relevant board or committee at least one week before the meeting, if possible. The secretary of the relevant committee or board shall be responsible for recording the minutes of each meeting, and for such minutes to be circulated to the members of the board or committee preferably within three weeks after the meeting.

To the extent possible, the notice and agenda, and supporting documents for meetings of the boards and committees, including minutes of meetings of the boards and the committees, shall be distributed through Gard's electronic board portal.

## Attendance

The President, Chief Executive Officer and/or Managing Director of each company, and the secretary of the relevant board or committee, may be present at all meetings of such company or committee. The chairman of each company or committee, in consultation with the relevant President/Chief Executive Officer/Managing Director, shall decide to what extent other individuals shall be invited to attend a meeting.

## Communication with the Management

If any information is required from the group's leadership team (the "Management"), or if a member of a board or committee has any questions for the Management in relation to any matters to be dealt with by the relevant governing body of a company within the group, such requests for information shall be made to the President, Chief Executive Officer, Managing Director or the secretary of the relevant board or committee, as the case may be. If additional information is provided by the Management in response to a query from individual members of the relevant corporate governing body (with the exception of the Audit Committee),<sup>13</sup> the President, Chief Executive Officer or Managing Director, as the case may be, and the chairman and secretary of the said board or committee, shall receive copies of such information in order for them to remain properly informed of all relevant matters pertaining to such company or committee.

## Professional secrecy

Members of the corporate governing bodies of a company within the Gard group are bound to observe professional secrecy in relation to any and all matters dealt with or reported to such governing body. The duty to observe professional secrecy extends to all information the individual member receives in his/her capacity as a member of a board or committee of an entity within the Gard group, including

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<sup>13</sup> The Audit Committee's power to conduct investigations and to seek information is set out in the Terms of Reference for the Audit Committee (section 3.3) as adopted by the Board of Directors.

information regarding the group's business activities, and the business activities of the group's Members and clients, unless the member is required by law to release such information.

### **Conflicts of interest**

General conflict of interest principles laid down in any relevant governing legislation, and/or the Statutes, Articles of Association or Bye-laws of an individual company within the Gard group, as the case may be, shall apply to the members of a corporate governing body of such company.

Notwithstanding the above, no member of a corporate governing body of an entity within the group shall, under any circumstances, concurrently be a member of a corporate governing body of another company or association, or other legal entity, which is involved in business activities which compete with the business activities of the Gard group.

### **Duty to inform if a conflict of interest situation arises**

If a conflict of interest situation arises, or a situation arises which may give reason to consider that a conflict may arise, the relevant member of the board or committee, as the case may be, has a duty to report the matter forthwith to the chairman of the relevant board or committee.

### **Guidelines for engagement of external service providers with whom member(s) of the Board of Directors are employed or associated**

External service providers with which a member of the Board of Directors of the Company (or another company in the Gard group) is employed or otherwise associated, shall be allowed to render professional services to companies in the Gard group, provided always that the individual director being employed or otherwise associated with the relevant external service shall not be the person responsible for the handling of the relevant matter unless approved by the Election & Governance Committee in each particular case.

Remuneration paid to the external service provider with which a director is employed or otherwise associated, shall be specifically identified in the relevant company's annual financial statements in accordance with statutory requirements.

### **Code of Ethics and Business Conduct**

Members of the corporate governing bodies of a company within the Gard group are bound to comply with any governing Code of Ethics and Business Conduct policies which may be determined by the relevant corporate governing bodies from time to time (See Appendix 12).

# ROLES AND RESPONSIBILITIES OF CORPORATE GOVERNING BODIES IN KEY ENTITIES

*This section outlines the roles and responsibilities of an individual corporate governing body as set out in the relevant Statutes, Bye-Laws and/or Articles of Association.*

## **Gard P. & I. (Bermuda) Ltd.**

As well as the General Meeting, Gard P&I Bermuda shall have a Board of Directors and an Election & Governance Committee.<sup>14</sup> The Board has also established an Executive Committee, a Remuneration Committee, an Audit Committee and a Risk Committee.

### **General Meeting**

The Members of Gard P&I Bermuda acting in general meeting (the “General Meeting”) is the Gard group’s highest authority. The General Meeting elects the members of the Board of Directors, approves the company’s annual accounts, approves amendments to the Bye-Laws and approves other matters as required under Bermuda law. The Bye-Laws of Gard P&I Bermuda are attached at **Appendix 2**.

### **Board of Directors**

#### *Functions*

The Board of Directors (the “Board”) is responsible for the management of the company’s business and shall determine its overall strategies, policies and guidelines.<sup>15</sup> The Board shall also ensure that the objects of Gard P&I Bermuda are furthered in accordance with Bermuda law, the Bye-Laws and the decisions of the General Meeting.

The Bye-Laws state that the Board shall cause the company’s accounts to be audited and submit the audited accounts to the Annual General Meeting together with its recommendations. The Board shall also make decisions in some key areas. This includes to: determine the Rules (as defined in the Bye-Laws); determine any variation to be made in premium ratings in accordance with the Rules; decide on the levy of last instalments or supplementary calls; set the rates at which release contributions are to be levied; decide on the closing of open policy years; and establish general principles for the administration of the company’s funds.

The Board shall also submit to the General Meeting, together with its recommendations, all matters which the Chairman of the Board, the Board, or not less than 100 Members of the company desire to be submitted to the General Meeting.

The Board shall appoint a President/Chief Executive Officer and other officers of the company.

The Board can delegate any of its powers to committees, which shall include at least two Directors, but every such committee shall conform to such directions as the Board shall impose on it.<sup>16</sup> Notwithstanding this authority, the Board may not delegate its power to compensate claims under Article 6.5(b) of the Bye-Laws.<sup>17</sup>

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<sup>14</sup> See Article 3.

<sup>15</sup> See Article 6.

<sup>16</sup> See Article 6.4.

<sup>17</sup> See Article 6.6.

### Composition

The Board shall consist of not less than 10 and not more than 35 Directors who shall be elected by the General Meeting.<sup>18</sup> Decisions shall be arrived at by a majority vote. In the event of an equal number of votes being cast, the chairman of the meeting shall have the deciding vote.<sup>19</sup>

### Meetings

The Board normally meets twice a year with one meeting a year to be held in Bermuda. A quorum will be formed when five directors are present, of whom two shall be members of the Executive Committee.<sup>20</sup> There are no formal requirements for how many meetings must be held during a calendar or financial year. A resolution in writing signed by all members of the Board shall be as valid and effectual as a resolution passed in a meeting of the Board.

### Remuneration

The remuneration of the members of the Board of Directors is determined by the General Meeting.<sup>21</sup>

## Executive Committee

### Functions

The Executive Committee is a sub-committee of the Board and assists the Board in fulfilling its responsibility for the management of the company's business. In general, the Executive Committee has been given the authority to make operational decisions within the policies and guidelines determined by the Board, and an overall duty to supervise the daily business of the company. The Executive Committee shall, without undue delay, report to the Board any matter where the Committee is of the opinion that the Board should be involved.<sup>22</sup> The Executive Committee shall otherwise determine any matter to the extent it has been empowered by the Board to do so. For example, the Executive Committee has been given the authority to approve the Risk and Solvency Assessment report for Gard P&I Bermuda as the parent company, and on a consolidated basis for the entire Gard group, as required under the Solvency II regulations.<sup>23</sup>

The Executive Committee shall also, *inter alia*: make amendments to the Rules to the extent empowered by the Board; administer the funds of the parent company in accordance with the general principles laid down by the Board; submit to the Board its proposal for the income and expenditure account and balance sheet, together with the group's consolidated income and expenditure account and balance sheet; recommend to the Board any variation to be made in premium ratings in accordance with the Rules; recommend to the Board the levy of last instalments, supplementary calls and overspill calls, or the repayment of excess advance calls, last instalments, supplementary calls and overspill calls; recommend to the Board the rates at which release calls are to be levied; and recommend to the Board the closing of open policy years.<sup>24</sup>

The Executive Committee shall propose an annual meeting plan to cover the period from the current Annual General Meeting to the Annual General Meeting the following year. The meeting plan shall identify key tasks and matters to be dealt with, and to which meeting the relevant matter will be referred to.

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<sup>18</sup> See Article 4.1.

<sup>19</sup> See Article 6.8.

<sup>20</sup> See Article 6.7.

<sup>21</sup> See Article 9.1.d.

<sup>22</sup> See Article 7.2.

<sup>23</sup> Decided by the Board of Directors at the meetings held on 25 and 27 October 2014.

<sup>24</sup> See Article 7.2.



### *Composition*

The Executive Committee shall consist of at least five but not more than eight Directors and shall include the President of the company.<sup>25</sup> The members of the Executive Committee shall be appointed by the Board at the first Board meeting which is held after the Annual General Meeting each year.<sup>26</sup> The Chairman of the Executive Committee shall be elected every year from amongst the members of the Executive Committee.

### *Meetings*

The Executive Committee will normally meet four to five times a year. There are no formal requirements regarding how many meetings it shall hold during the year. A quorum will be formed when three members of the Executive Committee are present.<sup>27</sup> A resolution in writing signed by all members of the Executive Committee shall be as valid and effectual as a resolution passed in a meeting of the Executive Committee.<sup>28</sup>

### *Reporting*

The Executive Committee reports to the Board.

### *Remuneration*

The remuneration of the members of the Executive Committee is determined by the General Meeting.<sup>29</sup>

## **Election & Governance Committee**

### *Functions*

The Election & Governance Committee shall make recommendations to the Annual General Meeting for the election of the members of the Board of Directors.<sup>30</sup> It shall make recommendations to the Board of Directors with regard to the appointment of members of the sub-committees of the Board and on the election of members of the boards of the parent company's subsidiaries.

The Election & Governance Committee shall also review general governance principles for the Board and the sub-committees of the Board and provide an annual report on such matters to the Board.

The Terms of Reference for the Election & Governance Committee are attached at **Appendix 13**.

### *Composition*

The Election & Governance Committee shall comprise a minimum of three but not more than four members who shall be elected by the General Meeting.<sup>31</sup> The Chairman of the Election & Governance Committee shall be elected from amongst the members of the Committee.<sup>32</sup>

### *Meetings*

The Election & Governance Committee meets as often as the Chairman of the Committee deems it necessary. The Election & Governance Committee normally meets twice a year in order to determine its recommendations to the Annual General Meeting and the Board of Directors.

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<sup>25</sup> See Article 7.1.

<sup>26</sup> See Article 7.1.

<sup>27</sup> See Article 7.3.

<sup>28</sup> See Article 7.6.

<sup>29</sup> See Article 9.1.d.

<sup>30</sup> See Article 8.1.

<sup>31</sup> See Article 8.2.

<sup>32</sup> See Article 8.3.



### *Reporting*

The Election & Governance Committee reports to the General Meeting with regard to the election of members of the Board of Directors of Gard P&I Bermuda, and reports to the Board with regard to the appointment of the members of the various sub-committees of the Board and the composition of the boards of the subsidiaries.

### *Remuneration*

The remuneration of the members of the Election & Governance Committee is determined by the General Meeting.<sup>33</sup>

## **Audit Committee**

### *Functions*

The Audit Committee assists the Board in fulfilling its responsibility with regard to financial reporting and ensures that the Gard group operates in compliance with governing laws, regulations and guidelines. The Audit Committee shall also oversee the performance of the external and internal audit functions, the group's ethical and whistleblowing guidelines and the appropriateness of the group's internal controls.

The Terms of Reference for the Audit Committee are attached at **Appendix 10**.

### *Composition*

The Audit Committee shall comprise at least three but not more than five members, all but one of whom must be Directors of Gard P&I Bermuda. The Board of Directors shall appoint a chairman from among the members of the Audit Committee from time to time. Each member of the Audit Committee shall be independent, meaning that he or she cannot be an employee, or be closely related to an employee, of a company in the Gard group. At least one member of the Audit Committee shall have recent relevant financial experience.

### *Meetings*

The Audit Committee shall meet at least two times per annum, or more frequently if deemed necessary by the chairman of the committee, or at the request of a committee member or Gard's external or internal auditors. The Audit Committee shall meet with the auditors without the Manager being present, at least once a year.

The quorum necessary for the transaction of business shall be two members.<sup>34</sup>

### *Reporting*

The Audit Committee reports to the Executive Committee with regard to financial reporting matters and to the Board with regard to all other matters.

### *Remuneration*

The remuneration of the members of the Audit Committee is determined by the General Meeting.

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<sup>33</sup> See Article 9.1.d.

<sup>34</sup> See Article 2.2 of the Audit Committee's Terms of Reference.

## Risk Committee

### *Functions*

The Risk Committee assists the Board in fulfilling its responsibility with regard to the oversight of risks within the parent company and its subsidiaries, with particular focus on reviewing the group's overall risk strategy, risk appetite, risk tolerance and risk profile, and assessing the effectiveness of the risk management framework. The Risk Committee shall consider the risks impact on both the financial and non-financial goals of the parent company and its subsidiaries.

The governing Terms of Reference for the Risk Committee are attached at **Appendix 11**.

### *Composition*

The Risk Committee shall comprise at least three but not more than five members, all of whom must be Directors of Gard P&I Bermuda. The Board of Directors shall appoint a chairman from among the members of the Risk Committee from time to time. Each member of the Risk Committee shall be independent and have experience with regard to risk management issues and practices.

### *Meetings*

The Risk Committee shall meet at least two times per annum or more frequently if deemed necessary by the chairman of the committee, or at the request of a committee member or Gard's external or internal auditors. The Risk Committee shall meet with the auditors without the Manager being present at least once a year.

The quorum necessary for the transaction of business shall be two members.<sup>35</sup>

### *Reporting*

The Risk Committee is a sub-committee of the Board and will report to and advise both the Board and the Executive Committee on risk matters as described in its Terms of Reference. If the Risk Committee identifies a matter for which it considers that action should be taken, or an improvement is needed, it shall make a recommendation to the Executive Committee and/or the Board, as the case may be, as to the action to be taken.

### *Remuneration*

The remuneration of the members of the Risk Committee is determined by the General Meeting.

## Remuneration Committee

### *Functions*

The Remuneration Committee's remit is to establish transparent procedures for reviewing and determining the remuneration of the Directors and the Chief Executive Officer of Gard P&I Bermuda, and to make recommendations thereon to the Executive Committee and the Board, as the case may be.

The Remuneration Committee shall also review Gard's remuneration policy in general, including operation of any employee incentive scheme from time to time in force, general salary adjustments, changes in pension schemes, etc. The Terms of Reference for the Remuneration Committee are attached at **Appendix 12**.

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<sup>35</sup> See Article 2.2 of the Risk Committee's Terms of Reference.

### *Composition*

The Remuneration Committee shall comprise at least three but not more than five members, all of whom shall be Directors of Gard P&I Bermuda. The Board of Directors shall appoint a chairman from among the members from time to time.

### *Meeting*

The Remuneration Committee shall meet at least once a year or otherwise as required.

The quorum necessary for the transaction of business shall be two members.<sup>36</sup>

### *Reporting*

The Remuneration Committee reports to the Executive Committee with regard to corporate remuneration and to the Board of Directors with regard to remuneration of Directors.

### *Remuneration*

The remuneration of the members of the Remuneration Committee is determined by the General Meeting.

## **Decisions Matrix**

The responsibilities of the Board and the various committees of Gard P&I Bermuda, as noted above, is illustrated in the Decisions Matrix attached as **Appendix 16**.

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<sup>36</sup> See Article 2.3 of the Remuneration Committee's Terms of Reference.

## Gard P & I Norway

### General Meeting

The General Meeting is a meeting of the Members of the association and is the company's highest authority.<sup>37</sup> It elects the members of the Board of Directors, approves the annual accounts and, if required, amends the company's Statutes and approves other matters as required under Norwegian law.<sup>38</sup> The Statutes of Gard P&I Norway are attached at **Appendix 3**.

Pursuant to Norwegian law<sup>39</sup> and Gard P&I Norway's Statutes,<sup>40</sup> the company shall have a Board of Directors.

### Board of Directors

#### *Functions*

The duties and responsibilities of the Board of Directors are set out in the Statutes<sup>41</sup> and include: the day-to-day operation of the company; establishing the overall policies of the company; and to ensure that the purpose of the association is furthered in accordance with the Statutes, governing law and the decisions of the General Meeting.

The Board of Directors shall also, *inter alia*: determine the Rules (as defined in the Statutes); establish principles for the administration of the club's funds; determine general variations in the premium ratings; decide on the levy of last instalments or supplementary calls; determine the rates of release calls; and decide on the closing of open policy years.

The Board of Directors shall make recommendations to the General Meeting on certain matters which are required to be decided by the General Meeting, including: the approval of the income and expenditure account and balance sheet; amendments to the Statutes of the club; and the remuneration of the members of the Board and the other committees.

The Board of Directors may delegate its powers to the Managing Director, but remains responsible for the supervision of his performance. The Board of Directors may not delegate its power to compensate claims under Article 9.3.b.<sup>42</sup>

#### *Composition*

The Board of Directors shall consist of at least five but not more than eight members elected by the General Meeting.<sup>43</sup> All persons who are Members of the club, and all executives of companies which are Members of the club, are eligible to serve as members of the Board of Directors, but one half of the Directors and the Chief Executive Officer must be domiciled in a State within the EEA.<sup>44</sup> Two individuals who are not executives of companies which are Members of the club, but who have a special knowledge or expertise which is beneficial to the club, may be elected to the Board of Directors under the special provisions in the Statutes.<sup>45</sup> Norwegian legislation<sup>46</sup> provides that both genders must be equally represented on the company's board of directors.

<sup>37</sup> Based on the resolution of the Board of 22 April 2010, Gard P&I Bermuda controls the vast majority of all member votes at the General Meeting of Gard P&I Norway making the latter to a subsidiary of Gard P&I Bermuda.

<sup>38</sup> See Article 12.

<sup>39</sup> The Insurance Act of 10 June 2005, S.5.

<sup>40</sup> See Article 5.

<sup>41</sup> See The Statutes, Article 9.

<sup>42</sup> See The Statutes, Article 10.

<sup>43</sup> See The Statutes, Article 6.1. Pursuant to the Norwegian Finance Institution Act the board must consist of at least five members and both genders shall be represented.

<sup>44</sup> See The Insurance Act of 10 June 2005, section 5-3 and the Joint Stock Companies Act of 13 June 1997, chapter 6.

<sup>45</sup> See Article 7.2.

<sup>46</sup> Section 6-11a Allmennaksjeloven

### *Meetings*

The Board of Directors shall meet regularly and at least four times a year. There are no formal requirements as to where the meetings shall be held.

A quorum shall be formed when half of the members of the Board of Directors are present. However, the Board of Directors may not adopt a resolution without all members of the Board of Directors having been given an opportunity, insofar as possible, to participate in the discussion of the matter in question.<sup>47</sup>

### *Remuneration*

The remuneration of the members of the Board of Directors is determined by the General Meeting.<sup>48</sup> The payment of the remuneration to the individual member of the Board of Directors is made in arrears for the year just ended.

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<sup>47</sup> See The Statutes, Article 8. 2.

<sup>48</sup> See The Statutes, Article 12.1.c.

## Gard M&E

### General Meeting

The General Meeting is the company's highest authority. It elects the members of the board of directors, approves the company's annual accounts, amends the company's Bye-Laws and approves other matters as required under Bermuda law. The General Meeting is a meeting of the shareholders of Gard M&E. The current sole shareholder of Gard M&E is Gard P&I Bermuda. The Bye-Laws of Gard M&E are attached as **Appendix 4**.

### Board of Directors

#### *Functions*

The Board of Directors manages the business of the company and may exercise all the powers of the company, except those powers that are required by Bermuda legislation or the Bye-Laws to be exercised by the General Meeting.<sup>49</sup>

The Board of Directors shall cause the accounts of the company to be audited and submit the audited accounts to the Annual General Meeting, together with its recommendations. Further, the Board of Directors may, *inter alia*, borrow money, mortgage or charge all or any part of the undertaking, property and assets of the company.<sup>50</sup>

The Board of Directors shall appoint the officers of the company.<sup>51</sup>

The Board of Directors may delegate any of its powers (not exceeding those powers vested in or exercisable by the Board under the Bye-Laws) to any company or person as it thinks fit.<sup>52</sup> In practice, the day to day running of the company, including issuing insurance policies and handling claims, is delegated to Lingard Limited as the company's manager and sub-delegated to Gard AS as agents of the manager.

#### *Composition*

The Board of Directors shall consist of not less than two and not more than six Directors elected by the shareholders at the Annual General Meeting.<sup>53</sup> Decisions shall be arrived at by a majority vote. In the case of an equality of votes, the motion shall be deemed to have been lost.<sup>54</sup>

#### *Meetings*

The Board normally meets every quarter but may meet more frequently if needed.<sup>55</sup> Board meetings may be held in conjunction with board meetings of other entities in the Gard group. A resolution in writing signed by all members of the Board for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as a resolution passed in a meeting of the Board.<sup>56</sup>

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2) individuals. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.<sup>57</sup>

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<sup>49</sup> See Bye-Law 27.

<sup>50</sup> See Bye-Law 27.

<sup>51</sup> See Bye-Law 30.

<sup>52</sup> See Bye-Law 28.

<sup>53</sup> See Bye-Law 22.

<sup>54</sup> See Bye-Law 29.1.

<sup>55</sup> See Bye-Law 29.1.

<sup>56</sup> See Bye-Law 29.9.

<sup>57</sup> See Bye-Law 29.3.

## *Remuneration*

The remuneration of the members of the Board is determined by the General Meeting.<sup>58</sup>

## **Gard M&E Europe**

### **General Meeting**

The General Meeting is the company's highest authority. It elects the members of the board of directors, approves the company's annual accounts, amends the company's Articles of Association and approves other matters as required under Norwegian law. The General Meeting is a meeting of the shareholders of Gard M&E Europe. The current sole shareholder of Gard M&E Europe is Gard M&E. The Articles of Association of Gard M&E Europe are attached at **Appendix 5**.

### **Board of Directors**

#### *Functions*

The Board of Directors shall manage the business of the company and may exercise all the powers of the company except those powers that are required by Norwegian legislation or the Articles of Association to be exercised by the General Meeting.

The Board of Directors shall cause the accounts of the company to be audited by the auditor and submit the audited accounts to the Annual General Meeting, together with its recommendations.

The Board of Directors shall appoint the officers of the company.

#### *Composition*

The Board of Directors shall consist of not less than three and not more than seven members, with one alternate member, who are elected by the shareholders at the Annual General Meeting.<sup>59</sup> The Board is to consist of a majority of people who are not employed by the company or the group, and the Chairman is to be elected from among the members of the board. Decisions shall be arrived at by a majority vote. In the case of an equality of votes, the chairman shall have the deciding vote.<sup>60</sup>

#### *Meetings*

The Board normally meets every quarter but may meet more frequently if needed.

A quorum occurs when more than half of the members are present or participate in the consideration of a matter. The Board may not make decisions unless all members of the Board, as far as possible, are given the opportunity to participate in the discussion. If a member cannot attend, the alternate member is to be given the opportunity to attend and participate in the consideration of the matter.<sup>61</sup>

#### *Remuneration*

The remuneration of the members of the Board is determined by the General Meeting.

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<sup>58</sup> See Bye-Law 25.

<sup>59</sup> See Article 2-2.

<sup>60</sup> See Article 2-3.

<sup>61</sup> See Article 2-3.

## Gard Re

### General Meeting

The General Meeting is the company's highest authority. It elects the members of the board of directors, approves the company's annual accounts, amends the company's Bye-Laws and approves other matters as required under Bermuda law. The General Meeting is a meeting of the shareholders of the company. The current sole shareholder of Gard Re is Gard P&I Bermuda. The Bye-Laws of Gard Re are attached at **Appendix 6**.

### Board of Directors

#### *Functions*

The Board of Directors shall manage the business of the company and may exercise all the powers of the company, except those powers that are required by Bermuda legislation or the Bye-Laws to be exercised by the General Meeting.<sup>62</sup>

The Board of Directors shall cause the accounts of the company to be audited and submit the audited accounts to the Annual General Meeting, together with its recommendations.

The Board of Directors appoints the officers of the company.<sup>63</sup>

The Board of Directors may delegate any of its powers (not exceeding those powers vested in or exercisable by the Board under the Bye-Laws) to any company or person as it thinks fit.<sup>64</sup>

#### *Composition*

The Board of Directors shall consist of not less than two and not more than eight members. Decisions shall be arrived at by a majority vote. In the case of an equality of votes, the motion shall be deemed to have been lost.<sup>65</sup>

#### *Meetings*

The Board of Directors shall normally meet at least once in every year. Board meetings may be held in conjunction with board meetings of other entities in the Gard group. A resolution in writing signed by all members of the Board for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as a resolution passed in a meeting of the Board.

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2) individuals. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.<sup>66</sup>

#### *Remuneration*

The remuneration of the members of the Board is determined by the General Meeting.<sup>67</sup>

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<sup>62</sup> See Bye-Law 27.

<sup>63</sup> See Bye-Law 30.

<sup>64</sup> See Bye-Law 28.

<sup>65</sup> See Bye-Law 29.1.

<sup>66</sup> See Bye Law 29.3.

<sup>67</sup> See Bye-Law 25.



## Lingard Limited

### General Meeting

The General Meeting is the company's highest authority. It elects the members of the board of directors, approves the company's annual accounts, amends the Bye-Laws and approves other matters as required under Bermuda law. The General Meeting is a meeting of the shareholders of the company. The current sole shareholder of Lingard Limited is Gard P&I Bermuda. Lingard's Bye-Laws are attached as **Appendix 7**.

### Board of Directors

#### *Functions*

The Board of Directors shall manage the business of the company and may exercise all the powers of the company except those powers that are required by Bermuda legislation or the Bye-Laws to be exercised by the General Meeting.<sup>68</sup>

The Board of Directors shall cause the accounts of the company to be audited and submit the audited accounts to the Annual General Meeting, together with its recommendations.

The Board of Directors appoints the officers of the company.<sup>69</sup>

The Board of Directors may delegate any of its powers (not exceeding those powers vested in or exercisable by the Board under the Bye-Laws) to any company or person as it thinks fit.<sup>70</sup>

#### *Composition*

The Board of Directors shall consist of not less than two and not more than six members elected by the General Meeting.<sup>71</sup> Decisions shall be arrived at by a majority vote. In the case of an equality of votes, the motion shall be deemed to have been lost.<sup>72</sup>

#### *Meetings*

The Board of Directors shall meet at least once in every year. Board meetings may be held in conjunction with board meetings of other entities in the Gard group. A resolution in writing signed by all members of the Board for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as a resolution passed in a meeting of the Board

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2) individuals. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects, and if otherwise a quorum of Directors would not be present.<sup>73</sup>

#### *Remuneration*

The remuneration of the members of the Board is determined by the General Meeting.<sup>74</sup>

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<sup>68</sup> See Bye-Law 27.

<sup>69</sup> See Bye-Law 30.

<sup>70</sup> See Bye-Law 28.

<sup>71</sup> See Bye-Law 22.1.

<sup>72</sup> See Bye-Law 29.1.

<sup>73</sup> See Bye-Law 29.3.

<sup>74</sup> See Bye-Law 25.

## Gard AS

### General Meeting

The General Meeting is the company's highest authority. It elects the members of the Board of Directors, approves the company's annual accounts and other matters as required under Norwegian law. The General Meeting is a meeting of the shareholders of Gard AS. The current sole shareholder of Gard AS is Gard P&I Bermuda. The Articles of Association of Gard AS are attached as **Appendix 8**.

### Board of Directors

#### *Functions*

The Board of Directors shall manage the business of the company and may exercise all the powers of the company within the parameters of the Articles of Association. It shall perform all functions that are not within the province of the General Meeting.

The Board of Directors shall cause the accounts of the company to be audited and submit the audited accounts to the Annual General Meeting, together with its recommendations.<sup>75</sup>

The Board of Directors appoints the Managing Director of the company.<sup>76</sup>

#### *Composition*

The Board of Directors shall consist of four directors elected by the General Meeting, and up to three directors elected by and from among Gard employees. Decisions shall be arrived at by a majority vote. In the event of an equal number of votes being cast, the chairman of the meeting shall not have the deciding vote.<sup>77</sup>

At least half of the directors must be domiciled in Norway or in an EU/EEA state.<sup>78</sup>

#### *Meetings*

The Board of Directors shall meet at least once in every quarter. Board meetings may be held in conjunction with board meetings of other entities in the Gard group.

The Board of Directors may adopt resolutions when more than half of the members of the Board of Directors are present or otherwise participate in the Board's proceedings, provided that all of the members of the Board of Directors have, as far as possible, been invited to participate in the proceedings.<sup>79</sup>

#### *Remuneration*

The remuneration of the members of the Board of Directors is determined by the General Meeting.

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<sup>75</sup> See The Norwegian Joint Stock Company Act, Chapter 5.

<sup>76</sup> See The Norwegian Joint Stock Company Act Section 6.2.

<sup>77</sup> See Articles of Association, Section 5.

<sup>78</sup> See The Norwegian Joint Stock Company Act, Section 6-11.

<sup>79</sup> See The Norwegian Joint Stock Company Act Section 6-24.

## APPENDICES

1. Members of Boards and Committees of the Gard group
2. Bye-Laws of Gard P. & I. (Bermuda) Ltd.
3. Statutes for Assuranceforeningen Gard – gjensidig
4. Bye-Laws of Gard Marine & Energy Limited
5. Articles of Association for Gard Marine & Energy Insurance (Europe) AS
6. Bye-Laws of Gard Reinsurance Co Ltd
7. Bye-Laws of Lingard Limited
8. Articles of Association for Gard AS
9. Terms of Reference for the President and CEO
10. Terms of Reference for the Audit Committee – Gard P. & I. (Bermuda) Ltd.
11. Terms of Reference for the Risk Committee – Gard P. & I. (Bermuda) Ltd.
12. Terms of Reference for the Remuneration Committee – Gard P. & I. (Bermuda) Ltd.
13. Terms of Reference for the Election & Governance Committee – Gard P. & I. (Bermuda) Ltd.
14. Glossary
15. Decisions Matrix approved by the Board of Directors in May 2015

## APPENDIX 1

### MEMBERS OF THE BOARD OF DIRECTORS AND THE COMMITTEES OF GARD P. & I. (BERMUDA) LTD.

#### Board of Directors

Morten W. Høegh, <i>Chairman</i>	Leif Høegh (UK) Ltd., United Kingdom
Michael Lykiardopulo, <i>Deputy Chairman</i>	Neda Maritime Agency Co Ltd, Greece
Nils Aden	Harren Shipping Services GmbH & Co. KG., Germany
Aristidis Alafouzios	Kyklades Maritime Corporation, Greece
Ian Beveridge	Bernhard Schulte GmbH & Co. KG, Germany
Kuo-Hua Chang	Evergreen Marine Corp. (Taiwan) Ltd., Taiwan
Cyril Ducau	Eastern Pacific Shipping Pte. Ltd, Singapore
Alexandra Economou	TMS Group, Greece
Trond Eilertsen	Norway
Timothy C. Faries	Bermuda
Bjørn Giæver	Nordic American Tankers Limited, Norway
Turid Grotmoll	Norway
Carl Johan Hagman	NYK Group, Japan
Weng Yew Hor	Pacific Carriers Limited, Singapore
Kenneth Hvid	Teekay Corporation Ltd, Canada
Georgios Karageorgiou	Olympic Shipping and Management S.A., Greece
Lasse Kristoffersen	Wallenius Wilhelmsen ASA, Norway
Marit Lunde	Equinor ASA, Norway
Jason Liberty	Royal Caribbean Cruises Ltd, USA
Petros Pappas	Star Bulk Carriers Corp., Greece
Callum Sinclair	Berge Bulk, Singapore
Herman Steen	Norway
Ingvild Sæther	Alterra Infrastructure Group Ltd., Norway
Takaya Uchida	Meiji Shipping Co. Ltd., Japan
Knut N.T. Ugland	J.J. Ugland Companies, Norway
Lois Zabrocky	International Seaways, Inc., USA
Rolf Thore Roppestad, <i>President</i>	Norway

#### Executive Committee

Trond Eilertsen, <i>Chairman</i>	Oslo
Nils Aden	Harren Shipping Services GmbH & Co. KG., Germany
Ian Beveridge	Bernhard Schulte GmbH & Co. KG, Germany
Turid Grotmoll	Norway
Carl Johan Hagman	NYK Group, Japan
Kenneth Hvid	Teekay Corporation Ltd, Canada
Marit Lunde	Equinor ASA, Norway
Rolf Thore Roppestad, <i>President</i>	Norway

#### Election & Governance Committee

Morten W. Høegh, <i>Chairman</i>	Leif Høegh (UK) Ltd., United Kingdom
Carl Johan Hagman	NYK Group, Japan
Michael Lykiardopulo	Neda Maritime Agency Co Ltd, Greece

## **Audit Committee**

Ian Beveridge, *Chairman*  
Georgios Karageorgiou  
Bjørn Glæver  
Herman Steen

Bernhard Schulte GmbH & Co. KG, Germany  
Olympic Shipping and Management S.A., Greece  
Nordic American Tankers Limited, Norway  
Norway

## **Risk Committee**

Morten W. Høegh, *Chairman*  
Kenneth Hvid  
Weng Yew Hor  
Callum Sinclair

Leif Høegh (UK) Ltd., United Kingdom  
Teekay Corporation Ltd, Canada  
Pacific Carriers Limited, Singapore  
Berge Bulk, Singapore

## **Remuneration Committee**

Trond Eilertsen, *Chairman*  
Nils Aden  
Turid Grotmoll  
Ingvild Sæther

Norway  
Harren Shipping Services GmbH & Co. KG., Germany  
Norway  
Alterra Infrastructure Group Ltd., Norway

## MEMBERS OF THE BOARD OF DIRECTORS OF ASSURANCEFORENINGEN GARD – GJENSIDIG -

### Board of Directors

Trond Eilertsen, <i>Chairman</i>	Norway
Nils Aden	Harren Shipping Services GmbH & Co. KG., Germany
Ian Beveridge	Bernhard Schulte GmbH & Co. KG, Germany
Turid Grotmoll	Norway
Marit Lunde	Equinor ASA, Norway

## MEMBERS OF THE BOARD OF DIRECTORS OF GARD MARINE & ENERGY LIMITED

### Board of Directors

Trond Eilertsen, <i>Chairman</i>	Norway
Nils Aden	Harren Shipping Services GmbH & Co. KG., Germany
Ian Beveridge	Bernhard Schulte GmbH & Co. KG, Germany
Rolf Thore Roppestad	Norway
Kristian Dalene	Bermuda

## MEMBERS OF THE BOARD OF DIRECTORS OF GARD MARINE & ENERGY INSURANCE (EUROPE) AS

### Board of Directors

Trond Eilertsen, <i>Chairman</i>	Norway
Nils Aden	Harren Shipping Services GmbH & Co. KG., Germany
Ian Beveridge	Bernhard Schulte GmbH & Co. KG, Germany
Turid Grotmoll	Norway
Marit Lunde	Equinor ASA, Norway

## MEMBERS OF THE BOARD OF DIRECTORS OF GARD REINSURANCE CO LTD

### Board of Directors

Morten W. Høegh, <i>Chairman</i>	Leif Høegh (UK) Ltd., United Kingdom
Trond Eilertsen, <i>Deputy Chairman</i>	Norway
Timothy Faries	Bermuda
Michael Lykiardopulo	Neda Maritime Agency Co Ltd, Greece
Rolf Thore Roppestad	Norway
Kristian Dalene, <i>President</i>	Bermuda

## MEMBERS OF THE BOARD OF DIRECTORS OF LINGARD LIMITED

### Board of Directors

Morten W. Høegh, *Chairman*  
Trond Eilertsen  
Rolf Thore Roppestad  
Kristian Dalene

Leif Høegh (UK) Ltd., United Kingdom  
Norway  
Norway  
Bermuda

## MEMBERS OF THE BOARD OF DIRECTORS OF GARD AS

### Board of Directors

Trond Eilertsen, *Chairman*  
Nils Aden  
Ian Beveridge  
Turid Grotmoll  
Marit Lunde  
Michaela Carlström  
Brikt Valland  
Puja Varaprasad

Norway  
Harren Shipping Services GmbH & Co. KG., Germany  
Bernhard Schulte GmbH & Co. KG, Germany  
Norway  
Equinor ASA, Norway  
Employee representative, Norway  
Employee representative, Norway  
Employee representative, Singapore

## MEMBERS OF THE BOARD OF DIRECTORS OF A/S ASSURANSEGÅRDEN, GARD KRYSSET AS AND SAGAGÅRDEN AS

### Board of Directors

Trond Eilertsen, *Chairman*  
Knut N.T. Ugland, *Deputy Chairman*  
Rolf Thore Roppestad

Norway  
J.J. Ugland Companies, Norway  
Norway

# APPENDIX 2

## AMENDED AND RESTATED BYE-LAWS OF GARD P. & I. (BERMUDA) LTD.

Adopted 25 September 2007, as amended at the AGM held on 24 June 2009, the AGM held on 23 June 2010, the AGM held on 10 September 2014, the AGM held on 24 June 2015, the AGM held on 22 June 2016, AGM held on 21 June 2018, the AGM held on 20 June 2019, the AGM held on 1 July 2021 and the AGM held on 30 June 2022.

### CHAPTER 1 GENERAL PROVISIONS

#### Article 1 Interpretation

1. In these Bye-Laws, the following words or expressions shall, where not inconsistent with the context, have the following meanings:

<i>The Acts:</i>	The Companies Act 1981 and every Bermuda statute from time to time in force in so far as the same may apply to the Association.
<i>Alternate Director:</i>	A person appointed as an alternate for a Director in accordance with these Bye-Laws and the Acts.
<i>Association:</i>	Gard P. & I. (Bermuda) Ltd., a mutual insurance association incorporated in Bermuda on 8 February 1988
<i>Board:</i>	the Board of Directors of the Association.
<i>Directors:</i>	the members of the Board for the time being.
<i>General Meeting:</i>	the Members acting in General Meeting.
<i>Insurance:</i>	insurance - including reinsurance, and cognate expressions shall be construed accordingly.
<i>Joint Members:</i>	where an entry gives rise to membership of the Association by more than one person, those persons.
<i>Manager:</i>	the manager, for the time being, of the Association and includes any and all servants and agents of the Manager to whom duties of the Manager have been entrusted.
<i>Member:</i>	an owner, operator, charterer or insurer of a Ship entitled to membership of the Association pursuant to Article 2.
<i>Norwegian Club:</i>	Assuranceforeningen Gard -gjensidig-, a mutual insurance association founded in Arendal, Norway in 1907.
<i>Rules:</i>	the Rules from time to time in force, governing the whole or any part of the Insurance provided by the Association.
<i>Secretary:</i>	the individual or the company appointed by the Board to perform any of the duties of the Secretary and includes a temporary or assistant or deputy Secretary.
<i>Ship:</i>	a ship and such other floating structure as may be approved by the Board from time to time.
<i>these Bye-Laws:</i>	means these Bye-Laws in their present form.

Headings are for reference only and shall not affect the construction of these Bye-Laws.

#### Article 2 Membership

1. Any entry of a Ship by an owner, operator or charterer shall give rise to membership of the Association.



2. Any entry of a Ship by another insurer by way of reinsurance may, at the discretion of the Board, give rise to membership of the Association by that other insurer or by the owner, operator or charterer of that Ship.
3. Membership may be in respect of one or more of the Ships owned, operated, chartered or insured by the Member, and shall continue until all of the Members' entries have been terminated or shall have ceased.
4. Membership and any entry of a Ship in the Association shall be governed by these Bye-Laws and the Rules.
5. Subject to these Bye-Laws and the Rules, the Members shall have no direct liability for the obligations of the Association.
6. If, and so long as, the Norwegian Club is reinsured by the Association, the Norwegian Club and the members of the Norwegian Club shall be Members of the Association. The Association shall have the same rights (including, but not limited to, the right to levy supplementary calls), with respect to the Norwegian Club's members, as the Norwegian Club has under the terms of entry agreed between the Norwegian Club and the individual Member.
7. Every Director of the Association, whilst holding that office, shall be a Member of the Association.

## **CHAPTER 2 GOVERNING CORPORATE BODIES**

### **Article 3 Governing corporate bodies**

The Association shall have a Board of Directors, an Executive Committee and an Election & Governance Committee. Subject to Article 6.4, the Board may establish additional committees, as committees of the Board, to assist the Board with its oversight responsibilities and compliance with applicable legal and regulatory requirements.

### **Article 4 Composition of the Board of Directors**

1. The Board shall consist of not less than ten and not more than thirty-five Directors who shall be elected by the General Meeting. At each Annual General Meeting those Directors who have been in office for three years since their last election or re-election shall retire from office but may be re-elected.
2. As soon as practicable after each Annual General Meeting, the Chairman of the Board and the Deputy Chairman of the Board shall be elected by and from amongst the Directors.

### **Article 5 Directors**

1. All persons who are Members of the Association, and all executives of companies which are Members of the Association, are eligible for election as Directors or Alternate Directors of the Association. The office of Director or Alternate Director shall be vacated at the Annual General meeting of the Company in the calendar year when the Director or Alternate Director attains the age of 73 years.
2. Up to five persons not otherwise eligible under Article 5.1 may be elected Directors. Alternates for these Directors also need not be eligible under Article 5.1. Unless elected under this Article 5.2, the office of Director or Alternate Director shall be vacated immediately if the Director or Alternate Director ceases to be eligible for election.
3. A Director or Alternate Director may act by himself or his firm in a professional capacity for the Association (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director or Alternate Director.
4. No person may, in his capacity as a Director or Alternate Director, participate in the handling of a decision upon a matter in which he or those he represents have any material interest of a personal, professional or financial nature.

### **Article 6 Functions of the Board of Directors**

1. The Board shall ensure that the objects of the Association are furthered in accordance with the Acts, these Bye-Laws and the decisions of the General Meeting. All meetings of the Board shall take place in Bermuda or otherwise, at a location outside Norway.
2. The Board shall manage the business of the Association and shall determine the Association's overall strategies, guidelines and policies. Without limiting the generality of the foregoing, the Board shall:

- a) as and when it deems appropriate, amend the Bye-Laws, however, the Bye-Laws and any such amendment shall be submitted to the General Meeting for approval, and shall become operative only to such extent approval is given by such General Meeting;
  - b) determine the Rules of the Association, and the Board may empower the Executive Committee to make such amendments to the Rules as the Board considers appropriate;
  - c) establish general principles for the administration of the funds of the Association;
  - d) determine annually any variation to be made in premium ratings in accordance with the Rules;
  - e) decide on the owners' general discount, the levy of supplementary calls and overspill calls, or the repayment of excess advance calls, supplementary calls and overspill calls;
  - f) set the rates at which release contributions are to be levied;
  - g) decide on the closing of open policy years;
  - h) pass claims for compensation and where appropriate determine whether a Member shall be compensated for the loss of a Ship following confiscation and, if so, on what terms;
  - i) decide on the engagement and dismissal of the Manager and the terms of their contract of employment;
  - j) determine what types of floating structure shall be eligible for entry in the Association and the Board may empower the Manager to make any such determination from time to time;
  - k) cause records of account to be kept in accordance with the Acts;
  - l) cause the accounts of the Association to be audited by the auditor appointed in conformity with these Bye-Laws and the Acts, and submit the audited accounts to the General Meeting, together with its recommendations;
  - m) submit to the General Meeting, together with its recommendations, all matters which the Chairman of the Board, the Board, or not less than 100 Members of the Association desire to be submitted to the General Meeting;
  - n) cause the Association to enter into such reinsurance treaties as the Board may deem appropriate;
  - o) engage and dismiss the agents, officers and servants of the Association and determine their conditions of service; and
  - p) at the first Board meeting following an Annual General Meeting, elect the members of the Executive Committee for the ensuing year from amongst the members of the Board.
3. The Board shall exercise its powers, authorities and discretions in Bermuda or otherwise, from a location outside Norway.
4. The Board may delegate any of its powers, other than the power specified in Article 6.5 (b) below, to committees which shall include two or more of the Directors and may include one person who is not a Director, but every such committee shall conform to such directions as the Board shall impose on it. Any committee so appointed by the Board shall exercise its powers, authorities and discretions in Bermuda or otherwise, from a location outside Norway.
5. The Board may decide in any particular case:
- a) that the Association shall accept an entry on terms or conditions that vary from the provisions of these Bye-Laws or the Rules;
  - b) that the Association shall pay compensation in respect of a liability, loss, cost or expense which is not covered under the Rules where, in view of the objects of the Association, the Board deems that the payment of compensation is natural and desirable. The Board's decisions shall be final and binding on all interested parties. The Board shall not be obliged to give reasons for its decision.
6. The Board shall determine the authority of the Manager and may from time to time delegate to them such of its powers, subject to such conditions and limitations (if any), as it deems appropriate, provided that the Manager is prohibited from undertaking any actions or making any decisions on behalf of the

Association in matters that are of an unusual nature or deemed to be of great importance to the Association. The Board shall not delegate the power to compensate a claim pursuant to Article 6.5 (b).

7. A quorum shall be formed when five Directors are present, of whom two Directors shall also be members of the Executive Committee. A Director may be represented by a proxy who is himself a Director or by his Alternate.
8. Decisions shall be arrived at by a majority vote. In the event of an equal number of votes being cast, the chairman of the meeting shall have the deciding vote.
9. Subject to Article 5, the Board shall have the power to appoint any qualified person to fill a casual vacancy in the Board.
10. In the event that the number of Directors has been reduced to a number below ten, the Board may act only for the purpose of increasing the number of Directors to at least ten, or summoning a General Meeting.
11. A resolution in writing signed by all the Directors shall be as valid as if it had been passed by a meeting of the Board, provided that no such resolution shall be valid unless a majority of the Directors execute such resolution outside Norway.
12. A Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Board at any time. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given by post, email or facsimile in accordance with any instructions given by such Director to the Secretary for this purpose.

#### **Article 7 Executive Committee**

1. The Executive Committee shall consist of at least five but not more than eight Directors, and shall include the President of the Association. The first members of the Executive Committee shall be elected by the Members at the Extraordinary General Meeting called to approve these Bye-Laws. Thereafter, subject to Article 6.4, the Board shall elect the members of the Executive Committee yearly, at the first Board meeting held after the Annual General Meeting.
2. The Executive Committee shall assist the Board in fulfilling its responsibility with regard to the management of the business of the Association and shall make operational decisions within the overall strategies, guidelines and policies laid down by the Board. Without limiting the generality of the foregoing, the Executive Committee shall also:
  - a) supervise the daily business of the Association and report to the Board without undue delay any matter which is required by these Bye-Laws or by the Acts to be authorized by the Board or any matter which the Executive Committee believes should be reviewed and/or decided by the Board;
  - b) make amendments to the Rules, to the extent empowered by the Board;
  - c) administer the funds of the Association in accordance with the general principles laid down by the Board;
  - d) submit to the Board its proposal for the Association's income and expenditure account and its balance sheet, together with a consolidated income and expenditure account and balance sheet;
  - e) make recommendations to the Board on any variation to be made in premium ratings in accordance with the Rules;
  - f) make recommendations to the Board on the owners' general discount, the levy of supplementary calls and overspill calls or the repayment of excess advance calls, supplementary calls and overspill calls;
  - g) make recommendations to the Board on the rates at which release calls are to be levied;
  - h) make recommendations to the Board on the closing of open policy years;
  - i) make recommendations to the Board on the exercise of the Board's powers to compensate for the loss of a Ship following confiscation and, if so, on what terms;
  - j) cause the Association to enter into such reinsurance treaties as it may deem appropriate;

- k) make recommendations to the Board on the engagement and dismissal of the agents, officers and servants of the Association and their conditions of service;
  - l) establish bank accounts for the Association and determine the limits and signing authority on such bank accounts; and
  - m) decide on any matter to the extent specifically authorized by the Board.
3. A quorum shall be formed when three members of the Executive Committee are present.
  4. The chairman and deputy chairman of the Executive Committee shall be elected every year by and from amongst the members of the Executive Committee.
  5. Decisions shall be arrived at by a majority vote. In the event of an equal number of votes being cast, the chairman of the meeting shall have the deciding vote.
  6. A resolution in writing signed by all of the members of the Executive Committee shall be as valid as if it had been passed by a meeting of the Executive Committee.

#### **Article 8 Election & Governance Committee**

1. The Association shall establish an Election & Governance Committee to review the size, structure and composition of the Board and which shall make recommendations to the General Meeting on the appointment of Directors. The recommendations of the Election & Governance Committee shall be submitted to the Board prior to the General Meeting at which the relevant election(s) shall take place.
2. The Election & Governance Committee shall also review general governance principles and procedures for the Board and the sub-committees of the Board and once a year provide the Board with a report on the committee's work
3. The Election & Governance Committee shall consist of three but not more than four members elected by the General Meeting. All members of the Election & Governance Committee shall be eligible for election as Directors of the Association pursuant to article 5.1 of the Bye-laws.
4. At each Annual General Meeting those members of the Election & Governance Committee who have been in office for three years since the last election or re-election shall retire from office but may be re-elected. The Chairman of the Election & Governance Committee shall be elected every year from and amongst the members of the Election & Governance Committee.
5. Decisions shall be arrived at by a majority vote. In the event of an equal number of votes being cast, the Chairman of the meeting shall have the deciding vote. A quorum shall be formed when two members of the Election & Governance Committee are present.

#### **Article 9 General Meeting**

1. The General Meeting shall:
  - a) approve the Bye-Laws of the Association and, on the recommendation of the Board, any amendments thereto;
  - b) approve the adoption of the audited accounts of the Association;
  - c) elect the Directors and Alternate Directors;
  - d) determine the remuneration of the members of the Board of Directors and Alternate Directors, and of the members of the Executive Committee, the Election & Governance Committee and any committee establish pursuant to Article 6.4;
  - e) subject to the Acts, appoint an auditor of the accounts of the Association; and
  - f) make decisions on any matters which, according to the Acts and these Bye-Laws, are required to be approved by the General Meeting.

The General Meeting may only make decisions on those matters which are set out in the notice calling such meeting and on which the Board has made its recommendations.

2. The Board shall convene and the Association shall hold an Annual General Meeting once in every calendar year in accordance with the requirements of the Acts, at such times and places as the Board

shall appoint. An Extraordinary General Meeting shall be convened when required by the Chairman of the Board, the Board, or by Members of the Association representing not less than one-tenth of the total voting rights of all the Members.

3. General Meetings shall be called with not less than 14 days written notice. Such notice shall be given by the Board.
4. The Chairman of the Board, or in his absence the Deputy Chairman, shall preside as chairman at General Meetings. In the absence of both the Chairman and the Deputy Chairman, the General Meeting shall elect a chairman of the meeting. A Member may be represented by a proxy. A quorum shall be formed when not less than 15 - fifteen Members or their proxies are present.
5. Members shall be entitled to a number of votes at General Meetings determined, by reference to the total gross tonnage of Ships entered in respect of them, whether directly or indirectly, as follows:
  - a) up to 20,000 gross tons - one vote;
  - b) 20,001 - 50,000 gross tons - two votes;
  - c) 50,001 - 100,000 gross tons - three votes;
  - d) 100,001 - 200,000 gross tons - four votes; and
  - e) thereafter, one additional vote for each 200,000 gross tons or part thereof, provided that –
    - (i) entries for a period of less than one year shall have no voting rights;
    - (ii) in respect of Ships not measured in gross tons, the tonnage shall be determined by the Board at the time of entry;
    - (iii) Members whose Ships are managed by one firm of managers shall have between them as many votes as they would have held if all the entered Ships managed by the firm had belonged to one Member, and if such Members purport to exercise more votes than they are entitled to hereunder, all such votes shall be discounted; and
    - (iv) Joint Members shall have between them as many votes as they would have had if there had been only one Member in respect of the entry and their voting rights shall be vested in the Member named first in the certificate of entry.
6. Decisions shall be arrived at by a majority of the votes cast at the meeting, save that a two-thirds majority shall be required to amend these Bye-Laws and the Association may only be wound-up or amalgamated in accordance with Article 12.1. In the event of an equal number of votes being cast, the chairman of the meeting shall cast the deciding vote.
7. In the event that the Association has no Members whose risks are insured by the Association, each Director shall have one vote at General Meetings.
8. No General Meeting of the Association shall be held in Norway.

### **CHAPTER 3 MISCELLANEOUS PROVISIONS**

#### **Article 10 Manager**

1. Lingard Limited shall be the Manager of the Association.
2. Unless otherwise determined by the Chairman of the meeting in any particular case the Manager shall be entitled to attend meetings of the Board and all sub-committees, (including but not limited to the Executive Committee) established by the Board and all Annual and Extraordinary General Meetings of the Association.
3. Whenever any power, duty or discretion is delegated to the Manager pursuant to these Bye-Laws or the insurance management agreement in effect between the Association and Lingard Limited from time to time, such power, duty or discretion may, subject to any terms, conditions or restrictions imposed upon the Manager in relation thereto, either pursuant to these Bye-Laws or, as the case may be, the said insurance management agreement, be exercised by any servant or agent of the Manager to whom the same shall have been delegated or sub-delegated.

### **Article 11 Financial Year**

The Association's financial year shall terminate at midnight on 31 December each year.

### **Article 12 Winding-up and amalgamation**

1. The General Meeting may resolve to wind-up the Association or to amalgamate it with another association if at least two-thirds of all of the Members vote in favour of such action. If a majority of the votes cast at a General Meeting are in favour of such action, but less than two-thirds of all of the Members were present at the meeting, either in person or represented by proxy, the matter may be submitted to another General Meeting, at which time a resolution to wind-up or amalgamate the Association may be approved by a majority of three-quarters of the votes cast.
2. Upon winding-up, after the Association's liabilities have been satisfied, any remaining assets shall be disposed of by the General Meeting.

### **Article 13 Indemnity**

1. Every Director and other officer of the Association shall be indemnified by the Association against, and it shall be the duty of the Board out of the funds of the Association to pay, all costs, losses and expenses which any such Director, or other officer may incur or become liable to by reason of any contract entered into, or act or thing done, by him as such Director or other officer, or in any other way in the discharge of his duties, provided that the indemnity contained in this Bye-Law shall not extend to any matter which would render it void under the Acts.
2. No Director or other officer of the Association shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or act for conformity, or for any loss or expense happening to the Association through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Association, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Association shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement, omission, default or oversight on his part, or for any other loss or damage or misfortune whatsoever which shall happen in relation to the execution of the duties of his office or in relation thereto, unless the same happened through his own wilful negligence, wilful default, fraud or dishonesty.
3. The Manager shall be entitled to the same indemnity and exemption from liability as is given to the Directors and other officers of the Association by Article 13.

### **Article 14 Governing law**

These Bye-Laws shall be governed by the laws of Bermuda.

# APPENDIX 3

## STATUTES FOR ASSURANCEFORENINGEN GARD – GJENSIDIG-

As changed at the Annual General Meeting held on 2 June 2022.

### CHAPTER 1 GENERAL PROVISIONS

#### Article 1 Name and head office

The name of the company is Assuranceforeningen Gard - gjensidig -. The Association was founded on 9 October 1907 and has its head office in Arendal, Norway.

#### Article 2 Interpretation

1. In these Statutes these words and expressions shall have the following meanings:

“Association” means Assuranceforeningen Gard - gjensidig -;

“Member” means an owner, operator, charterer or insurer of a Ship entitled to membership of the Association pursuant to Article 4;

“Joint Members” means, where an entry gives rise to membership of the Association by more than one person, those persons;

“Rules” means the Rules of the Association for P&I and Defence cover for ships and other floating structures or the Rules of the Association for P&I cover of mobile offshore units, as the case may be.

“Ship” means a ship or such other floating structure as may be approved by the Association from time to time.

2. Headings are for reference only, and shall not affect the construction of these Statutes.

#### Article 3 Purpose

The purpose of the Association is to insure on mutual basis liabilities, losses, costs and expenses incurred by the Members in direct connection with the operation of Ships entered in the Association and to be engaged in other business related thereto.

#### Article 4 Membership

1. Any entry of a Ship by an owner, operator or charterer shall give rise to membership of the Association.
2. Any entry of a Ship by another insurer by way of reinsurance may (at the discretion of the Association) give rise to membership of the Association by that other insurer or by the owner, operator or charterer of that Ship.
3. Membership may be in respect of one or more of the Ships owned, operated, chartered or insured by the Member, and shall continue until all of the Member’s entries have been terminated or shall have ceased.
4. Any entry shall be governed by these Statutes and by the Rules.
5. The Members shall have no direct liability for the obligations of the Association.
6. In accordance with the Rules a deficit may be levied on, and surplus estimated total calls and supplementary calls, as defined in the Rules, repaid to, the Members in proportion to their net estimated total calls for the policy year.
7. The Members together with the Association shall be members of Gard P. & I. (Bermuda) Ltd, which membership shall be governed by the Memorandum of Association and Bye-Laws of Gard P. & I. (Bermuda) Ltd. The right to vote or abstain from voting at the Association’s General Meeting shall be exercised by Gard P. & I. (Bermuda) Ltd. on behalf of all members in the Association.



## **CHAPTER 2 GOVERNING CORPORATE BODIES**

### **Article 5 Governing corporate bodies**

The Association shall have a Board of Directors and a General Meeting.

### **Article 6 Composition of the Board of Directors**

1. The Board of Directors shall consist of at least five, but not more than eight members elected by the General Meeting. Every year the two members of the Board who have the longest period of service, reckoned in accordance with Article 7.4 shall retire, but may be re-elected.
2. The Chairman and the Deputy Chairman of the Board of Directors shall be elected every year by and from amongst the members of the Board of Directors.

### **Article 7 Members of the Board of Directors**

1. All persons who are Members of the Association and all executives of companies which are Members of the Association are eligible to serve as members of the Board of Directors. Member who is no longer eligible shall cease to serve.
2. In addition, up to two persons not otherwise eligible may be elected members of the Board of Directors.
3. No person may be elected or re-elected to the Board of Directors after having attained the age of 70 years. A member of the Board of Directors having reached the age limit may continue to serve the remainder of the period for which he has been elected.
4. The period of service of a member of the Board of Directors shall be reckoned from the date of his/her last election to the position and shall not exceed four years. If several persons have equally long periods of service, retirement pursuant to Articles 6.1 shall be decided upon by a draw.
5. No person may, in his capacity as member of the Board of Directors participate in the handling of a decision upon a matter in which he or those he represents have any material interest of a personal or financial nature.
6. A member of the Board of Directors who incurs liability by reason of his office shall be indemnified and held harmless by the Association against any losses, costs or expenses thereby arising.

### **Article 8 Meetings of the Board of Directors**

1. The Board of Directors shall meet regularly and at least four times per year. The Board of Directors shall meet when demanded in writing by a member of the Board of Directors or the Managing Director. The meetings are chaired by the Chairman or in his absence the Deputy Chairman. In the absence of both the Chairman and the Deputy Chairman, the member of the Board of Directors present shall elect a chairman for the meeting.
2. A quorum shall be formed when half of the members of the Board of Directors are present. However, the Board of Directors may not adopt a resolution without all members of the Board of Directors having been given an opportunity, in so far as possible, to participate in the discussion of the matter in question.
3. Decisions shall be arrived at by a majority vote. However, those who have voted in favour of a resolution must always constitute more than one third of the members of the Board of Directors. In the event of an equal number of votes being cast, the chairman of the meeting shall have the deciding vote.
4. Minutes shall be taken of the meetings of the Board of Directors. The minutes shall be signed by all members of the Board of Directors participating in the meeting. Members of the Board of Directors having not participated in a meeting shall be informed about decisions taken at that meeting.

### **Article 9 Functions of the Board of Directors**

1. The Board of Directors is responsible for the daily business of the Association; for making such decisions as are not within the province of any other governing corporate body; and for ensuring to that the purpose of the Association is furthered in accordance with these Statutes, the governing law, and the decisions of the General Meeting.
2. The Board of Directors shall also:
  - a) determine the Rules;



- b) establish general principles for the administration of the funds of the Association and administer the funds in accordance with the agreed principles;
  - c) determine annually any owners' general discount and any variation to be made in premium ratings in accordance with the Rules;
  - d) decide on the levy of supplementary calls and overspill calls or the repayment of excess estimated total calls, supplementary calls and overspill calls as defined in the Rules;
  - e) set the rates at which release calls are to be levied;
  - f) decide on the closing of open policy years;
  - g) determine whether a Member should be compensated for the loss of a Ship, pursuant to Rule 49 of the Rules;
  - h) decide on the engagement and dismissal of the Managing Director and on his conditions of service;
  - i) determine which types of floating structure shall be eligible for entry with the Association;
  - j) enter into such reinsurance treaties as deemed appropriate;
  - k) pass claims for compensation;
  - l) submit to the Annual General Meeting, together with its recommendations, the income and expenditure account and balance sheet and the consolidated income and expenditure account and balance sheet; and
  - m) submit to the General Meeting, together with its recommendations, all matters which the Chairman of the Board of Directors or Members of the Association representing at least 100 votes desire to be submitted to the General Meeting.
3. In any particular case the Board of Directors may decide:
- a) that the Association shall accept an entry on terms or conditions that vary the provisions of these Statutes or the Rules; and
  - b) that the Association shall pay compensation in respect of a liability, loss, cost or expense which is not covered under the Rules where in view of the purpose of the Association this is deemed natural and desirable. The Board of Directors' decision is final and it shall be under no obligation to give reasons for its decision.

#### **Article 10 Managing Director**

The Association shall have a Managing Director. The Managing Director shall administer the daily business of the Association, implement decisions of the Board of Directors and otherwise take care of the interests of the Association. The Board of Directors shall determine the authority of the Managing Director and may, to the extent necessary, delegate its powers to him, except that it shall itself make any decision which it is empowered to make under Article 9.3.b.

#### **Article 11 General Meeting**

1. The General Meeting is the Association's highest authority.
2. General Meetings shall be called by the Board of Directors with not less than 14 days' written notice.
3. The Chairman of the Board of Directors, or, in his absence, the Deputy Chairman shall take the chair at General Meetings. In the absence of both the Chairman and the Deputy Chairman, the General Meeting shall elect a chairman of the meeting.
4. The Chairman of the Meeting is responsible for making a record of the Members present at the meeting either in person or by proxy. The record shall state how many votes each of the Members present in person or by proxy represent.
5. The Chairman of the Meeting is also responsible for minutes being taken of the meeting. Any resolutions adopted by the General Meeting shall be entered in the minutes with a statement of the voting result. The record of those present at the meeting shall be included in the minutes. The minutes of the meeting shall be signed by the Chairman of the meeting and at least one other person elected by the General Meeting among those present. The minutes shall be available to the Members at the Association's premises and shall be store in an adequate manner.
6. A quorum shall be formed regardless of the number of Members present. A Member may be represented by a proxy.
7. Members shall be entitled to a number of votes at General Meetings determined by reference to the total gross tonnage of ships entered by them, as follows:
  - a) up to 20,000 gross tons – one vote;
  - b) 20,001 – 50,000 gross tons – two votes;
  - c) 50,001 – 100,000 gross tons – three votes;
  - d) 100,001 – 200,000 gross tons – four votes;

- e) thereafter, one additional vote for each 200,000 gross tons or part thereof, provided that
    - i) entries for a period of less than one year give no voting rights;
    - ii) in respect of ships not measured in gross tons, tonnage shall be determined by the Association at the time of entry;
    - iii) Members whose ships are managed by one firm of managers shall have between them as many votes as they would have held if all the entered ships managed by the firm had belonged to one Member, and if such Members purport to exercise more votes than they are entitled to hereunder, all such votes shall be discounted; and
    - iv) Joint Members shall have between them as many votes as they would have had if there had been only one Member in respect of the entry, and their voting rights shall be vested in the Member named first in the certificate of entry.
8. Decisions shall be arrived at by a majority vote, save that a two thirds majority shall be required to amend these Statutes in accordance with Article 14, and the Association may only be dissolved or amalgamated by a vote in accordance with Article 17. In the event of an equal number of votes being cast, the Chairman of the meeting shall cast the deciding vote.

#### **Article 12 Annual General Meeting**

1. The Annual General Meeting shall be held no later than seven months after the end of the financial year, to:
  - a) approve the income and expenditure account and balance sheet and the consolidated income and expenditure account and balance sheet;
  - b) elect the members of the Board of Directors;
  - c) determine the remuneration of the members of the Board of Directors;
  - d) elect auditor and determine his remuneration; and
  - e) decide on other matters which are within the province of the General Meeting and which are set out in the notice calling the meeting.
2. The Annual Accounts together with the Auditor's report and the Board of Directors' recommendation shall be made available to the Members at the head office of the Association not less than one week before the Annual General Meeting and shall only be sent to the Members on request.

#### **Article 13 Extraordinary General Meeting**

1. An Extraordinary General Meeting shall be called for the determination of specifically declared matters when the Board of Directors deem it necessary.
2. An Extraordinary General Meeting shall also be called by the Board of Directors within two weeks for the determination of specifically declared matters, when demanded in writing by the auditor elected pursuant to Article 12 or by Members who together represent at least 100 votes.

### **CHAPTER 3 MISCELLANEOUS PROVISIONS**

#### **Article 14 Changes to the Statutes**

These statutes can only be changed by the General Meeting.

#### **Article 15 Signatories for the Association**

The Association is committed by the signature of the Chairman of the Board of Directors, or by the signatures of two members of the Board of Directors jointly, or by the signature of the Managing Director.

#### **Article 16 Dissolution of the Association**

1. The General Meeting may decide to dissolve the Association or to amalgamate it with another association if at least two thirds of the total number of all Members' votes are cast in favour of such action. If a majority of the votes cast is in favour of such action, but less than two thirds of all Member votes are cast, the matter may be submitted to another General Meeting in which case dissolution or amalgamation may be decided upon by a majority of three quarters of the votes cast.
2. Upon dissolution, any surplus realised after discharge of the liabilities of the Association shall be disposed of by the General Meeting. In case of amalgamation any such surplus may, in the discretion of the General Meeting, be so disposed of or transferred to the new Association.

## **Article 17 Governing law and arbitration**

1. These Statutes shall be governed by Norwegian law.
2. Unless otherwise agreed, disputes between the Association and a Member or a former Member arising out of membership of the Association or these Statutes shall be resolved by arbitration in accordance with the Norwegian Arbitration Act of 14 May 2004, No 25. Each party shall nominate one arbitrator and those so nominated shall appoint an umpire. If the arbitrators cannot agree on an umpire or a party fails to nominate his arbitrator, the nomination shall be made by the Chief Justice of the Oslo City Court. Reasons shall be given for the award. Arbitration proceedings shall take place in Oslo. The award shall not be published unless the parties involved consent to it.

# APPENDIX 4

## BYE LAWS OF GARD MARINE & ENERGY LIMITED

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## INTERPRETATION

### 1 Definitions and Interpretation

#### 1.1 In these Bye-Laws, unless the context otherwise requires:

“**Alternate Director**” means an alternate Director appointed to the Board as provided for in these Bye-Laws;

“**Auditor**” means the person or firm for the time being appointed as auditor of the Company;

“**Bermuda**” means the Islands of Bermuda;

“**Board**” means the Directors of the Company appointed or elected pursuant to these Bye-Laws and acting by resolution as provided for in the Act and in these Bye-Laws or the Directors present at a meeting of Directors at which there is a quorum;

“**Companies Acts**” means every Bermuda statute from time to time in force concerning companies insofar as the same applies to the Company;

“**Company**” means the company incorporated in Bermuda under the name of Gard Marine & Energy Limited on 9 December 2003;

“**Director**” means such person or persons appointed or elected to the Board from time to time pursuant to these Bye-Laws and includes an Alternate Director;

“**Indemnified Person**” means any Director, Officer, Resident Representative, member of a committee duly constituted under these Bye-Laws and any liquidator, manager or trustee for the time being acting in relation to the affairs of the Company, and his heirs, executors and administrators;

“**Officer**” means a person appointed by the Board pursuant to these Bye-Laws but shall not include the Auditor;

“**paid up**” means paid up or credited as paid up;

“**Register**” means the Register of Shareholders of the Company maintained by the Company in Bermuda;

“**Registered Office**” means the registered office of the Company which shall be at such place in Bermuda as the Board shall from time to time determine;

“**Resident Representative**” means (if any) the individual or the company appointed to perform the duties of resident representative set out in the Companies Acts and includes any assistant or deputy Resident Representative appointed by the Board to perform any of the duties of the Resident Representative;

“**Resolution**” means a resolution of the Shareholders passed in a general meeting or, where required, of a separate class or separate classes of shareholders passed in a separate general meeting or in either case adopted by resolution in writing, in accordance with the provisions of these Bye-Laws;

“**Seal**” means the common seal of the Company and includes any authorised duplicate thereof;

“**Secretary**” means the individual or the company appointed by the Board to perform any of the duties of the Secretary and includes a temporary or assistant or deputy Secretary;

“**share**” means share in the capital of the Company and includes a fraction of a share;

“**Shareholder**” means a shareholder or member of the Company provided that for the purposes of Bye-Law 42 it shall also include any holder of notes, debentures or bonds issued by the Company;

“**these Bye-Laws**” means these Bye-Laws in their present form.

1.2 For the purposes of these Bye-Laws, a corporation which is a shareholder shall be deemed to be present in person at a general meeting if, in accordance with the Companies Acts, its authorised representative is present.

1.3 Words importing only the singular number include the plural number and vice versa.

- 1.4 Words importing only the masculine gender include the feminine and neuter genders respectively.
- 1.5 Words importing persons include companies, associations, bodies of persons, whether corporate or not.
- 1.6 A reference to writing shall include typewriting, printing, lithography, photography and electronic record.
- 1.7 Any words or expressions defined in the Companies Acts in force at the date when these Bye-Laws or any part thereof are adopted shall bear the same meaning in these Bye-Laws or such part (as the case may be).

## REGISTERED OFFICE

### 2 Registered Office

The Registered Office shall be at such place in Bermuda as the Board shall from time to time appoint.

## SHARES AND SHARE RIGHTS

### 3 Share Rights

- 3.1 Subject to any special rights conferred on the holders of any share or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
- 3.2 Subject to the Companies Acts, any preference shares may, with the sanction of a resolution of the Board, be issued on terms:
  - 3.2.1 that they are to be redeemed on the happening of a specified event or on a given date; and/or,
  - 3.2.2 that they are liable to be redeemed at the option of the Company; and/or,
  - 3.2.3 if authorised by the memorandum of association of the Company, that they are liable to be redeemed at the option of the holder.

The terms and manner of redemption shall be provided for in such resolution of the Board and shall be attached to but shall not form part of these Bye-Laws.

- 3.3 The Board may, at its discretion and without the sanction of a Resolution, authorise the purchase by the Company of its own shares upon such terms as the Board may in its discretion determine, provided always that such purchase is effected in accordance with the provisions of the Companies Acts.
  - 3.4 The Board may, at its discretion and without the sanction of a Resolution, authorise the acquisition by the Company of its own shares, to be held as treasury shares, upon such terms as the Board may in its discretion determine, provided always that such acquisition is effected in accordance with the provisions of the Companies Acts. The Company shall be entered in the Register as a Shareholder in respect of the shares held by the Company as treasury shares and shall be a Shareholder of the Company but subject always to the provisions of the Companies Acts and for the avoidance of doubt the Company shall not exercise any rights and shall not enjoy or participate in any of the rights attaching to those shares save as expressly provided for in the Companies Act.
- ### 4 Modification of Rights
- 4.1 Subject to the Companies Acts, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than seventy five percent (75%) of the issued shares of that class or with the sanction of a resolution passed at a separate general meeting of the holders of such shares voting in person or by proxy. To any such separate general meeting, all the provisions of these Bye-Laws as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one or more persons holding or representing by proxy any of the shares of the relevant class, that every holder of shares of the relevant class shall be entitled on a poll to one vote for every such share held by him

and that any holder of shares of the relevant class present in person or by proxy may demand a poll.

- 4.2 The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

## 5 Shares

- 5.1 Subject to the provisions of these Bye-Laws, the unissued shares of the Company (whether forming part of the original capital or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.
- 5.2 Subject to the provisions of these Bye-Laws, any shares of the Company held by the Company as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares.
- 5.3 The Board may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by law.
- 5.4 Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or in any fractional part of a share or (except only as otherwise provided in these Bye-Laws or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## 6 Certificates

- 6.1 The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been issued. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.
- 6.2 If a share certificate is defaced, lost or destroyed, it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and out of pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.
- 6.3 All certificates for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall, except to the extent that the terms and conditions for the time being relating thereto otherwise provide, be issued under the Seal or signed by a Director, the Secretary or any person authorised by the Board for that purpose. The Board may by resolution determine, either generally or in any particular case, that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any persons.

## 7 Lien

- 7.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies, whether presently payable or not, called or payable, at a date fixed by or in accordance with the terms of issue of such share in respect of such share, and the Company shall also have a first and paramount lien on every share (other than a fully paid share) standing registered in the name of a Shareholder, whether singly or jointly with any other person, for all the debts and liabilities of such Shareholder or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such Shareholder, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person, whether a Shareholder or not. The Company's lien on a share shall extend to all dividends payable thereon. The Board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Bye-Law.
- 7.2 The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default

of such payment, has been served on the holder for the time being of the share.

- 7.3 The net proceeds of sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person who was the holder of the share immediately before such sale. For giving effect to any such sale, the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.

## 8 Calls on Shares

- 8.1 The Board may from time to time make calls upon the Shareholders (for the avoidance of doubt excluding the Company in respect of any nil or partly paid shares held by the Company as treasury shares) in respect of any monies unpaid on their shares (whether on account of the par value of the shares or by way of premium) and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue, and each Shareholder shall (subject to the Company serving upon him at least fourteen (14) days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.
- 8.2 A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 8.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 8.4 If a sum called in respect of the share shall not be paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for the payment thereof to the time of actual payment at such rate as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
- 8.5 Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Bye-Laws be deemed to be a call duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Bye-Laws as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 8.6 The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

## 9 Forfeiture of Shares

- 9.1 If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 9.2 The notice shall name a further day (not being less than fourteen (14) days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call is made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-Laws to forfeiture shall include surrender.
- 9.3 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 9.4 When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.



- 9.5 A forfeited share shall be deemed to be the property of the Company and may be sold, re-offered or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit.
- 9.6 A person whose shares have been forfeited shall thereupon cease to be a Shareholder in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited.
- 9.7 An affidavit in writing that the deponent is a Director of the Company or the Secretary and that a share has been duly forfeited on the date stated in the affidavit shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

## **REGISTER OF SHAREHOLDERS**

### 10 Register of Shareholders

The Secretary shall establish and maintain the Register at the Registered Office in the manner prescribed by the Companies Acts. Unless the Board otherwise determines, the Register shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon on every working day. Unless the Board so determines, no Shareholder or intending Shareholder shall be entitled to have entered in the Register any indication of any trust or any equitable, contingent, future or partial interest in any share or any fractional part of a share and if any such entry exists or is permitted by the Board it shall not be deemed to abrogate any of the provisions of Bye-Law 5.4.

## **REGISTER OF DIRECTORS AND OFFICERS**

### 11 Register of Directors and Officers

The Secretary shall establish and maintain a register of the Directors and Officers of the Company as required by the Companies Acts. The register of Directors and Officers shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon on every working day.

## **TRANSFER OF SHARES**

### 12 Transfer of Shares

- 12.1 Subject to the Companies Acts and to such of the restrictions contained in these Bye-Laws as may be applicable, any Shareholder may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve. No such instrument shall be required on the redemption of a share or on the purchase by the Company of a share.
- 12.2 The instrument of transfer of a share shall be signed by or on behalf of the transferor and where any share is not fully-paid, the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer when registered may be retained by the Company. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which is not a fully-paid share. The Board may also decline to register any transfer unless:
- 12.2.1 the instrument of transfer is duly stamped (if required by law) and lodged with the Company, accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer,
- 12.2.2 the instrument of transfer is in respect of only one class of share, and

- 12.2.3 where applicable, the permission of the Bermuda Monetary Authority with respect thereto has been obtained.
- 12.3 Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under this Bye-Law.
- 12.4 If the Board declines to register a transfer it shall, within three (3) months after the date on which the instrument of transfer was lodged, send to the transferee notice of such refusal.
- 12.5 No fee shall be charged by the Company for registering any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, stop notice, order of court or other instrument relating to or affecting the title to any share, or otherwise making an entry in the Register relating to any share.

## TRANSMISSION OF SHARES

### 13 Transmission of Shares

- 13.1 In the case of the death of a Shareholder, the survivor or survivors, where the deceased was a joint holder, and the estate representative, where he was sole holder, shall be the only person recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder (whether the sole or joint) from any liability in respect of any share held by him solely or jointly with other persons. For the purpose of this Bye-Law, estate representative means the person to whom probate or letters of administration has or have been granted in Bermuda or, failing any such person, such other person as the Board may in its absolute discretion determine to be the person recognised by the Company for the purpose of this Bye-Law.
- 13.2 Any person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable law may, subject as hereafter provided and upon such evidence being produced as may from time to time be required by the Board as to his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall signify his election by signing an instrument of transfer of such share in favour of his nominee. All the limitations, restrictions and provisions of these Bye-Laws relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or instrument of transfer as aforesaid as if the death of the Shareholder or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer signed by such Shareholder.
- 13.3 A person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Shareholder until he shall have become registered as the holder thereof. The Board may at any time give notice requiring such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty (60) days, the Board may thereafter withhold payment of all dividends and other monies payable in respect of the shares until the requirements of the notice have been complied with.
- 13.4 Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under this Bye-Law.

## SHARE CAPITAL

### 14 Increase of Capital

- 14.1 The Company may from time to time increase its capital by such sum to be divided into shares of such par value as the Company by Resolution shall prescribe.
- 14.2 The Company may, by the Resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of the Companies Acts) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or make any other provision as to the issue of the new shares.

- 14.3 The new shares shall be subject to all the provisions of these Bye-Laws with reference to lien, the payment of calls, forfeiture, transfer, transmission and otherwise.

## 15 Alteration of Capital

- 15.1 The Company may from time to time by Resolution:
- 15.1.1 divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
  - 15.1.2 consolidate and divide all or any of its share capital into shares of larger par value than its existing shares;
  - 15.1.3 sub-divide its shares or any of them into shares of smaller par value than is fixed by its memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - 15.1.4 make provision for the issue and allotment of shares which do not carry any voting rights;
  - 15.1.5 cancel shares which, at the date of the passing of the Resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
  - 15.1.6 change the currency denomination of its share capital.
- 15.2 Where any difficulty arises in regard to any division, consolidation, or sub-division under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Shareholders who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 15.3 Subject to the Companies Acts and to any confirmation or consent required by law or these Bye-Laws, the Company may by Resolution from time to time convert any preference shares into redeemable preference shares.

## 16 Reduction of Capital

- 16.1 Subject to the Companies Acts, its memorandum and any confirmation or consent required by law or these Bye-Laws, the Company may from time to time by Resolution authorise the reduction of its issued share capital or any share premium account in any manner.
- 16.2 In relation to any such reduction, the Company may by Resolution determine the terms upon which such reduction is to be effected including, in the case of a reduction of part only of a class of shares, those shares to be affected.

## GENERAL MEETINGS AND RESOLUTIONS IN WRITING

### 17 General Meetings and Resolutions in Writing

- 17.1 The Board shall convene and the Company shall hold general meetings as Annual General Meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. The Board may, whenever it thinks fit, and shall, when required by the Companies Acts, convene general meetings other than Annual General Meetings which shall be called Special General Meetings.
- 17.2 Except in the case of the removal of Auditors or Directors, anything which may be done by resolution of the Shareholders in general meeting or by resolution of any class of Shareholders in a separate general meeting may be done by resolution in writing, signed by the Shareholders (or the holders of such class of shares) who at the date of the notice of the resolution in writing represent the majority of votes that would be required if the resolution had been voted on at a meeting of the Shareholders. Such resolution in writing may be signed by the Shareholder or its proxy, or in the case of a Shareholder that is a corporation (whether or not a company within the meaning of the Companies Acts) by its representative on behalf of such Shareholder, in as many counterparts as may be necessary.

- 17.3 Notice of any resolution in writing to be made under this Bye-Law shall be given to all the Shareholders who would be entitled to attend a meeting and vote on the resolution. The requirement to give notice of any resolution in writing to be made under this Bye-Law to such Shareholders shall be satisfied by giving to those Shareholders a copy of that resolution in writing in the same manner as that required for a notice of a general meeting of the Company at which the resolution could have been considered, except that the length of the period of notice shall not apply. The date of the notice shall be set out in the copy of the resolution in writing.
- 17.4 The accidental omission to give notice, in accordance with this Bye-Law, of a resolution in writing to, or the non-receipt of such notice by, any person entitled to receive such notice shall not invalidate the passing of the resolution in writing.
- 17.5 For the purposes of this Bye-Law, the date of the resolution in writing is the date when the resolution in writing is signed by, or on behalf of, the Shareholder who establishes the majority of votes required for the passing of the resolution in writing and any reference in any enactment to the date of passing of a resolution is, in relation to a resolution in writing made in accordance with this Bye-Law, a reference to such date.
- 17.6 A resolution in writing made in accordance with this Bye-Law is as valid as if it had been passed by the Company in general meeting or, if applicable, by a meeting of the relevant class of Shareholders of the Company, as the case may be. A resolution in writing made in accordance with this Bye-Law shall constitute minutes for the purposes of the Companies Acts and these Bye-Laws.

## 18 Notice of General Meetings

- 18.1 An Annual General Meeting shall be called by not less than five (5) days notice in writing and a Special General Meeting shall be called by not less than five (5) days notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, day and time of the meeting, and, the nature of the business to be considered. Notice of every general meeting shall be given in any manner permitted by these Bye-Laws to all Shareholders other than such as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company and every Director and to any Resident Representative who or which has delivered a written notice upon the Registered Office requiring that such notice be sent to him or it.

Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Bye-Law, it shall be deemed to have been duly called if it is so agreed:

- 18.1.1 in the case of a meeting called as an Annual General Meeting, by all the Shareholders entitled to attend and vote thereat;
- 18.1.2 in the case of any other meeting, by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five percent (95%) in nominal value of the shares giving that right.
- 18.2 The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.
- 18.3 The Board may cancel or postpone a meeting of the Shareholders after it has been convened and notice of such cancellation or postponement shall be served in accordance with these Bye-Laws upon all Shareholders entitled to notice of the meeting so cancelled or postponed setting out, where the meeting is postponed to a specific date, notice of the new meeting in accordance with this Bye-Law.

## 19 Proceedings at General Meetings

- 19.1 In accordance with the Companies Acts, a general meeting may be held with only one individual present provided that the requirement for a quorum is satisfied. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Bye-Laws, at least one Shareholder present in person or by proxy and entitled to vote shall be a quorum for all purposes.
- 19.2 If within five (5) minutes (or such longer time as the chairman of the meeting may determine to wait) after the time appointed for the meeting, a quorum is not present, the meeting, if convened on the

requisition of Shareholders, shall be dissolved. In any other case, it shall stand adjourned to such other day and such other time and place as the chairman of the meeting may determine and at such adjourned meeting one Shareholder present in person or by proxy and entitled to vote shall be a quorum. The Company shall give not less than five (5) days notice of any meeting adjourned through want of a quorum and such notice shall state that the one Shareholder present in person or by proxy (whatever the number of shares held by them) and entitled to vote shall be a quorum.

- 19.3 A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- 19.4 Each Director, and upon giving the notice referred to in Bye-Law 18.1 above, the Resident Representative, if any, shall be entitled to attend and speak at any general meeting of the Company.
- 19.5 The Board may choose one of their number to preside as chairman at every general meeting. If there is no such chairman, or if at any meeting the chairman is not present within five (5) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present shall choose one of their number to act or if only one Director is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be chairman.
- 19.6 The chairman of the meeting may, with the consent by resolution 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 but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for three (3) months or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as expressly provided by these Bye-Laws, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## 20 Voting

- 20.1 Save where a greater majority is required by the Companies Acts or these Bye-Laws, any question proposed for consideration at any general meeting shall be decided on by a simple majority of votes cast.
- 20.2 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands or by a count of votes received in the form of electronic records, unless (before or on the declaration of the result of the show of hands or count of votes received as electronic records or on the withdrawal of any other demand for a poll) a poll is demanded by:
  - 20.2.1 the chairman of the meeting; or
  - 20.2.2 at least three (3) Shareholders present in person or represented by proxy; or
  - 20.2.3 any Shareholder or Shareholders present in person or represented by proxy and holding between them not less than one tenth (1/10) of the total voting rights of all the Shareholders having the right to vote at such meeting; or
  - 20.2.4 a Shareholder or Shareholders present in person or represented by proxy holding shares conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one tenth (1/10) of the total sum paid up on all such shares conferring such right.

The demand for a poll may be withdrawn by the person or any of the persons making it at any time prior to the declaration of the result. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands or count of votes received as electronic records, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded for or against such resolution.

- 20.3 If a poll is duly demanded, the result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

- 20.4 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 in such manner and either forthwith or at such time (being not later than three (3) months after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.
- 20.5 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 and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
- 20.6 On a poll, votes may be cast either personally or by proxy.
- 20.7 A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
- 20.8 In the case of an equality of votes at a general meeting, whether on a show of hands or count of votes received as electronic records or on a poll, the chairman of such meeting shall not be entitled to a second or casting vote and the resolution shall fail.
- 20.9 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
- 20.10 A Shareholder who is a patient for any purpose of any statute or applicable law relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such Court and such receiver, committee, *curator bonis* or other person may vote on a poll by proxy, and may otherwise act and be treated as such Shareholder for the purpose of general meetings.
- 20.11 No Shareholder shall, unless the Board otherwise determines, be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 20.12 If:
- 20.12.1 any objection shall be raised to the qualification of any voter; or,
- 20.12.2 any votes have been counted which ought not to have been counted or which might have been rejected; or,
- 20.12.3 any votes are not counted which ought to have been counted,
- the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

## 21 Proxies and Corporate Representatives

- 21.1 The instrument appointing a proxy or corporate representative shall be in writing executed by the appointor or his attorney authorised by him in writing or, if the appointor is a corporation, either under its seal or executed by an officer, attorney or other person authorised to sign the same.
- 21.2 Any Shareholder may appoint a proxy or (if a corporation) representative for a specific general meeting, and adjournments thereof, or may appoint a standing proxy or (if a corporation) representative, by serving on the Company at the Registered Office, or at such place or places as the Board may otherwise specify for the purpose, a proxy or (if a corporation) an authorisation. Any standing proxy or authorisation shall be valid for all general meetings and adjournments thereof or resolutions in writing, as the case may be, until notice of revocation is received at the Registered Office or at such place or places as the Board may otherwise specify for the purpose. Where a standing proxy or authorisation exists, its operation shall be deemed to have been suspended at any general meeting or adjournment thereof at which the Shareholder is present or in respect to which



the Shareholder has specially appointed a proxy or representative. The Board may from time to time require such evidence as it shall deem necessary as to the due execution and continuing validity of any standing proxy or authorisation and the operation of any such standing proxy or authorisation shall be deemed to be suspended until such time as the Board determines that it has received the requested evidence or other evidence satisfactory to it.

- 21.3 Notwithstanding Bye-law 21.2, a Shareholder may appoint a proxy which shall be irrevocable in accordance with its terms and the holder thereof shall be the only person entitled to vote the relevant shares at any meeting of the shareholders at which such holder is present. Notice of the appointment of any such proxy shall be given to the Company at its Registered Office, and shall include the name, address, telephone number and electronic mail address of the proxy holder. The Company shall give to the proxy holder notice of all meetings of Shareholders of the Company and shall be obliged to recognise the holder of such proxy until such time as the holder notifies the Company in writing that the proxy is no longer in force.
- 21.4 Subject to Bye-Law 21.2 and 21.3, the instrument appointing a proxy or corporate representative together with such other evidence as to its due execution as the Board may from time to time require, shall be delivered at the Registered Office (or at such place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case or the case of a resolution in writing, in any document sent therewith) prior to the holding of the relevant meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, before the time appointed for the taking of the poll, or, in the case of a resolution in writing, prior to the effective date of the resolution in writing and in default the instrument of proxy or authorisation shall not be treated as valid.
- 21.5 Subject to Bye-Law 21.2 and 21.3, the decision of the chairman of any general meeting as to the validity of any appointments of a proxy shall be final.
- 21.6 Instruments of proxy or authorisation shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting or any resolution in writing forms of instruments of proxy or authorisation for use at that meeting or in connection with that resolution in writing. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll, to speak at the meeting and to vote on any amendment of a resolution in writing or amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy or authorisation shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- 21.7 A vote given in accordance with the terms of an instrument of proxy or authorisation shall be valid notwithstanding the previous death or unsoundness of mind of the principal, or revocation of the instrument of proxy or of the corporate authority, provided that no intimation in writing of such death, unsoundness of mind or revocation shall have been received by the Company at the Registered Office (or such other place as may be specified for the delivery of instruments of proxy or authorisation in the notice convening the meeting or other documents sent therewith) at least one hour before the commencement of the meeting or adjourned meeting, or the taking of the poll, or the day before the effective date of any resolution in writing at which the instrument of proxy or authorisation is used.
- 21.8 Subject to the Companies Acts, the Board may at its discretion waive any of the provisions of these Bye-Laws related to proxies or authorisations and, in particular, may accept such verbal or other assurances as it thinks fit as to the right of any person to attend, speak and vote on behalf of any Shareholder at general meetings or to sign resolutions in writing.

## **BOARD OF DIRECTORS**

### **22 Appointment and Removal of Directors**

- 22.1 The number of Directors shall be not less than two (2) and not more than six (6) or such numbers in excess thereof as the Company by Resolution may from time to time determine and, subject to the Companies Acts and these Bye-Laws, the Directors shall be elected or appointed by the Company by Resolution and shall serve for such term as the Company by Resolution may determine, or in the absence of such determination, until the termination of the next Annual General Meeting following their appointment. All Directors, upon election or appointment (except upon re-election at an Annual General Meeting), must provide written acceptance of their appointment, in such form as the Board may think fit, by notice in writing to the Registered Office within thirty (30) days of their appointment.

- 22.2 The Company may by Resolution increase the maximum number of Directors. Any one or more vacancies in the Board not filled by the Shareholders at any general meeting of the Shareholders shall be deemed casual vacancies for the purposes of these Bye-Laws. Without prejudice to the power of the Company by Resolution in pursuance of any of the provisions of these Bye-Laws to appoint any person to be a Director, the Board, so long as a quorum of Directors remains in office, shall have power at any time and from time to time to appoint any individual to be a Director so as to fill a casual vacancy.
- 22.3 The Company may in a Special General Meeting called for that purpose remove a Director, provided notice of any such meeting shall be served upon the Director concerned not less than fourteen (14) days before the meeting and he shall be entitled to be heard at that meeting. Any vacancy created by the removal of a Director at a Special General Meeting may be filled at the meeting by the election of another Director in his place or, in the absence of any such election, by the Board.

### 23 Resignation and Disqualification of Directors

The office of a Director shall be vacated upon the happening of any of the following events:

- 23.1 if he resigns his office by notice in writing delivered to the Registered Office or tendered at a meeting of the Board;
- 23.2 if he becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health and the Board resolves that his office is vacated;
- 23.3 if he becomes bankrupt under the laws of any country or compounds with his creditors;
- 23.4 if he is prohibited by law from being a Director; or
- 23.5 if he ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Bye-Laws.

### 24 Alternate Directors

- 24.1 A Director may appoint and remove his own Alternate Director. Any appointment or removal of an Alternate Director by a Director shall be effected by delivery of a written notice of appointment or removal to the Secretary at the Registered Office, signed by such Director, and such notice shall be effective immediately upon receipt or on any later date specified in that notice. Any Alternate Director may be removed by resolution of the Board. Subject as aforesaid, the office of Alternate Director shall continue until the next annual election of Directors or, if earlier, the date on which the relevant Director ceases to be a Director. An Alternate Director may also be a Director in his own right and may act as alternate to more than one Director.
- 24.2 An Alternate Director shall be entitled to receive notices of all meetings of Directors, to attend, be counted in the quorum and vote at any such meeting at which any Director to whom he is alternate is not personally present, and generally to perform all the functions of any Director to whom he is alternate in his absence.
- 24.3 Every person acting as an Alternate Director shall (except as regards powers to appoint an alternate and remuneration) be subject in all respects to the provisions of these Bye-Laws relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for any Director for whom he is alternate. An Alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director. Every person acting as an Alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an Alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the terms of his appointment provides to the contrary, be as effective as the signature of the Director or Directors to whom he is alternate.

### 25 Directors' Fees and Additional Remuneration and Expenses

The amount, if any, of Directors' fees shall from time to time be determined by the Company by Resolution or in the absence of such a determination, by the Board. Unless otherwise determined to the contrary, such fees shall be deemed to accrue from day to day. Each Director may be paid his reasonable travel, hotel and incidental expenses in attending and returning from meetings of the Board or committees constituted pursuant to these Bye-Laws or general meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra



remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.

## 26 Directors' Interests

- 26.1 A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.
- 26.2 A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 26.3 Subject to the provisions of the Companies Acts, a Director may notwithstanding his office be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is interested. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- 26.4 So long as, where it is necessary, he declares the nature of his interest at the first opportunity at a meeting of the Board or by writing to the Directors as required by the Companies Acts, a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from any office or employment to which these Bye-Laws allow him to be appointed or from any transaction or arrangement in which these Bye-Laws allow him to be interested, and no such transaction or arrangement shall be liable to be avoided on the ground of any interest or benefit.
- 26.5 Subject to the Companies Acts and any further disclosure required thereby, a general notice to the Directors by a Director or Officer declaring that he is a director or officer or has an interest in a person and is to be regarded as interested in any transaction or arrangement made with that person, shall be a sufficient declaration of interest in relation to any transaction or arrangement so made.

## POWERS AND DUTIES OF THE BOARD

### 27 Powers and Duties of the Board

- 27.1 Subject to the provisions of the Companies Acts, these Bye-Laws and to any directions given by the Company by Resolution, the Board shall manage the business of the Company and may pay all expenses incurred in promoting and incorporating the Company and may exercise all the powers of the Company. No alteration of these Bye-Laws and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Bye-Law shall not be limited by any special power given to the Board by these Bye-Laws and a meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
- 27.2 The Board may exercise all the powers of the Company except those powers that are required by the Companies Acts or these Bye-Laws to be exercised by the Shareholders.
- 27.3 All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
- 27.4 The Board on behalf of the Company may provide benefits, whether by the payment of gratuities or pensions or otherwise, for any person including any Director or former Director who has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary or affiliate of the Company or a predecessor in the business of the Company or of any such subsidiary or affiliate, and to any member of his family or any person who is or was dependent on him, and may contribute to any fund and pay premiums for the purchase or provision of any such

gratuity, pension or other benefit, or for the insurance of any such person.

- 27.5 The Board may from time to time appoint one or more of its body to be a managing director, joint managing director or an assistant managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and may revoke or terminate any such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Any person so appointed shall receive such remuneration (if any) (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

## 28 Delegation of the Board's Powers

- 28.1 The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-Laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney and of such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney may, if so authorised by the power of attorney, execute any deed, instrument or other document on behalf of the Company.
- 28.2 The Board may entrust to and confer upon any Director, Officer or, without prejudice to the provisions of Bye-Law 28.3, other person any of the powers, authorities and discretions exercisable by it upon such terms and conditions with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions, and may from time to time revoke or vary all or any of such powers, authorities and discretions, but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
- 28.3 The Board may delegate any of its powers, authorities and discretions to committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, and in conducting its proceedings conform to any regulations which may be imposed upon it by the Board. If no regulations are imposed by the Board the proceedings of a committee with two (2) or more members shall be, as far as is practicable, governed by the Bye-Laws regulating the proceedings of the Board.

## 29 Proceedings of the Board

- 29.1 The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the motion shall be deemed to have been lost. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.
- 29.2 Notice of a meeting of the Board may be given to a Director by word of mouth or in any manner permitted by these Bye-Laws. A Director may retrospectively waive the requirement for notice of any meeting by consenting in writing to the business conducted at the meeting.
- 29.3 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2) individuals. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
- 29.4 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract, transaction or arrangement with the Company and has complied with the provisions of the Companies Acts and these Bye-Laws with regard to disclosure of his interest shall be entitled to vote in respect of any contract, transaction or arrangement in which he is so interested and if he shall do so his vote shall be counted, and he shall be taken into account in ascertaining whether a quorum is present.
- 29.5 The Resident Representative shall, upon delivering written notice of an address for the purposes of receipt of notice to the Registered Office, be entitled to receive notice of, attend and be heard at, and to receive minutes of all meetings of the Board.

- 29.6 So long as a quorum of Directors remains in office, the continuing Directors may act notwithstanding any vacancy in the Board but, if no such quorum remains, the continuing Directors or a sole continuing Director may act only for the purpose of calling a general meeting.
- 29.7 The Board may choose one of their number to preside as chairman at every meeting of the Board. If there is no such chairman, or if at any meeting the chairman is not present within five (5) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present may choose one of their number to be chairman of the meeting.
- 29.8 The meetings and proceedings of any committee consisting of two (2) or more members shall be governed by the provisions contained in these Bye-Laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.
- 29.9 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (or by an Alternate Director, as provided for in these Bye-Laws) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the Directors or members of the committee concerned.
- 29.10 A meeting of the Board or a committee appointed by the Board may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and participation in such a meeting shall constitute presence in person at such meeting. Such a meeting shall be deemed to take place where the largest group of those Directors participating in the meeting is physically assembled, or, if there is no such group, where the chairman of the meeting then is.
- 29.11 All acts done by the Board or by any committee or by any person acting as a Director or member of a committee or any person duly authorised by the Board or any committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated their office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, member of such committee or person so authorised.

## OFFICERS

### 30 Officers

- 30.1 The Officers of the Company, who may or may not be Directors, may be appointed by the Board at any time. Any person appointed pursuant to this Bye-Law shall hold office for such period and upon such terms as the Board may determine and the Board may revoke or terminate any such appointment. Any such revocation or termination shall be without prejudice to any claim for damages that such Officer may have against the Company or the Company may have against such Officer for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Save as provided in the Companies Acts or these Bye-Laws, the powers and duties of the Officers of the Company shall be such (if any) as are determined from time to time by the Board.
- 30.2 The provisions of these Bye-Laws as to resignation and disqualification of Directors shall *mutatis mutandis* apply to the resignation and disqualification of Officers.

## MINUTES

### 31 Minutes

- 31.1 The Board shall cause minutes to be made and books kept for the purpose of recording:
- 31.1.1 all appointments of Officers made by the Board;
- 31.1.2 the names of the Directors and other persons (if any) present at each meeting of the Board and of any committee; and
- 31.1.3 all proceedings at meetings of the Company, of the holders of any class of shares in the Company, of the Board and of committees appointed by the Board or the Shareholders.

- 31.2 Shareholders shall only be entitled to see the Register of Directors and Officers, the Register, the financial information provided for in Bye-Law 38.3 and the minutes of meetings of the Shareholders of the Company.

## **SECRETARY AND RESIDENT REPRESENTATIVE**

### **32 Secretary and Resident Representative**

- 32.1 The Secretary (including one or more deputy or assistant secretaries) and, if required, the Resident Representative, shall be appointed by the Board at such remuneration (if any) and upon such terms as it may think fit and any Secretary and Resident Representative so appointed may be removed by the Board. The duties of the Secretary and the duties of the Resident Representative shall be those prescribed by the Companies Acts together with such other duties as shall from time to time be prescribed by the Board.
- 32.2 A provision of the Companies Acts or these Bye-Laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

## **THE SEAL**

### **33 The Seal**

- 33.1 The Board may authorise the production of a common seal of the Company and one or more duplicate common seals of the Company, which shall consist of a circular device with the name of the Company around the outer margin thereof and the country and year of registration in Bermuda across the centre thereof.
- 33.2 Any document required to be under seal or executed as a deed on behalf of the Company may be:
- 33.2.1 executed under the Seal in accordance with these Bye-Laws; or
  - 33.2.2 signed or executed by any person authorised by the Board for that purpose, without the use of the Seal.
- 33.3 The Board shall provide for the custody of every Seal. A Seal shall only be used by authority of the Board or of a committee constituted by the Board. Subject to these Bye-Laws, any instrument to which a Seal is affixed shall be attested by the signature of:
- 33.3.1 a Director; or
  - 33.3.2 the Secretary; or
  - 33.3.3 any one person authorised by the Board for that purpose.

## **DIVIDENDS AND OTHER PAYMENTS**

### **34 Dividends and Other Payments**

- 34.1 The Board may from time to time declare dividends or distributions out of contributed surplus to be paid to the Shareholders according to their rights and interests, including such interim dividends as appear to the Board to be justified by the position of the Company. The Board, in its discretion, may determine that any dividend shall be paid in cash or shall be satisfied, subject to Bye-Law 36, in paying up in full shares in the Company to be issued to the Shareholders credited as fully paid or partly paid or partly in one way and partly the other. The Board may also pay any fixed cash dividend which is payable on any shares of the Company half yearly or on such other dates, whenever the position of the Company, in the opinion of the Board, justifies such payment.
- 34.2 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:
- 34.2.1 all dividends or distributions out of contributed surplus may be declared and paid according to the amounts paid up on the shares in respect of which the dividend or distribution is paid, and an amount paid up on a share in advance of calls may be treated for the purpose of this Bye-Law as paid-up on the share;
  - 34.2.2 dividends or distributions out of contributed surplus may be apportioned and paid pro rata according to the amounts paid-up on the shares during any portion or portions of the period in respect of which the dividend or distribution is paid.

- 34.3 The Board may deduct from any dividend, distribution or other monies payable to a Shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 34.4 No dividend, distribution or other monies payable by the Company on or in respect of any share shall bear interest against the Company.
- 34.5 Any dividend, distribution or interest, or part thereof payable in cash, or any other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post or by courier addressed to the holder at his address in the Register or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his registered address as appearing in the Register or addressed to such person at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two (2) or more joint holders may give effectual receipts for any dividends, distributions or other monies payable or property distributable in respect of the shares held by such joint holders.
- 34.6 Any dividend or distribution out of contributed surplus unclaimed for a period of six (6) years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.
- 34.7 The Board may also, in addition to its other powers, direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend, the Board may settle it as it thinks expedient, and in particular, may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board, provided that such dividend or distribution may not be satisfied by the distribution of any partly paid shares or debentures of any company without the sanction of a Resolution.

### 35 Reserves

The Board may, before declaring any dividend or distribution out of contributed surplus, set aside such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose of the Company and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any sums which it may think it prudent not to distribute.

## CAPITALISATION OF PROFITS

### 36 Capitalisation of Profits

- 36.1 The Board may from time to time resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account and accordingly that such amount be set free for distribution amongst the Shareholders or any class of Shareholders who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up amounts for the time being unpaid on any shares in the Company held by such Shareholders respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid amongst such Shareholders, or partly in one way and partly in the other, provided that for the purpose of this Bye-Law, a share premium account may be applied only in paying up of unissued shares to be issued to such Shareholders credited as fully paid.
- 36.2 Where any difficulty arises in regard to any distribution under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments should be made to any Shareholders in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons

entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Shareholders.

## **RECORD DATES**

### 37 Record Dates

Notwithstanding any other provisions of these Bye-Laws, the Company may by Resolution or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and for the purpose of identifying the persons entitled to receive notices of any general meeting and to vote at any general meeting. Any such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made or such notice is despatched.

## **ACCOUNTING RECORDS**

### 38 Accounting Records

- 38.1 The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Companies Acts.
- 38.2 The records of account shall be kept at the Registered Office or at such other place or places as the Board thinks fit, and shall at all times be open to inspection by the Directors, PROVIDED that if the records of account are kept at some place outside Bermuda, there shall be kept at an office of the Company in Bermuda such records as will enable the Directors to ascertain with reasonable accuracy the financial position of the Company at the end of each three (3) month period. No Shareholder (other than an Officer of the Company) shall have any right to inspect any accounting record or book or document of the Company except as conferred by law or authorised by the Board or by Resolution.
- 38.3 A copy of every balance sheet and statement of income and expenditure, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the Auditors' report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts.

## **AUDIT**

### 39 Audit

Save and to the extent that an audit is waived in the manner permitted by the Companies Acts, Auditors shall be appointed and their duties regulated in accordance with the Companies Acts, any other applicable law and such requirements not inconsistent with the Companies Acts as the Board may from time to time determine.

## **SERVICE OF NOTICES AND OTHER DOCUMENTS**

### 40 Service of Notices and Other Documents

- 40.1 Any notice or other document (including but not limited to a share certificate, any notice of a general meeting of the Company, any instrument of proxy and any document to be sent in accordance with Bye-Law 38.3) may be sent to, served on or delivered to any Shareholder by the Company
  - 40.1.1 personally;
  - 40.1.2 by sending it through the post (by airmail where applicable) in a pre-paid letter addressed to such Shareholder at his address as appearing in the Register;
  - 40.1.3 by sending it by courier to or leaving it at the Shareholder's address appearing in the Register;
  - 40.1.4 where applicable, by sending it by email or facsimile or other mode of representing or reproducing words in a legible and non-transitory form or by sending an electronic record of it by electronic means, in each case to an address or number supplied by such Shareholder for the purposes of communication in such manner; or
  - 40.1.5 by publication of an electronic record of it on a website and notification of such publication (which shall include the address of the website, the place on the website where the



document may be found, and how the document may be accessed on the website) by any of the methods set out in paragraphs 40.1.1, 40.1.2, 40.1.3 or 40.1.4 of this Bye-Law, in accordance with the Companies Acts.

In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed as sufficient service on or delivery to all the joint holders.

40.2 Any notice or other document shall be deemed to have been served on or delivered to any Shareholder by the Company

40.2.1 if sent by personal delivery, at the time of delivery;

40.2.2 if sent by post, forty-eight (48) hours after it was put in the post;

40.2.3 if sent by courier or facsimile, twenty-four (24) hours after sending;

40.2.4 if sent by email or other mode of representing or reproducing words in a legible and non-transitory form or as an electronic record by electronic means, twelve (12) hours after sending; or

40.2.5 if published as an electronic record on a website, at the time that the notification of such publication shall be deemed to have been delivered to such Shareholder,

and in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed and stamped and put in the post, published on a website in accordance with the Companies Acts and the provisions of these Bye-Laws, or sent by courier, facsimile, email or as an electronic record by electronic means, as the case may be, in accordance with these Bye-Laws.

Each Shareholder and each person becoming a Shareholder subsequent to the adoption of these Bye-laws, by virtue of its holding or its acquisition and continued holding of a share, as applicable, shall be deemed to have acknowledged and agreed that any notice or other document (excluding a share certificate) may be provided by the Company by way of accessing them on a website instead of being provided by other means.

40.3 Any notice or other document delivered, sent or given to a Shareholder in any manner permitted by these Bye-Laws shall, notwithstanding that such Shareholder is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Shareholder as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed as sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

40.4 Save as otherwise provided, the provisions of these Bye-Laws as to service of notices and other documents on Shareholders shall *mutatis mutandis* apply to service or delivery of notices and other documents to the Company or any Director, Alternate Director or Resident Representative pursuant to these Bye-Laws.

## WINDING UP

### 41 Winding Up

If the Company shall be wound up, the liquidator may, with the sanction of a Resolution of the Company and any other sanction required by the Companies Acts, divide amongst the Shareholders in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purposes set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any shares or other assets upon which there is any liability.

## INDEMNITY

### 42 Indemnity

- 42.1 Subject to the proviso below, every Indemnified Person shall be indemnified and held harmless out of the assets of the Company against all liabilities, loss, damage or expense (including but not limited to liabilities under contract, tort and statute or any applicable foreign law or regulation and all reasonable legal and other costs including defence costs incurred in defending any legal proceedings whether civil or criminal and expenses properly payable) incurred or suffered by him or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties and the indemnity contained in this Bye-Law shall extend to any Indemnified Person acting in any office or trust in the reasonable belief that he has been appointed or elected to such office or trust notwithstanding any defect in such appointment or election PROVIDED ALWAYS that the indemnity contained in this Bye-Law shall not extend to any matter which would render it void pursuant to the Companies Acts.
- 42.2 No Indemnified Person shall be liable to the Company for the acts, defaults or omissions of any other Indemnified Person.
- 42.3 To the extent that any Indemnified Person is entitled to claim an indemnity pursuant to these Bye-Laws in respect of amounts paid or discharged by him, the relevant indemnity shall take effect as an obligation of the Company to reimburse the person making such payment or effecting such discharge.
- 42.4 Each Shareholder and the Company agree to waive any claim or right of action he or it may at any time have, whether individually or by or in the right of the Company, against any Indemnified Person on account of any action taken by such Indemnified Person or the failure of such Indemnified Person to take any action in the performance of his duties with or for the Company PROVIDED HOWEVER that such waiver shall not apply to any claims or rights of action arising out of the fraud of such Indemnified Person or to recover any gain, personal profit or advantage to which such Indemnified Person is not legally entitled.
- 42.5 The Company shall advance moneys to any Indemnified Person for the costs, charges, and expenses incurred by the Indemnified Person in defending any civil or criminal proceedings against them, on condition and receipt of an undertaking in a form satisfactory to the Company that the Indemnified Person shall repay such portion of the advance attributable to any claim of fraud or dishonesty if such a claim is proved against the Indemnified Person.
- 42.6 The advance of moneys would not be paid unless the advance was duly authorized upon a determination that the indemnification of the Indemnified Person was appropriate because the Indemnified Person had met the standard of conduct which would entitle the Indemnified Person to indemnification and further the determination referred to above must be made by a majority vote of the Board at a meeting duly constituted by a quorum of Directors not party to the proceedings in respect of which the indemnification is, or would be, claimed; or, in the case such meeting cannot be constituted by lack of disinterested quorum by an independent third party; or, alternatively, by a majority vote of the Shareholders.

## AMALGAMATION

### 43 Amalgamation

Any resolution proposed for consideration at any general meeting to approve the amalgamation of the Company with any other company, wherever incorporated, shall require the approval of a simple majority of votes cast at such meeting and the quorum for such meeting shall be that required in Bye-Law 19.1 and a poll may be demanded in respect of such resolution in accordance with the provisions of Bye-Law 20.2.

## CONTINUATION

### 44 Continuation

Subject to the Companies Acts, the Board may approve the discontinuation of the Company in Bermuda and the continuation of the Company in a jurisdiction outside Bermuda. The Board, having resolved to approve the discontinuation of the Company, may further resolve not to proceed with any application to discontinue the Company in Bermuda or may vary such application as it sees fit.



## **ALTERATION OF BYE-LAWS**

### 45 Alteration of Bye-Laws

These Bye-Laws may be amended from time to time by resolution of the Board, but subject to approval by Resolution.

# APPENDIX 5

## ARTICLES OF ASSOCIATION OF GARD MARINE & ENERGY INSURANCE (EUROPE) AS

AS AMENDED AT THE EXTRAORDINARY GENERAL MEETING HELD ON 24 SEPTEMBER, 2021

### Chapter 1

#### General provisions

##### § 1-1 Company and registered office

The company's name is Gard Marine & Energy Insurance (Europe) AS (the "Company"). Its registered office is located in Arendal, Norway.

##### § 1-2 Purpose

The purpose of the Company is to be engaged in direct non-life insurance business within the classes of insurance the Company has a license for, as well as other activities related to such insurance business.

To the extent permitted by law, the Company can be engaged in reinsurance of direct non-life insurance business within the classes of insurance the Company is licensed for.

##### § 1-3 Equity capital

The company's equity capital amounts to NOK 521,010,900. – divided into 300 shares. The nominal value of each share is NOK 1,736,703. –.

### Chapter 2

#### The Company's governing bodies

##### § 2-1 Governing bodies

The Company's governing bodies are the Board of Directors (the "Board") and the General Meeting.

##### § 2-2 Composition of the Board

The Board shall consist of at least three (3) and not more than seven (7) members.

The period of service for Board members is two (2) years reckoned from the date of the Board member's last election or re-election to the position, provided that each year one half of the members of the Board shall retire, or - if one half is an odd number - the smaller number of the elected members of the Board shall retire. Those who have been in office for two (2) years since their last election or re-election, shall always retire. If several members of the Board have equally long periods of service, retirement shall be decided upon by a draw.

The majority of the members of the Board shall consist of persons who are not employees of the Company nor the group of companies the Company is a part of and the Chairman shall be elected from this majority.

The Chairman shall be elected every year.

##### § 2-3 Board of Directors' meetings

The Board shall meet regularly and meetings shall be called by the Chairman. A member of the Board and the Managing Director can require that the Board be convened.

The Board meetings are chaired by the Chairman or the Deputy Chairman in the Chairman's absence.

A quorum shall be formed when more than half of the members are present or participate in the handling of a matter. The Board may not make decisions unless all members of the Board, as far as possible, are given the opportunity to participate in the discussion.

The Board makes its decisions by a simple majority of those present or those who participate in the handling of a matter. For a resolution to be valid, those who voted in favour of the resolution must constitute more than one third of all members. In the case equal number of votes being cast, the Chairman of the meeting shall have the deciding vote.

The Board shall keep minutes of its proceedings. The minutes are to be signed by all present at or participating in the meeting. Board members who are absent are to acquaint themselves with resolutions adopted in their absence.

#### **§ 2-4 Signatories for the Company**

The Company is committed by the signature of each member of the Board individually. The Board can authorize the Managing Director or designated employees to sign for the Company. The Board can grant power of attorney.

#### **§ 2-5 Functions of the Board**

The Board shall:

1. manage the business of the Company and ensure that the Company and shareholders' interests are properly taken care of.
2. present to the general meeting the complete and audited annual accounts and annual report for the preceding year.
3. decide on the engagement of the Managing Director and other senior staff members and determine their terms of employment and decide the general salary and working conditions for other employees. Except with regard to the Managing Director, the Board may delegate its authority with regard to employee matters.
4. administer the Company's assets and determine the ordinary insurance conditions and premium tariffs.
5. provide for a satisfactory organization of the Company, including ensuring that accounting and asset management are subject to satisfactory control.

#### **§ 2-6 Managing Director**

The Company shall have a Managing Director who shall administer the daily operations, implement Board resolutions and otherwise take care of the interests of the Company.

Daily management does not include matters that are of an unusual nature for the Company or of great importance. In such cases, the Managing Director can only determine the matter if especially authorised by the Board in relation to the relevant case, or the Board's decision cannot be deferred without a significant disadvantage for the Company's business. In the case of the latter, the Board shall, as soon as possible, be notified about the matter.

Unless the Board in a particular case decides otherwise, the Managing Director has the right and duty to be present and to be heard at Board meetings, even if he is not a member of the Board. He can demand that his view(s) are entered in the minutes if he is not in agreement with the Board's decision.

#### **§ 2-7 Board of representatives**

As long as the legal conditions for not electing a board of representatives are met, the Company's general meeting can decide that the Company shall not have a board of representatives.

#### **§ 2-8 Annual General Meeting**

The annual general meeting shall be held every year no later than six months after the expiry of the fiscal year.

The annual general meeting shall be called by the Board with not less than one week's written notice to all shareholders at their known address.

A shareholder is entitled to appoint a proxy. The right to choose a proxy is unrestricted. The proxy is to produce a written and dated power of attorney. The power of attorney is considered only to apply to the next annual general meeting unless it is evident that something else has been agreed. It can be revoked at any time.

The Managing Director and members of the Board have the right to be present and the right to express their views. The Managing Director and the Chairman are obliged to be present, unless this is obviously unnecessary or they have a valid reason for being absent. In the latter case, a deputy is to be appointed.

At the general meeting, each share has one vote.

Any issues as to voting rights shall be determined by the general meeting. Disputed votes shall not participate when the general meeting determines issues as to voting rights.

When a new shareholder has reported and documented his acquisition of a share, the Company is obliged without delay to enter the new shareholder in the Register of Shareholders and specify the day of the entry. This does not apply if the acquisition is prevented because of the provisions referred to in the Joint Stock Company Act, § 4-15 second and third subsections.

If the Company otherwise becomes aware that a share is transferred, this is to be noted in the Register of Shareholders, as far as possible with information about the name and address of the person acquiring the share. Reference is made to the provisions of the Joint Stock Company Act, § 4-7.

The acquisition of shares by transfer (sale / gift) is subject to the consent of the Board. Consent can only be denied if there are reasonable grounds. The reasons for the denial shall be explained in writing.

The person acquiring a share may only exercise the rights of a shareholder when the acquisition is registered in the Register of Shareholders, or when the acquisition is reported and documented without any impediments due to restrictions pursuant to these articles of association or governing law. This does not include the right to dividends and other distributions and the right to new shares in cases of capital increases.

In cases of the transfer of ownership, the transferor can exercise rights as a shareholder unless these have been transferred to the transferee.

### **§ 2-9 The General Meeting's tasks, etc.**

The Company's highest authority is the general meeting.

The Chairman of the Board shall open the general meeting. The general meeting shall elect a chairman of the meeting. In the case equal number of votes being cast, the chairman of the meeting shall have the deciding vote.

When the general meeting is opened, the chairman of the meeting shall prepare a list of the attending shareholders and proxies where the number of votes each of them represent shall be recorded. This list shall be used unless changed by the general meeting.

The chairman of the meeting is responsible for minutes being taken of the meeting. The protocol shall include the resolutions of the general meeting, including the outcome of the voting. The list of attending shareholders and proxies shall be included or attached to the minutes of the meeting. The general meeting shall elect two members to sign the minutes together with the chairman of the meeting.

The minutes shall be made available to shareholders and archived in a safe manner.

At the annual general meeting the annual accounts, the annual report and the auditor's report shall be submitted and distributed to those attending who have not received the documents in advance.

The following matters shall be considered and reviewed:

1. The approval of the annual accounts and the annual report
2. The allocation of profit or the covering of losses according to the fixed balance
3. The election of members of the Board and determination of their remuneration
4. Consider and decide on other matters mentioned in the notice of meeting as requested by the Board or shareholder(s).

5. Consider any other matters which pursuant to governing law or the articles of association shall be determined by the general meeting.

Only matters specified in the notice of meeting shall be considered at the general meeting. The Board must receive proposals to be discussed at the annual general meeting by the end of March.

The annual accounts and the annual report shall be sent to all shareholders at their known address no later than one week before the annual general meeting.

#### **§ 2-10 Extraordinary general meetings**

Extraordinary general meetings are to be held when the Board requests it or when the consideration of a specific topic is requested in writing by the auditor or shareholders representing a minimum of one-tenth of the equity capital.

Otherwise, the same rules apply as for the ordinary general meeting.

### **Chapter 3**

#### **Changes in articles of association. Approval**

##### **§ 3-1 Changes in articles of association. Approval**

Unless otherwise required by applicable law, a resolution to amend these articles of association must be supported by at least two-thirds of the votes cast and the share capital represented at the general meeting.

Amendments to these articles of association must approved by the Financial Supervisory Authority to be valid.

# APPENDIX 6

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**BYE - LAWS**  
of  
**Gard Reinsurance Co Ltd**

**INTERPRETATION**

1 Interpretation

1.1 In these Bye-Laws, unless the context otherwise requires:

“**Bermuda**” means the Islands of Bermuda;

“**Board**” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which there is a quorum;

“**Companies Acts**” means every Bermuda statute from time to time in force concerning companies insofar as the same applies to the Company;

“**Company**” means the company incorporated in Bermuda under the name of **Gard Reinsurance Co Ltd** on **22 February 2010**;

“**Director**” means such person or persons as shall be appointed to the Board from time to time pursuant to these Bye-Laws;

“**Indemnified Person**” means any Director, Officer, Resident Representative, member of a committee duly constituted under these Bye-Laws and any liquidator, manager or trustee for the time being acting in relation to the affairs of the Company, and his heirs, executors and administrators;

“**Officer**” means a person appointed by the Board pursuant to these Bye-Laws and shall not include an auditor of the Company;

“**paid up**” means paid up or credited as paid up;

“**Register**” means the Register of Shareholders of the Company;

“**Registered Office**” means the registered office for the time being of the Company;

“**Resident Representative**” means (if any) the individual or the company appointed to perform the duties of resident representative set out in the Companies Acts and includes any assistant or deputy Resident Representative appointed by the Board to perform any of the duties of the Resident Representative;

“**Resolution**” means a resolution of the Shareholders passed in general meeting or, where required, of a separate class or separate classes of shareholders passed in a separate general meeting or in either case adopted by resolution in writing, in accordance with the provisions of these Bye-Laws;

“**Seal**” means the common seal of the Company and includes any authorised duplicate thereof;

“**Secretary**” includes a temporary or assistant or deputy Secretary and the individual or the company appointed by the Board to perform any of the duties of the Secretary;

“**share**” means share in the capital of the Company and includes a fraction of a share;

“**Shareholder**” means a shareholder or member of the Company provided that for the purposes of Bye-Law 42 it shall also include any holder of notes, debentures or bonds issued by the Company;

“**these Bye-Laws**” means these Bye-Laws in their present form.

1.2 For the purposes of these Bye-Laws, a corporation which is a shareholder shall be deemed to be present in person at a general meeting if, in accordance with the Companies Acts, its authorised representative is present.

1.3 Words importing only the singular number include the plural number and vice versa.

1.4 Words importing only the masculine gender include the feminine and neuter genders respectively.

1.5 Words importing persons include companies or associations or bodies of persons, whether corporate or un-incorporate.

1.6 A reference to writing shall include typewriting, printing, lithography, photography and electronic record.

- 1.7 Any words or expressions defined in the Companies Acts in force at the date when these Bye-Laws or any part thereof are adopted shall bear the same meaning in these Bye-Laws or such part (as the case may be).

## REGISTERED OFFICE

### 2 Registered Office

- 2.1 The Registered Office shall be at such place in Bermuda as the Board shall from time to time appoint.

## SHARES AND SHARE RIGHTS

### 3 Share Rights

- 3.1 Subject to any special rights conferred on the holders of any share or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
- 3.2 Subject to the Companies Acts, any preference shares may, with the sanction of a resolution of the Board, be issued on terms:
  - 3.2.1 that they are to be redeemed on the happening of a specified event or on a given date; and/or,
  - 3.2.2 that they are liable to be redeemed at the option of the Company; and/or,
  - 3.2.3 if authorised by the memorandum of association of the Company, that they are liable to be redeemed at the option of the holder.

The terms and manner of redemption shall be provided for in such resolution of the Board and shall be attached to but shall not form part of these Bye-Laws.

- 3.3 The Board may, at its discretion and without the sanction of a Resolution, authorise the purchase by the Company of its own shares upon such terms as the Board may in its discretion determine, provided always that such purchase is effected in accordance with the provisions of the Companies Acts.
- 3.4 The Board may, at its discretion and without the sanction of a Resolution, authorise the acquisition by the Company of its own shares, to be held as treasury shares, upon such terms as the Board may in its discretion determine, provided always that such acquisition is effected in accordance with the provisions of the Companies Acts. The Company shall be entered in the Register as a Shareholder in respect of the shares held by the Company as treasury shares and shall be a Shareholder of the Company but subject always to the provisions of the Companies Acts and for the avoidance of doubt the Company shall not exercise any rights and shall not enjoy or participate in any of the rights attaching to those shares save as expressly provided for in the Companies Act.

### 4 Modification of Rights

- 4.1 Subject to the Companies Acts, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than seventy five percent (75%) of the issued shares of that class or with the sanction of a resolution passed at a separate general meeting of the holders of such shares voting in person or by proxy. To any such separate general meeting, all the provisions of these Bye-Laws as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one or more persons holding or representing by proxy any of the shares of the relevant class, that every holder of shares of the relevant class shall be entitled on a poll to one vote for every such share held by him and that any holder of shares of the relevant class present in person or by proxy may demand a poll.
- 4.2 The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.



## 5 Shares

- 5.1 Subject to the provisions of these Bye-Laws, the unissued shares of the Company (whether forming part of the original capital or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.
- 5.2 Subject to the provisions of these Bye-Laws, any shares of the Company held by the Company as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares.
- 5.3 The Board may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by law.
- 5.4 Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or in any fractional part of a share or (except only as otherwise provided in these Bye-Laws or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## 6 Certificates

- 6.1 The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been issued. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.
- 6.2 If a share certificate is defaced, lost or destroyed, it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and out of pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.
- 6.3 All certificates for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall, except to the extent that the terms and conditions for the time being relating thereto otherwise provide, be issued under the Seal or signed by a Director, the Secretary or any person authorised by the Board for that purpose. The Board may by resolution determine, either generally or in any particular case, that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any persons.

## 7 Lien

- 7.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies, whether presently payable or not, called or payable, at a date fixed by or in accordance with the terms of issue of such share in respect of such share, and the Company shall also have a first and paramount lien on every share (other than a fully paid share) standing registered in the name of a Shareholder, whether singly or jointly with any other person, for all the debts and liabilities of such Shareholder or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such Shareholder, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person, whether a Shareholder or not. The Company's lien on a share shall extend to all dividends payable thereon. The Board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Bye-Law.
- 7.2 The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.
- 7.3 The net proceeds of sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person who was the holder of the

share immediately before such sale. For giving effect to any such sale, the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.

## 8 Calls on Shares

- 8.1 The Board may from time to time make calls upon the Shareholders (for the avoidance of doubt excluding the Company in respect of any nil or partly paid shares held by the Company as treasury shares) in respect of any monies unpaid on their shares (whether on account of the par value of the shares or by way of premium) and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue, and each Shareholder shall (subject to the Company serving upon him at least fourteen (14) days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.
- 8.2 A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 8.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 8.4 If a sum called in respect of the share shall not be paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for the payment thereof to the time of actual payment at such rate as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
- 8.5 Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Bye-Laws be deemed to be a call duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Bye-Laws as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 8.6 The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

## 9 Forfeiture of Shares

- 9.1 If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 9.2 The notice shall name a further day (not being less than fourteen (14) days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call is made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-Laws to forfeiture shall include surrender.
- 9.3 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 9.4 When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
- 9.5 A forfeited share shall be deemed to be the property of the Company and may be sold, re-offered or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

- 9.6 A person whose shares have been forfeited shall thereupon cease to be a Shareholder in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited.
- 9.7 An affidavit in writing that the deponent is a Director of the Company or the Secretary and that a share has been duly forfeited on the date stated in the affidavit shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

## **REGISTER OF SHAREHOLDERS**

### 10 Register of Shareholders

The Secretary shall establish and maintain the Register at the Registered Office in the manner prescribed by the Companies Acts. Unless the Board otherwise determines, the Register shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon on every working day. Unless the Board so determines, no Shareholder or intending Shareholder shall be entitled to have entered in the Register any indication of any trust or any equitable, contingent, future or partial interest in any share or any fractional part of a share and if any such entry exists or is permitted by the Board it shall not be deemed to abrogate any of the provisions of Bye-Law 5.4.

## **REGISTER OF DIRECTORS AND OFFICERS**

### 11 Register of Directors and Officers

The Secretary shall establish and maintain a register of the Directors and Officers of the Company as required by the Companies Acts. The register of Directors and Officers shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon on every working day.

## **TRANSFER OF SHARES**

### 12 Transfer of Shares

- 12.1 Subject to the Companies Acts and to such of the restrictions contained in these Bye-Laws as may be applicable, any Shareholder may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve. No such instrument shall be required on the redemption of a share or on the purchase by the Company of a share.
- 12.2 The instrument of transfer of a share shall be signed by or on behalf of the transferor and where any share is not fully-paid, the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer when registered may be retained by the Company. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which is not a fully-paid share. The Board may also decline to register any transfer unless:
- 12.2.1 the instrument of transfer is duly stamped (if required by law) and lodged with the Company, accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer,
- 12.2.2 the instrument of transfer is in respect of only one class of share, and
- 12.2.3 where applicable, the permission of the Bermuda Monetary Authority with respect thereto has been obtained.
- 12.3 Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under this Bye-Law.

- 12.4 If the Board declines to register a transfer it shall, within three (3) months after the date on which the instrument of transfer was lodged, send to the transferee notice of such refusal.
- 12.5 No fee shall be charged by the Company for registering any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, stop notice, order of court or other instrument relating to or affecting the title to any share, or otherwise making an entry in the Register relating to any share.

## **TRANSMISSION OF SHARES**

### **13 Transmission of Shares**

- 13.1 In the case of the death of a Shareholder, the survivor or survivors, where the deceased was a joint holder, and the estate representative, where he was sole holder, shall be the only person recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder (whether the sole or joint) from any liability in respect of any share held by him solely or jointly with other persons. For the purpose of this Bye-Law, estate representative means the person to whom probate or letters of administration has or have been granted in Bermuda or, failing any such person, such other person as the Board may in its absolute discretion determine to be the person recognised by the Company for the purpose of this Bye-Law.
- 13.2 Any person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable law may, subject as hereafter provided and upon such evidence being produced as may from time to time be required by the Board as to his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall signify his election by signing an instrument of transfer of such share in favour of his nominee. All the limitations, restrictions and provisions of these Bye-Laws relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or instrument of transfer as aforesaid as if the death of the Shareholder or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer signed by such Shareholder.
- 13.3 A person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Shareholder until he shall have become registered as the holder thereof. The Board may at any time give notice requiring such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty (60) days, the Board may thereafter withhold payment of all dividends and other monies payable in respect of the shares until the requirements of the notice have been complied with.
- 13.4 Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under this Bye-Law.

## **SHARE CAPITAL**

### **14 Increase of Capital**

- 14.1 The Company may from time to time increase its capital by such sum to be divided into shares of such par value as the Company by Resolution shall prescribe.
- 14.2 The Company may, by the Resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of the Companies Acts) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or make any other provision as to the issue of the new shares.
- 14.3 The new shares shall be subject to all the provisions of these Bye-Laws with reference to lien, the payment of calls, forfeiture, transfer, transmission and otherwise.

### **15 Alteration of Capital**

- 15.1 The Company may from time to time by Resolution:

- 15.1.1 divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
  - 15.1.2 consolidate and divide all or any of its share capital into shares of larger par value than its existing shares;
  - 15.1.3 sub-divide its shares or any of them into shares of smaller par value than is fixed by its memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - 15.1.4 make provision for the issue and allotment of shares which do not carry any voting rights;
  - 15.1.5 cancel shares which, at the date of the passing of the Resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
  - 15.1.6 change the currency denomination of its share capital.
- 15.2 Where any difficulty arises in regard to any division, consolidation, or sub-division under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Shareholders who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 15.3 Subject to the Companies Acts and to any confirmation or consent required by law or these Bye-Laws, the Company may by Resolution from time to time convert any preference shares into redeemable preference shares.

## 16 Reduction of Capital

- 16.1 Subject to the Companies Acts, its memorandum and any confirmation or consent required by law or these Bye-Laws, the Company may from time to time by Resolution authorise the reduction of its issued share capital or any share premium account in any manner.
- 16.2 In relation to any such reduction, the Company may by Resolution determine the terms upon which such reduction is to be effected including, in the case of a reduction of part only of a class of shares, those shares to be affected.

## GENERAL MEETINGS AND RESOLUTIONS IN WRITING

### 17 General Meetings and Resolutions in Writing

- 17.1 The Board shall convene and the Company shall hold general meetings as Annual General Meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. The Board may, whenever it thinks fit, and shall, when required by the Companies Acts, convene general meetings other than Annual General Meetings which shall be called Special General Meetings.
- 17.2 Except in the case of the removal of auditors or Directors, anything which may be done by resolution of the Shareholders in general meeting or by resolution of any class of Shareholders in a separate general meeting may be done by resolution in writing, signed by the Shareholders (or the holders of such class of shares) who at the date of the notice of the resolution in writing represent the majority of votes that would be required if the resolution had been voted on at a meeting of the Shareholders. Such resolution in writing may be signed by the Shareholder or its proxy, or in the case of a Shareholder that is a corporation (whether or not a company within the meaning of the Companies Acts) by its representative on behalf of such Shareholder, in as many counterparts as may be necessary.
- 17.3 Notice of any resolution in writing to be made under this Bye-Law shall be given to all the Shareholders who would be entitled to attend a meeting and vote on the resolution. The requirement to give notice of any resolution in writing to be made under this Bye-Law to such Shareholders shall be satisfied by giving to those Shareholders a copy of that resolution in writing in the same manner as that required for a notice of a general meeting of the Company at which the resolution could have been considered, except that the

length of the period of notice shall not apply. The date of the notice shall be set out in the copy of the resolution in writing.

- 17.4 The accidental omission to give notice, in accordance with this Bye-Law, of a resolution in writing to, or the non-receipt of such notice by, any person entitled to receive such notice shall not invalidate the passing of the resolution in writing.
- 17.5 For the purposes of this Bye-Law, the date of the resolution in writing is the date when the resolution in writing is signed by, or on behalf of, the Shareholder who establishes the majority of votes required for the passing of the resolution in writing and any reference in any enactment to the date of passing of a resolution is, in relation to a resolution in writing made in accordance with this Bye-Law, a reference to such date.
- 17.6 A resolution in writing made in accordance with this Bye-Law is as valid as if it had been passed by the Company in general meeting or, if applicable, by a meeting of the relevant class of Shareholders of the Company, as the case may be. A resolution in writing made in accordance with this Bye-Law shall constitute minutes for the purposes of the Companies Acts and these Bye-Laws.

## 18 Notice of General Meetings

- 18.1 An Annual General Meeting shall be called by not less than five (5) days notice in writing and a Special General Meeting shall be called by not less than five (5) days notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, day and time of the meeting, and, the nature of the business to be considered. Notice of every general meeting shall be given in any manner permitted by these Bye-Laws to all Shareholders other than such as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company and every Director and to any Resident Representative who or which has delivered a written notice upon the Registered Office requiring that such notice be sent to him or it.
  - 18.1.1 Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Bye-Law, it shall be deemed to have been duly called if it is so agreed:
  - 18.1.2 in the case of a meeting called as an Annual General Meeting, by all the Shareholders entitled to attend and vote thereat;
  - 18.1.3 in the case of any other meeting, by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five percent (95%) in nominal value of the shares giving that right.
- 18.2 The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.
- 18.3 The Board may cancel or postpone a meeting of the Shareholders after it has been convened and notice of such cancellation or postponement shall be served in accordance with these Bye-Laws upon all Shareholders entitled to notice of the meeting so cancelled or postponed setting out, where the meeting is postponed to a specific date, notice of the new meeting in accordance with this Bye-Law.

## 19 Proceedings at General Meetings

- 19.1 In accordance with the Companies Acts, a general meeting may be held with only one individual present provided that the requirement for a quorum is satisfied. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Bye-Laws, at least one Shareholder present in person or by proxy and entitled to vote shall be a quorum for all purposes.
- 19.2 If within five (5) minutes (or such longer time as the chairman of the meeting may determine to wait) after the time appointed for the meeting, a quorum is not present, the meeting, if convened on the requisition of Shareholders, shall be dissolved. In any other case, it shall stand adjourned to such other day and such other time and place as the chairman of the meeting may determine and at such adjourned meeting one Shareholder present in person or by proxy and entitled to vote shall be a quorum. The Company shall give not less than five (5) days notice of any meeting adjourned through want of a quorum and such notice shall state that the one Shareholder present in person or by proxy (whatever the number of shares held by them) and entitled to vote shall be a quorum.



- 19.3 A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- 19.4 Each Director, and upon giving the notice referred to in Bye-Law 18.1 above, the Resident Representative, if any, shall be entitled to attend and speak at any general meeting of the Company.
- 19.5 The Board may choose one of their number to preside as chairman at every general meeting. If there is no such chairman, or if at any meeting the chairman is not present within five (5) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present shall choose one of their number to act or if only one Director is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be chairman.
- 19.6 The chairman of the meeting may, with the consent by resolution 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 but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for three (3) months or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as expressly provided by these Bye-Laws, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## 20 Voting

- 20.1 Save where a greater majority is required by the Companies Acts or these Bye-Laws, any question proposed for consideration at any general meeting shall be decided on by a simple majority of votes cast.
- 20.2 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands or by a count of votes received in the form of electronic records, unless (before or on the declaration of the result of the show of hands or count of votes received as electronic records or on the withdrawal of any other demand for a poll) a poll is demanded by:
- 20.2.1 the chairman of the meeting; or
  - 20.2.2 at least three (3) Shareholders present in person or represented by proxy; or
  - 20.2.3 any Shareholder or Shareholders present in person or represented by proxy and holding between them not less than one tenth (1/10) of the total voting rights of all the Shareholders having the right to vote at such meeting; or
  - 20.2.4 a Shareholder or Shareholders present in person or represented by proxy holding shares conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one tenth (1/10) of the total sum paid up on all such shares conferring such right.

The demand for a poll may be withdrawn by the person or any of the persons making it at any time prior to the declaration of the result. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands or count of votes received as electronic records, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded for or against such resolution.

- 20.3 If a poll is duly demanded, the result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 20.4 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 in such manner and either forthwith or at such time (being not later than three (3) months after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.

- 20.5 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 and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
- 20.6 On a poll, votes may be cast either personally or by proxy.
- 20.7 A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
- 20.8 In the case of an equality of votes at a general meeting, whether on a show of hands or count of votes received as electronic records or on a poll, the chairman of such meeting shall not be entitled to a second or casting vote and the resolution shall fail.
- 20.9 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
- 20.10 A Shareholder who is a patient for any purpose of any statute or applicable law relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such Court and such receiver, committee, *curator bonis* or other person may vote on a poll by proxy, and may otherwise act and be treated as such Shareholder for the purpose of general meetings.
- 20.11 No Shareholder shall, unless the Board otherwise determines, be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 20.12 If:
- 20.12.1 any objection shall be raised to the qualification of any voter; or,
- 20.12.2 any votes have been counted which ought not to have been counted or which might have been rejected; or,
- 20.12.3 any votes are not counted which ought to have been counted,
- the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

## 21 Proxies and Corporate Representatives

- 21.1 The instrument appointing a proxy or corporate representative shall be in writing executed by the appointor or his attorney authorised by him in writing or, if the appointor is a corporation, either under its seal or executed by an officer, attorney or other person authorised to sign the same.
- 21.2 Any Shareholder may appoint a proxy or (if a corporation) representative for a specific general meeting, and adjournments thereof, or may appoint a standing proxy or (if a corporation) representative, by serving on the Company at the Registered Office, or at such place or places as the Board may otherwise specify for the purpose, a proxy or (if a corporation) an authorisation. Any standing proxy or authorisation shall be valid for all general meetings and adjournments thereof or resolutions in writing, as the case may be, until notice of revocation is received at the Registered Office or at such place or places as the Board may otherwise specify for the purpose. Where a standing proxy or authorisation exists, its operation shall be deemed to have been suspended at any general meeting or adjournment thereof at which the Shareholder is present or in respect to which the Shareholder has specially appointed a proxy or representative. The Board may from time to time require such evidence as it shall deem necessary as to the due execution and continuing validity of any standing proxy or authorisation and the operation of any such standing proxy or authorisation shall be deemed to be suspended until such time as the Board determines that it has received the requested evidence or other evidence satisfactory to it.



- 21.3 Subject to Bye-Law 21.2, the instrument appointing a proxy or corporate representative together with such other evidence as to its due execution as the Board may from time to time require, shall be delivered at the Registered Office (or at such place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case or the case of a resolution in writing, in any document sent therewith) prior to the holding of the relevant meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, before the time appointed for the taking of the poll, or, in the case of a resolution in writing, prior to the effective date of the resolution in writing and in default the instrument of proxy or authorisation shall not be treated as valid.
- 21.4 Instruments of proxy or authorisation shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting or any resolution in writing forms of instruments of proxy or authorisation for use at that meeting or in connection with that resolution in writing. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll, to speak at the meeting and to vote on any amendment of a resolution in writing or amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy or authorisation shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- 21.5 A vote given in accordance with the terms of an instrument of proxy or authorisation shall be valid notwithstanding the previous death or unsoundness of mind of the principal, or revocation of the instrument of proxy or of the corporate authority, provided that no intimation in writing of such death, unsoundness of mind or revocation shall have been received by the Company at the Registered Office (or such other place as may be specified for the delivery of instruments of proxy or authorisation in the notice convening the meeting or other documents sent therewith) at least one hour before the commencement of the meeting or adjourned meeting, or the taking of the poll, or the day before the effective date of any resolution in writing at which the instrument of proxy or authorisation is used.
- 21.6 Subject to the Companies Acts, the Board may at its discretion waive any of the provisions of these Bye-Laws related to proxies or authorisations and, in particular, may accept such verbal or other assurances as it thinks fit as to the right of any person to attend, speak and vote on behalf of any Shareholder at general meetings or to sign resolutions in writing.

## **BOARD OF DIRECTORS**

### **22 Appointment and Removal of Directors**

- 22.1 The number of Directors shall be not less than two (2) and not more than eight (8) or such numbers in excess thereof as the Company by Resolution may from time to time determine and, subject to the Companies Acts and these Bye-Laws, the Directors shall be elected or appointed by the Company by Resolution and shall serve for such term as the Company by Resolution may determine, or in the absence of such determination, until the termination of the next Annual General Meeting following their appointment. All Directors, upon election or appointment (except upon re-election at an Annual General Meeting), must provide written acceptance of their appointment, in such form as the Board may think fit, by notice in writing to the Registered Office within thirty (30) days of their appointment.
- 22.2 The Company may by Resolution increase the maximum number of Directors. Any one or more vacancies in the Board not filled by the Shareholders at any general meeting of the Shareholders shall be deemed casual vacancies for the purposes of these Bye-Laws. Without prejudice to the power of the Company by Resolution in pursuance of any of the provisions of these Bye-Laws to appoint any person to be a Director, the Board, so long as a quorum of Directors remains in office, shall have power at any time and from time to time to appoint any individual to be a Director so as to fill a casual vacancy.
- 22.3 The Company may in a Special General Meeting called for that purpose remove a Director, provided notice of any such meeting shall be served upon the Director concerned not less than fourteen (14) days before the meeting and he shall be entitled to be heard at that meeting. Any vacancy created by the removal of a Director at a Special General Meeting may be filled at the meeting by the election of another Director in his place or, in the absence of any such election, by the Board.

### **23 Resignation and Disqualification of Directors**

The office of a Director shall be vacated upon the happening of any of the following events:

- 23.1 if he resigns his office by notice in writing delivered to the Registered Office or tendered at a meeting of the Board;

- 23.2 if he becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health and the Board resolves that his office is vacated;
- 23.3 if he becomes bankrupt under the laws of any country or compounds with his creditors;
- 23.4 if he is prohibited by law from being a Director;
- 23.5 if he ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Bye-Laws.

#### 24 Alternate Directors

- 24.1 A Director may appoint and remove his own Alternate Director. Any appointment or removal of an Alternate Director by a Director shall be effected by delivery of a written notice of appointment or removal to the Secretary at the Registered Office, signed by such Director, and such notice shall be effective immediately upon receipt or on any later date specified in that notice. Any Alternate Director may be removed by resolution of the Board. Subject as aforesaid, the office of Alternate Director shall continue until the next annual election of Directors or, if earlier, the date on which the relevant Director ceases to be a Director. An Alternate Director may also be a Director in his own right and may act as alternate to more than one Director.
- 24.2 An Alternate Director shall be entitled to receive notices of all meetings of Directors, to attend, be counted in the quorum and vote at any such meeting at which any Director to whom he is alternate is not personally present, and generally to perform all the functions of any Director to whom he is alternate in his absence.
- 24.3 Every person acting as an Alternate Director shall (except as regards powers to appoint an alternate and remuneration) be subject in all respects to the provisions of these Bye-Laws relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for any Director for whom he is alternate. An Alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director. Every person acting as an Alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an Alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the terms of his appointment provides to the contrary, be as effective as the signature of the Director or Directors to whom he is alternate.

#### 25 Directors' Fees and Additional Remuneration and Expenses

The amount, if any, of Directors' fees shall from time to time be determined by the Company by Resolution or in the absence of such a determination, by the Board. Unless otherwise determined to the contrary, such fees shall be deemed to accrue from day to day. Each Director may be paid his reasonable travel, hotel and incidental expenses in attending and returning from meetings of the Board or committees constituted pursuant to these Bye-Laws or general meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.

#### 26 Directors' Interests

- 26.1 A Director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.
- 26.2 A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 26.3 Subject to the provisions of the Companies Acts, a Director may notwithstanding his office be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and be a director or other officer of, or employed by, or a party to any

transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is interested. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

- 26.4 So long as, where it is necessary, he declares the nature of his interest at the first opportunity at a meeting of the Board or by writing to the Directors as required by the Companies Acts, a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from any office or employment to which these Bye-Laws allow him to be appointed or from any transaction or arrangement in which these Bye-Laws allow him to be interested, and no such transaction or arrangement shall be liable to be avoided on the ground of any interest or benefit.
- 26.5 Subject to the Companies Acts and any further disclosure required thereby, a general notice to the Directors by a Director or Officer declaring that he is a director or officer or has an interest in a person and is to be regarded as interested in any transaction or arrangement made with that person, shall be a sufficient declaration of interest in relation to any transaction or arrangement so made.

## **POWERS AND DUTIES OF THE BOARD**

### **27 Powers and Duties of the Board**

- 27.1 Subject to the provisions of the Companies Acts, these Bye-Laws and to any directions given by the Company by Resolution, the Board shall manage the business of the Company and may pay all expenses incurred in promoting and incorporating the Company and may exercise all the powers of the Company. No alteration of these Bye-Laws and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Bye-Law shall not be limited by any special power given to the Board by these Bye-Laws and a meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
- 27.2 The Board may exercise all the powers of the Company except those powers that are required by the Companies Acts or these Bye-Laws to be exercised by the Shareholders.
- 27.3 All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
- 27.4 The Board on behalf of the Company may provide benefits, whether by the payment of gratuities or pensions or otherwise, for any person including any Director or former Director who has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary or affiliate of the Company or a predecessor in the business of the Company or of any such subsidiary or affiliate, and to any member of his family or any person who is or was dependent on him, and may contribute to any fund and pay premiums for the purchase or provision of any such gratuity, pension or other benefit, or for the insurance of any such person.
- 27.5 The Board may from time to time appoint one or more of its body to be a managing director, joint managing director or an assistant managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and may revoke or terminate any such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Any person so appointed shall receive such remuneration (if any) (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

### **28 Delegation of the Board's Powers**

- 28.1 The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-Laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the

protection and convenience of persons dealing with any such attorney and of such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney may, if so authorised by the power of attorney, execute any deed, instrument or other document on behalf of the Company.

- 28.2 The Board may entrust to and confer upon any Director, Officer or, without prejudice to the provisions of Bye-Law 28.3, other person any of the powers, authorities and discretions exercisable by it upon such terms and conditions with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions, and may from time to time revoke or vary all or any of such powers, authorities and discretions, but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
- 28.3 The Board may delegate any of its powers, authorities and discretions to committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, and in conducting its proceedings conform to any regulations which may be imposed upon it by the Board. If no regulations are imposed by the Board the proceedings of a committee with two (2) or more members shall be, as far as is practicable, governed by the Bye-Laws regulating the proceedings of the Board.

## 29 Proceedings of the Board

- 29.1 The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the motion shall be deemed to have been lost. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.
- 29.2 Notice of a meeting of the Board may be given to a Director by word of mouth or in any manner permitted by these Bye-Laws. A Director may retrospectively waive the requirement for notice of any meeting by consenting in writing to the business conducted at the meeting.
- 29.3 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2) individuals. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
- 29.4 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract, transaction or arrangement with the Company and has complied with the provisions of the Companies Acts and these Bye-Laws with regard to disclosure of his interest shall be entitled to vote in respect of any contract, transaction or arrangement in which he is so interested and if he shall do so his vote shall be counted, and he shall be taken into account in ascertaining whether a quorum is present.
- 29.5 The Resident Representative shall, upon delivering written notice of an address for the purposes of receipt of notice to the Registered Office, be entitled to receive notice of, attend and be heard at, and to receive minutes of all meetings of the Board.
- 29.6 So long as a quorum of Directors remains in office, the continuing Directors may act notwithstanding any vacancy in the Board but, if no such quorum remains, the continuing Directors or a sole continuing Director may act only for the purpose of calling a general meeting.
- 29.7 The Board may choose one of their number to preside as chairman at every meeting of the Board. If there is no such chairman, or if at any meeting the chairman is not present within five (5) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present may choose one of their number to be chairman of the meeting.
- 29.8 The meetings and proceedings of any committee consisting of two (2) or more members shall be governed by the provisions contained in these Bye-Laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.
- 29.9 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (or by an Alternate Director, as provided for in these Bye-Laws) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be

contained in one document or in several documents in the like form each signed by one or more of the Directors or members of the committee concerned.

29.10 A meeting of the Board or a committee appointed by the Board may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and participation in such a meeting shall constitute presence in person at such meeting. Such a meeting shall be deemed to take place where the largest group of those Directors participating in the meeting is physically assembled, or, if there is no such group, where the chairman of the meeting then is.

29.11 All acts done by the Board or by any committee or by any person acting as a Director or member of a committee or any person duly authorised by the Board or any committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated their office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, member of such committee or person so authorised.

## **OFFICERS**

### **30 Officers**

30.1 The Officers of the Company, who may or may not be Directors, may be appointed by the Board at any time. Any person appointed pursuant to this Bye-Law shall hold office for such period and upon such terms as the Board may determine and the Board may revoke or terminate any such appointment. Any such revocation or termination shall be without prejudice to any claim for damages that such Officer may have against the Company or the Company may have against such Officer for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Save as provided in the Companies Acts or these Bye-Laws, the powers and duties of the Officers of the Company shall be such (if any) as are determined from time to time by the Board.

30.2 The provisions of these Bye-Laws as to resignation and disqualification of Directors shall *mutatis mutandis* apply to the resignation and disqualification of Officers.

## **MINUTES**

### **31 Minutes**

31.1 The Board shall cause minutes to be made and books kept for the purpose of recording:

31.1.1 all appointments of Officers made by the Board;

31.1.2 the names of the Directors and other persons (if any) present at each meeting of the Board and of any committee; and

31.1.3 all proceedings at meetings of the Company, of the holders of any class of shares in the Company, of the Board and of committees appointed by the Board or the Shareholders.

31.2 Shareholders shall only be entitled to see the Register of Directors and Officers, the Register, the financial information provided for in Bye-Law 38.3 and the minutes of meetings of the Shareholders of the Company.

## **SECRETARY AND RESIDENT REPRESENTATIVE**

### **32 Secretary and Resident Representative**

32.1 The Secretary (including one or more deputy or assistant secretaries) and, if required, the Resident Representative, shall be appointed by the Board at such remuneration (if any) and upon such terms as it may think fit and any Secretary and Resident Representative so appointed may be removed by the Board. The duties of the Secretary and the duties of the Resident Representative shall be those prescribed by the Companies Acts together with such other duties as shall from time to time be prescribed by the Board.

- 32.2 A provision of the Companies Acts or these Bye-Laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

## **THE SEAL**

### **33 The Seal**

- 33.1 The Board may authorise the production of a common seal of the Company and one or more duplicate common seals of the Company, which shall consist of a circular device with the name of the Company around the outer margin thereof and the country and year of registration in Bermuda across the centre thereof.
- 33.2 Any document required to be under seal or executed as a deed on behalf of the Company may be:
- 33.2.1 executed under the Seal in accordance with these Bye-Laws; or
  - 33.2.2 signed or executed by any person authorised by the Board for that purpose, without the use of the Seal.
- 33.3 The Board shall provide for the custody of every Seal. A Seal shall only be used by authority of the Board or of a committee constituted by the Board. Subject to these Bye-Laws, any instrument to which a Seal is affixed shall be attested by the signature of:
- 33.3.1 a Director; or
  - 33.3.2 the Secretary; or
  - 33.3.3 any one person authorised by the Board for that purpose.

## **DIVIDENDS AND OTHER PAYMENTS**

### **34 Dividends and Other Payments**

- 34.1 The Board may from time to time declare dividends or distributions out of contributed surplus to be paid to the Shareholders according to their rights and interests, including such interim dividends as appear to the Board to be justified by the position of the Company. The Board, in its discretion, may determine that any dividend shall be paid in cash or shall be satisfied, subject to Bye-Law 36, in paying up in full shares in the Company to be issued to the Shareholders credited as fully paid or partly paid or partly in one way and partly the other. The Board may also pay any fixed cash dividend which is payable on any shares of the Company half yearly or on such other dates, whenever the position of the Company, in the opinion of the Board, justifies such payment.
- 34.2 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:
- 34.2.1 all dividends or distributions out of contributed surplus may be declared and paid according to the amounts paid up on the shares in respect of which the dividend or distribution is paid, and an amount paid up on a share in advance of calls may be treated for the purpose of this Bye-Law as paid-up on the share;
  - 34.2.2 dividends or distributions out of contributed surplus may be apportioned and paid pro rata according to the amounts paid-up on the shares during any portion or portions of the period in respect of which the dividend or distribution is paid.
- 34.3 The Board may deduct from any dividend, distribution or other monies payable to a Shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 34.4 No dividend, distribution or other monies payable by the Company on or in respect of any share shall bear interest against the Company.
- 34.5 Any dividend, distribution or interest, or part thereof payable in cash, or any other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post or by courier addressed to the holder at his address in the Register or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his registered address as appearing in the



Register or addressed to such person at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two (2) or more joint holders may give effectual receipts for any dividends, distributions or other monies payable or property distributable in respect of the shares held by such joint holders.

34.6 Any dividend or distribution out of contributed surplus unclaimed for a period of six (6) years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.

34.7 The Board may also, in addition to its other powers, direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend, the Board may settle it as it thinks expedient, and in particular, may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board, provided that such dividend or distribution may not be satisfied by the distribution of any partly paid shares or debentures of any company without the sanction of a Resolution.

## 35 Reserves

The Board may, before declaring any dividend or distribution out of contributed surplus, set aside such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose of the Company and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any sums which it may think it prudent not to distribute.

## CAPITALISATION OF PROFITS

### 36 Capitalisation of Profits

36.1 The Board may from time to time resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account and accordingly that such amount be set free for distribution amongst the Shareholders or any class of Shareholders who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up amounts for the time being unpaid on any shares in the Company held by such Shareholders respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid amongst such Shareholders, or partly in one way and partly in the other, provided that for the purpose of this Bye-Law, a share premium account may be applied only in paying up of unissued shares to be issued to such Shareholders credited as fully paid.

36.2 Where any difficulty arises in regard to any distribution under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments should be made to any Shareholders in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Shareholders.

## RECORD DATES

### 37 Record Dates

Notwithstanding any other provisions of these Bye-Laws, the Company may by Resolution or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and for the purpose of identifying the persons entitled to receive notices of any general meeting and to vote at any general

meeting. Any such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made or such notice is despatched.

## **ACCOUNTING RECORDS**

### **38 Accounting Records**

- 38.1 The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Companies Acts.
- 38.2 The records of account shall be kept at the Registered Office or at such other place or places as the Board thinks fit, and shall at all times be open to inspection by the Directors, PROVIDED that if the records of account are kept at some place outside Bermuda, there shall be kept at an office of the Company in Bermuda such records as will enable the Directors to ascertain with reasonable accuracy the financial position of the Company at the end of each three (3) month period. No Shareholder (other than an Officer of the Company) shall have any right to inspect any accounting record or book or document of the Company except as conferred by law or authorised by the Board or by Resolution.
- 38.3 A copy of every balance sheet and statement of income and expenditure, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the auditors' report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts.

## **AUDIT**

### **39 Audit**

Save and to the extent that an audit is waived in the manner permitted by the Companies Acts, auditors shall be appointed and their duties regulated in accordance with the Companies Acts, any other applicable law and such requirements not inconsistent with the Companies Acts as the Board may from time to time determine.

## **SERVICE OF NOTICES AND OTHER DOCUMENTS**

### **40 Service of Notices and Other Documents**

- 40.1 Any notice or other document (including but not limited to a share certificate, any notice of a general meeting of the Company, any instrument of proxy and any document to be sent in accordance with Bye-Law 38.3) may be sent to, served on or delivered to any Shareholder by the Company
- 40.1.1 personally;
- 40.1.2 by sending it through the post (by airmail where applicable) in a pre-paid letter addressed to such Shareholder at his address as appearing in the Register;
- 40.1.3 by sending it by courier to or leaving it at the Shareholder's address appearing in the Register;
- 40.1.4 where applicable, by sending it by email or facsimile or other mode of representing or reproducing words in a legible and non-transitory form or by sending an electronic record of it by electronic means, in each case to an address or number supplied by such Shareholder for the purposes of communication in such manner; or
- 40.1.5 by publication of an electronic record of it on a website and notification of such publication (which shall include the address of the website, the place on the website where the document may be found, and how the document may be accessed on the website) by any of the methods set out in paragraphs 40.1.1, 40.1.2, 40.1.3 or 40.1.4 of this Bye-Law, in accordance with the Companies Acts.

In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed as sufficient service on or delivery to all the joint holders.



- 40.2 Any notice or other document shall be deemed to have been served on or delivered to any Shareholder by the Company
- 40.2.1 if sent by personal delivery, at the time of delivery;
  - 40.2.2 if sent by post, forty-eight (48) hours after it was put in the post;
  - 40.2.3 if sent by courier or facsimile, twenty-four (24) hours after sending;
  - 40.2.4 if sent by email or other mode of representing or reproducing words in a legible and non-transitory form or as an electronic record by electronic means, twelve (12) hours after sending; or
  - 40.2.5 if published as an electronic record on a website, at the time that the notification of such publication shall be deemed to have been delivered to such Shareholder,

and in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed and stamped and put in the post, published on a website in accordance with the Companies Acts and the provisions of these Bye-Laws, or sent by courier, facsimile, email or as an electronic record by electronic means, as the case may be, in accordance with these Bye-Laws.

Each Shareholder and each person becoming a Shareholder subsequent to the adoption of these Bye-laws, by virtue of its holding or its acquisition and continued holding of a share, as applicable, shall be deemed to have acknowledged and agreed that any notice or other document (excluding a share certificate) may be provided by the Company by way of accessing them on a website instead of being provided by other means.

- 40.3 Any notice or other document delivered, sent or given to a Shareholder in any manner permitted by these Bye-Laws shall, notwithstanding that such Shareholder is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Shareholder as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed as sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- 40.4 Save as otherwise provided, the provisions of these Bye-Laws as to service of notices and other documents on Shareholders shall *mutatis mutandis* apply to service or delivery of notices and other documents to the Company or any Director, Alternate Director or Resident Representative pursuant to these Bye-Laws.

## WINDING UP

### 41 Winding Up

If the Company shall be wound up, the liquidator may, with the sanction of a Resolution of the Company and any other sanction required by the Companies Acts, divide amongst the Shareholders in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purposes set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any shares or other assets upon which there is any liability.

## INDEMNITY

### 42 Indemnity

- 42.1 Subject to the proviso below, every Indemnified Person shall be indemnified and held harmless out of the assets of the Company against all liabilities, loss, damage or expense (including but not limited to liabilities under contract, tort and statute or any applicable foreign law or regulation and all reasonable legal and other costs and expenses properly payable) incurred or suffered by him by or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties and the indemnity contained in this Bye-Law shall extend to any Indemnified Person acting in

any office or trust in the reasonable belief that he has been appointed or elected to such office or trust notwithstanding any defect in such appointment or election PROVIDED ALWAYS that the indemnity contained in this Bye-Law shall not extend to any matter which would render it void pursuant to the Companies Acts.

- 42.2 No Indemnified Person shall be liable to the Company for the acts, defaults or omissions of any other Indemnified Person.
- 42.3 Every Indemnified Person shall be indemnified out of the assets of the Company against all liabilities incurred by him by or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted, or in connection with any application under the Companies Acts in which relief from liability is granted to him by the court.
- 42.4 To the extent that any Indemnified Person is entitled to claim an indemnity pursuant to these Bye-Laws in respect of amounts paid or discharged by him, the relevant indemnity shall take effect as an obligation of the Company to reimburse the person making such payment or effecting such discharge.
- 42.5 Each Shareholder and the Company agree to waive any claim or right of action he or it may at any time have, whether individually or by or in the right of the Company, against any Indemnified Person on account of any action taken by such Indemnified Person or the failure of such Indemnified Person to take any action in the performance of his duties with or for the Company PROVIDED HOWEVER that such waiver shall not apply to any claims or rights of action arising out of the fraud of such Indemnified Person or to recover any gain, personal profit or advantage to which such Indemnified Person is not legally entitled.
- 42.6 Expenses incurred in defending any civil or criminal action or proceeding for which indemnification is required pursuant to these Bye-Laws shall be paid by the Company in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if any allegation of fraud or dishonesty is proved against the Indemnified Person.

## **AMALGAMATION**

### 43 Amalgamation

Any resolution proposed for consideration at any general meeting to approve the amalgamation of the Company with any other company, wherever incorporated, shall require the approval of a simple majority of votes cast at such meeting and the quorum for such meeting shall be that required in Bye-Law 19.1 and a poll may be demanded in respect of such resolution in accordance with the provisions of Bye-Law 20.2.

## **CONTINUATION**

### 44 Continuation

Subject to the Companies Acts, the Board may approve the discontinuation of the Company in Bermuda and the continuation of the Company in a jurisdiction outside Bermuda. The Board, having resolved to approve the discontinuation of the Company, may further resolve not to proceed with any application to discontinue the Company in Bermuda or may vary such application as it sees fit.

## **ALTERATION OF BYE-LAWS**

### 45 Alteration of Bye-Laws

These Bye-Laws may be amended from time to time by resolution of the Board, but subject to approval by Resolution.

# APPENDIX 7

## BYE-LAWS OF LINGARD LIMITED

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## INTERPRETATION

### 1 Definitions and Interpretation

#### 1.1 In these Bye-Laws, unless the context otherwise requires:

“**Alternate Director**” means an alternate Director appointed to the Board as provided for in these Bye-Laws;

“**Auditor**” means the person or firm for the time being appointed as auditor of the Company;

“**Bermuda**” means the Islands of Bermuda;

“**Board**” means the Directors of the Company appointed or elected pursuant to these Bye-Laws and acting by resolution as provided for in the Act and in these Bye-Laws or the Directors present at a meeting of Directors at which there is a quorum;

“**Companies Acts**” means every Bermuda statute from time to time in force concerning companies insofar as the same applies to the Company;

“**Company**” means the company incorporated in Bermuda under the name of **Lingard Limited on 18 August, 2006**;

“**Director**” means such person or persons appointed or elected to the Board from time to time pursuant to these Bye-Laws and includes an Alternate Director;

“**Indemnified Person**” means any Director, Officer, Resident Representative, member of a committee duly constituted under these Bye-Laws and any liquidator, manager or trustee for the time being acting in relation to the affairs of the Company, and his heirs, executors and administrators;

“**Officer**” means a person appointed by the Board pursuant to these Bye-Laws but shall not include the Auditor;

“**paid up**” means paid up or credited as paid up;

“**Register**” means the Register of Shareholders of the Company maintained by the Company in Bermuda;

“**Registered Office**” means the registered office of the Company which shall be at such place in Bermuda as the Board shall from time to time determine;

“**Resident Representative**” means (if any) the individual or the company appointed to perform the duties of resident representative set out in the Companies Acts and includes any assistant or deputy Resident Representative appointed by the Board to perform any of the duties of the Resident Representative;

“**Resolution**” means a resolution of the Shareholders passed in a general meeting or, where required, of a separate class or separate classes of shareholders passed in a separate general meeting or in either case adopted by resolution in writing, in accordance with the provisions of these Bye-Laws;

“**Seal**” means the common seal of the Company and includes any authorised duplicate thereof;

“**Secretary**” means the individual or the company appointed by the Board to perform any of the duties of the Secretary and includes a temporary or assistant or deputy Secretary;

“**share**” means share in the capital of the Company and includes a fraction of a share;

“**Shareholder**” means a shareholder or member of the Company provided that for the purposes of Bye-Law 42 it shall also include any holder of notes, debentures or bonds issued by the Company;

“**these Bye-Laws**” means these Bye-Laws in their present form.

#### 1.2 For the purposes of these Bye-Laws, a corporation which is a shareholder shall be deemed to be present in person at a general meeting if, in accordance with the Companies Acts, its authorised representative is present.

#### 1.3 Words importing only the singular number include the plural number and vice versa.

- 1.4 Words importing only the masculine gender include the feminine and neuter genders respectively.
- 1.5 Words importing persons include companies, associations, bodies of persons, whether corporate or not.
- 1.6 A reference to writing shall include typewriting, printing, lithography, photography and electronic record.
- 1.7 Any words or expressions defined in the Companies Acts in force at the date when these Bye-Laws or any part thereof are adopted shall bear the same meaning in these Bye-Laws or such part (as the case may be).

## REGISTERED OFFICE

### 2 Registered Office

The Registered Office shall be at such place in Bermuda as the Board shall from time to time appoint.

## SHARES AND SHARE RIGHTS

### 3 Share Rights

- 3.1 Subject to any special rights conferred on the holders of any share or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
- 3.2 Subject to the Companies Acts, any preference shares may, with the sanction of a resolution of the Board, be issued on terms:
  - 3.2.1 that they are to be redeemed on the happening of a specified event or on a given date; and/or,
  - 3.2.2 that they are liable to be redeemed at the option of the Company; and/or,
  - 3.2.3 if authorised by the memorandum of association of the Company, that they are liable to be redeemed at the option of the holder.

The terms and manner of redemption shall be provided for in such resolution of the Board and shall be attached to but shall not form part of these Bye-Laws.

- 3.3 The Board may, at its discretion and without the sanction of a Resolution, authorise the purchase by the Company of its own shares upon such terms as the Board may in its discretion determine, provided always that such purchase is effected in accordance with the provisions of the Companies Acts.
- 3.4 The Board may, at its discretion and without the sanction of a Resolution, authorise the acquisition by the Company of its own shares, to be held as treasury shares, upon such terms as the Board may in its discretion determine, provided always that such acquisition is effected in accordance with the provisions of the Companies Acts. The Company shall be entered in the Register as a Shareholder in respect of the shares held by the Company as treasury shares and shall be a Shareholder of the Company but subject always to the provisions of the Companies Acts and for the avoidance of doubt the Company shall not exercise any rights and shall not enjoy or participate in any of the rights attaching to those shares save as expressly provided for in the Companies Act.

### 4 Modification of Rights

- 4.1 Subject to the Companies Acts, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than seventy five percent (75%) of the issued shares of that class or with the sanction of a resolution passed at a separate general meeting of the holders of such shares voting in person or by proxy. To any such separate general meeting, all the provisions of these Bye-Laws as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one or more persons holding or representing by proxy any of the shares of the relevant class, that every holder of shares of the relevant class shall be entitled on a poll to one vote for every such share held by him and that any holder of shares of the relevant class present in person or by proxy may demand a poll.

- 4.2 The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

## 5 Shares

- 5.1 Subject to the provisions of these Bye-Laws, the unissued shares of the Company (whether forming part of the original capital or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.
- 5.2 Subject to the provisions of these Bye-Laws, any shares of the Company held by the Company as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares.
- 5.3 The Board may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by law.
- 5.4 Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or in any fractional part of a share or (except only as otherwise provided in these Bye-Laws or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## 6 Certificates

- 6.1 The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been issued. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.
- 6.2 If a share certificate is defaced, lost or destroyed, it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and out of pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.
- 6.3 All certificates for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall, except to the extent that the terms and conditions for the time being relating thereto otherwise provide, be issued under the Seal or signed by a Director, the Secretary or any person authorised by the Board for that purpose. The Board may by resolution determine, either generally or in any particular case, that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any persons.

## 7 Lien

- 7.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies, whether presently payable or not, called or payable, at a date fixed by or in accordance with the terms of issue of such share in respect of such share, and the Company shall also have a first and paramount lien on every share (other than a fully paid share) standing registered in the name of a Shareholder, whether singly or jointly with any other person, for all the debts and liabilities of such Shareholder or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such Shareholder, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person, whether a Shareholder or not. The Company's lien on a share shall extend to all dividends payable thereon. The Board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Bye-Law.
- 7.2 The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.

- 7.3 The net proceeds of sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person who was the holder of the share immediately before such sale. For giving effect to any such sale, the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.

## 8 Calls on Shares

- 8.1 The Board may from time to time make calls upon the Shareholders (for the avoidance of doubt excluding the Company in respect of any nil or partly paid shares held by the Company as treasury shares) in respect of any monies unpaid on their shares (whether on account of the par value of the shares or by way of premium) and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue, and each Shareholder shall (subject to the Company serving upon him at least fourteen (14) days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.
- 8.2 A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.
- 8.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 8.4 If a sum called in respect of the share shall not be paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for the payment thereof to the time of actual payment at such rate as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.
- 8.5 Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Bye-Laws be deemed to be a call duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Bye-Laws as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 8.6 The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

## 9 Forfeiture of Shares

- 9.1 If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 9.2 The notice shall name a further day (not being less than fourteen (14) days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call is made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-Laws to forfeiture shall include surrender.
- 9.3 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 9.4 When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
- 9.5 A forfeited share shall be deemed to be the property of the Company and may be sold, re-offered or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled



thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

- 9.6 A person whose shares have been forfeited shall thereupon cease to be a Shareholder in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited.
- 9.7 An affidavit in writing that the deponent is a Director of the Company or the Secretary and that a share has been duly forfeited on the date stated in the affidavit shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

## **REGISTER OF SHAREHOLDERS**

### 10 Register of Shareholders

The Secretary shall establish and maintain the Register at the Registered Office in the manner prescribed by the Companies Acts. Unless the Board otherwise determines, the Register shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon on every working day. Unless the Board so determines, no Shareholder or intending Shareholder shall be entitled to have entered in the Register any indication of any trust or any equitable, contingent, future or partial interest in any share or any fractional part of a share and if any such entry exists or is permitted by the Board it shall not be deemed to abrogate any of the provisions of Bye-Law 5.4.

## **REGISTER OF DIRECTORS AND OFFICERS**

### 11 Register of Directors and Officers

The Secretary shall establish and maintain a register of the Directors and Officers of the Company as required by the Companies Acts. The register of Directors and Officers shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon on every working day.

## **TRANSFER OF SHARES**

### 12 Transfer of Shares

- 12.1 Subject to the Companies Acts and to such of the restrictions contained in these Bye-Laws as may be applicable, any Shareholder may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve. No such instrument shall be required on the redemption of a share or on the purchase by the Company of a share.
- 12.2 The instrument of transfer of a share shall be signed by or on behalf of the transferor and where any share is not fully-paid, the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer when registered may be retained by the Company. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which is not a fully-paid share. The Board may also decline to register any transfer unless:
- 12.2.1 the instrument of transfer is duly stamped (if required by law) and lodged with the Company, accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer,
- 12.2.2 the instrument of transfer is in respect of only one class of share, and
- 12.2.3 where applicable, the permission of the Bermuda Monetary Authority with respect thereto has been obtained.



- 12.3 Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under this Bye-Law.
- 12.4 If the Board declines to register a transfer it shall, within three (3) months after the date on which the instrument of transfer was lodged, send to the transferee notice of such refusal.
- 12.5 No fee shall be charged by the Company for registering any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, stop notice, order of court or other instrument relating to or affecting the title to any share, or otherwise making an entry in the Register relating to any share.

## TRANSMISSION OF SHARES

### 13 Transmission of Shares

- 13.1 In the case of the death of a Shareholder, the survivor or survivors, where the deceased was a joint holder, and the estate representative, where he was sole holder, shall be the only person recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder (whether the sole or joint) from any liability in respect of any share held by him solely or jointly with other persons. For the purpose of this Bye-Law, estate representative means the person to whom probate or letters of administration has or have been granted in Bermuda or, failing any such person, such other person as the Board may in its absolute discretion determine to be the person recognised by the Company for the purpose of this Bye-Law.
- 13.2 Any person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable law may, subject as hereafter provided and upon such evidence being produced as may from time to time be required by the Board as to his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall signify his election by signing an instrument of transfer of such share in favour of his nominee. All the limitations, restrictions and provisions of these Bye-Laws relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or instrument of transfer as aforesaid as if the death of the Shareholder or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer signed by such Shareholder.
- 13.3 A person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Shareholder until he shall have become registered as the holder thereof. The Board may at any time give notice requiring such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty (60) days, the Board may thereafter withhold payment of all dividends and other monies payable in respect of the shares until the requirements of the notice have been complied with.
- 13.4 Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under this Bye-Law.

## SHARE CAPITAL

### 14 Increase of Capital

- 14.1 The Company may from time to time increase its capital by such sum to be divided into shares of such par value as the Company by Resolution shall prescribe.
- 14.2 The Company may, by the Resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of the Companies Acts) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or make any other provision as to the issue of the new shares.
- 14.3 The new shares shall be subject to all the provisions of these Bye-Laws with reference to lien, the payment of calls, forfeiture, transfer, transmission and otherwise.

## 15 Alteration of Capital

- 15.1 The Company may from time to time by Resolution:
- 15.1.2 divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
  - 15.1.3 consolidate and divide all or any of its share capital into shares of larger par value than its existing shares;
  - 15.1.4 sub-divide its shares or any of them into shares of smaller par value than is fixed by its memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - 15.1.5 make provision for the issue and allotment of shares which do not carry any voting rights;
  - 15.1.6 cancel shares which, at the date of the passing of the Resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
  - 15.1.6 change the currency denomination of its share capital.
- 15.2 Where any difficulty arises in regard to any division, consolidation, or sub-division under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Shareholders who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 15.3 Subject to the Companies Acts and to any confirmation or consent required by law or these Bye-Laws, the Company may by Resolution from time to time convert any preference shares into redeemable preference shares.

## 16 Reduction of Capital

- 16.1 Subject to the Companies Acts, its memorandum and any confirmation or consent required by law or these Bye-Laws, the Company may from time to time by Resolution authorise the reduction of its issued share capital or any share premium account in any manner.
- 16.2 In relation to any such reduction, the Company may by Resolution determine the terms upon which such reduction is to be effected including, in the case of a reduction of part only of a class of shares, those shares to be affected.

## GENERAL MEETINGS AND RESOLUTIONS IN WRITING

### 17 General Meetings and Resolutions in Writing

- 17.1 The Board shall convene and the Company shall hold general meetings as Annual General Meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. The Board may, whenever it thinks fit, and shall, when required by the Companies Acts, convene general meetings other than Annual General Meetings which shall be called Special General Meetings.
- 17.2 Except in the case of the removal of Auditors or Directors, anything which may be done by resolution of the Shareholders in general meeting or by resolution of any class of Shareholders in a separate general meeting may be done by resolution in writing, signed by the Shareholders (or the holders of such class of shares) who at the date of the notice of the resolution in writing represent the majority of votes that would be required if the resolution had been voted on at a meeting of the Shareholders. Such resolution in writing may be signed by the Shareholder or its proxy, or in the case of a Shareholder that is a corporation (whether or not a company within the meaning of the Companies Acts) by its representative on behalf of such Shareholder, in as many counterparts as may be necessary.
- 17.3 Notice of any resolution in writing to be made under this Bye-Law shall be given to all the Shareholders who would be entitled to attend a meeting and vote on the resolution. The requirement to give notice of

any resolution in writing to be made under this Bye-Law to such Shareholders shall be satisfied by giving to those Shareholders a copy of that resolution in writing in the same manner as that required for a notice of a general meeting of the Company at which the resolution could have been considered, except that the length of the period of notice shall not apply. The date of the notice shall be set out in the copy of the resolution in writing.

- 17.4 The accidental omission to give notice, in accordance with this Bye-Law, of a resolution in writing to, or the non-receipt of such notice by, any person entitled to receive such notice shall not invalidate the passing of the resolution in writing.
- 17.5 For the purposes of this Bye-Law, the date of the resolution in writing is the date when the resolution in writing is signed by, or on behalf of, the Shareholder who establishes the majority of votes required for the passing of the resolution in writing and any reference in any enactment to the date of passing of a resolution is, in relation to a resolution in writing made in accordance with this Bye-Law, a reference to such date.
- 17.6 A resolution in writing made in accordance with this Bye-Law is as valid as if it had been passed by the Company in general meeting or, if applicable, by a meeting of the relevant class of Shareholders of the Company, as the case may be. A resolution in writing made in accordance with this Bye-Law shall constitute minutes for the purposes of the Companies Acts and these Bye-Laws.

## 18 Notice of General Meetings

- 18.1 An Annual General Meeting shall be called by not less than five (5) days notice in writing and a Special General Meeting shall be called by not less than five (5) days notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, day and time of the meeting, and, the nature of the business to be considered. Notice of every general meeting shall be given in any manner permitted by these Bye-Laws to all Shareholders other than such as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company and every Director and to any Resident Representative who or which has delivered a written notice upon the Registered Office requiring that such notice be sent to him or it.
  - 18.1.2 Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Bye-Law, it shall be deemed to have been duly called if it is so agreed:
  - 18.1.3 in the case of a meeting called as an Annual General Meeting, by all the Shareholders entitled to attend and vote thereat;
  - 18.1.4 in the case of any other meeting, by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five percent (95%) in nominal value of the shares giving that right.
- 18.2 The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.
- 18.3 The Board may cancel or postpone a meeting of the Shareholders after it has been convened and notice of such cancellation or postponement shall be served in accordance with these Bye-Laws upon all Shareholders entitled to notice of the meeting so cancelled or postponed setting out, where the meeting is postponed to a specific date, notice of the new meeting in accordance with this Bye-Law.

## 19 Proceedings at General Meetings

- 19.1 In accordance with the Companies Acts, a general meeting may be held with only one individual present provided that the requirement for a quorum is satisfied. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Bye-Laws, at least one Shareholder present in person or by proxy and entitled to vote shall be a quorum for all purposes.
- 19.2 If within five (5) minutes (or such longer time as the chairman of the meeting may determine to wait) after the time appointed for the meeting, a quorum is not present, the meeting, if convened on the requisition of Shareholders, shall be dissolved. In any other case, it shall stand adjourned to such other day and such other time and place as the chairman of the meeting may determine and at such

adjourned meeting one Shareholder present in person or by proxy and entitled to vote shall be a quorum. The Company shall give not less than five (5) days notice of any meeting adjourned through want of a quorum and such notice shall state that the one Shareholder present in person or by proxy (whatever the number of shares held by them) and entitled to vote shall be a quorum.

- 19.3 A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- 19.4 Each Director, and upon giving the notice referred to in Bye-Law 18.1 above, the Resident Representative, if any, shall be entitled to attend and speak at any general meeting of the Company.
- 19.5 The Board may choose one of their number to preside as chairman at every general meeting. If there is no such chairman, or if at any meeting the chairman is not present within five (5) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present shall choose one of their number to act or if only one Director is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be chairman.
- 19.6 The chairman of the meeting may, with the consent by resolution 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 but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for three (3) months or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as expressly provided by these Bye-Laws, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## 20 Voting

- 20.1 Save where a greater majority is required by the Companies Acts or these Bye-Laws, any question proposed for consideration at any general meeting shall be decided on by a simple majority of votes cast.
- 20.2 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands or by a count of votes received in the form of electronic records, unless (before or on the declaration of the result of the show of hands or count of votes received as electronic records or on the withdrawal of any other demand for a poll) a poll is demanded by:
- 20.2.1 the chairman of the meeting; or
- 20.2.2 at least three (3) Shareholders present in person or represented by proxy; or
- 20.2.3 any Shareholder or Shareholders present in person or represented by proxy and holding between them not less than one tenth (1/10) of the total voting rights of all the Shareholders having the right to vote at such meeting; or
- 20.2.4 a Shareholder or Shareholders present in person or represented by proxy holding shares conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one tenth (1/10) of the total sum paid up on all such shares conferring such right.

The demand for a poll may be withdrawn by the person or any of the persons making it at any time prior to the declaration of the result. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands or count of votes received as electronic records, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded for or against such resolution.

- 20.3 If a poll is duly demanded, the result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 20.4 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 in such manner and either forthwith

or at such time (being not later than three (3) months after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.

- 20.5 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 and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
- 20.6 On a poll, votes may be cast either personally or by proxy.
- 20.7 A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
- 20.8 In the case of an equality of votes at a general meeting, whether on a show of hands or count of votes received as electronic records or on a poll, the chairman of such meeting shall not be entitled to a second or casting vote and the resolution shall fail.
- 20.9 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
- 20.10 A Shareholder who is a patient for any purpose of any statute or applicable law relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such Court and such receiver, committee, *curator bonis* or other person may vote on a poll by proxy, and may otherwise act and be treated as such Shareholder for the purpose of general meetings.
- 20.11 No Shareholder shall, unless the Board otherwise determines, be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 20.12 If:
- 20.12.1 any objection shall be raised to the qualification of any voter; or,
- 20.12.2 any votes have been counted which ought not to have been counted or which might have been rejected; or,
- 20.12.3 any votes are not counted which ought to have been counted,
- 20.12.4 the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

## 21 Proxies and Corporate Representatives

- 21.1 The instrument appointing a proxy or corporate representative shall be in writing executed by the appointor or his attorney authorised by him in writing or, if the appointor is a corporation, either under its seal or executed by an officer, attorney or other person authorised to sign the same.
- 21.2 Any Shareholder may appoint a proxy or (if a corporation) representative for a specific general meeting, and adjournments thereof, or may appoint a standing proxy or (if a corporation) representative, by serving on the Company at the Registered Office, or at such place or places as the Board may otherwise specify for the purpose, a proxy or (if a corporation) an authorisation. Any standing proxy or authorisation shall be valid for all general meetings and adjournments thereof or resolutions in writing, as the case may be, until notice of revocation is received at the Registered Office or at such place or places as the Board may otherwise specify for the purpose. Where a standing proxy or authorisation exists, its operation shall be deemed to have been suspended at any general meeting or adjournment thereof at which the Shareholder is present or in respect to which the Shareholder has specially appointed a proxy or representative. The Board may from time to time require such evidence as it shall deem necessary as to the due execution and continuing validity of any standing proxy or authorisation and the operation of any such standing proxy or authorisation

shall be deemed to be suspended until such time as the Board determines that it has received the requested evidence or other evidence satisfactory to it.

- 21.3 Notwithstanding Bye-law 21.2, a Shareholder may appoint a proxy which shall be irrevocable in accordance with its terms and the holder thereof shall be the only person entitled to vote the relevant shares at any meeting of the shareholders at which such holder is present. Notice of the appointment of any such proxy shall be given to the Company at its Registered Office, and shall include the name, address, telephone number and electronic mail address of the proxy holder. The Company shall give to the proxy holder notice of all meetings of Shareholders of the Company and shall be obliged to recognise the holder of such proxy until such time as the holder notifies the Company in writing that the proxy is no longer in force.
- 21.4 Subject to Bye-Law 21.2 and 21.3, the instrument appointing a proxy or corporate representative together with such other evidence as to its due execution as the Board may from time to time require, shall be delivered at the Registered Office (or at such place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case or the case of a resolution in writing, in any document sent therewith) prior to the holding of the relevant meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, before the time appointed for the taking of the poll, or, in the case of a resolution in writing, prior to the effective date of the resolution in writing and in default the instrument of proxy or authorisation shall not be treated as valid.
- 21.5 Subject to Bye-Law 21.2 and 21.3, the decision of the chairman of any general meeting as to the validity of any appointments of a proxy shall be final.
- 21.6 Instruments of proxy or authorisation shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting or any resolution in writing forms of instruments of proxy or authorisation for use at that meeting or in connection with that resolution in writing. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll, to speak at the meeting and to vote on any amendment of a resolution in writing or amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy or authorisation shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- 21.7 A vote given in accordance with the terms of an instrument of proxy or authorisation shall be valid notwithstanding the previous death or unsoundness of mind of the principal, or revocation of the instrument of proxy or of the corporate authority, provided that no intimation in writing of such death, unsoundness of mind or revocation shall have been received by the Company at the Registered Office (or such other place as may be specified for the delivery of instruments of proxy or authorisation in the notice convening the meeting or other documents sent therewith) at least one hour before the commencement of the meeting or adjourned meeting, or the taking of the poll, or the day before the effective date of any resolution in writing at which the instrument of proxy or authorisation is used.
- 21.8 Subject to the Companies Acts, the Board may at its discretion waive any of the provisions of these Bye-Laws related to proxies or authorisations and, in particular, may accept such verbal or other assurances as it thinks fit as to the right of any person to attend, speak and vote on behalf of any Shareholder at general meetings or to sign resolutions in writing.

## **BOARD OF DIRECTORS**

### **22 Appointment and Removal of Directors**

- 22.1 The number of Directors shall be not less than two (2) and not more than six (6) or such numbers in excess thereof as the Company by Resolution may from time to time determine and, subject to the Companies Acts and these Bye-Laws, the Directors shall be elected or appointed by the Company by Resolution and shall serve for such term as the Company by Resolution may determine, or in the absence of such determination, until the termination of the next Annual General Meeting following their appointment. All Directors, upon election or appointment (except upon re-election at an Annual General Meeting), must provide written acceptance of their appointment, in such form as the Board may think fit, by notice in writing to the Registered Office within thirty (30) days of their appointment.
- 22.2 The Company may by Resolution increase the maximum number of Directors. Any one or more vacancies in the Board not filled by the Shareholders at any general meeting of the Shareholders shall be deemed casual vacancies for the purposes of these Bye-Laws. Without prejudice to the power of the Company by Resolution in pursuance of any of the provisions of these Bye-Laws to appoint any person to be a Director, the Board, so long as a quorum of Directors remains in office,



shall have power at any time and from time to time to appoint any individual to be a Director so as to fill a casual vacancy.

- 22.3 The Company may in a Special General Meeting called for that purpose remove a Director, provided notice of any such meeting shall be served upon the Director concerned not less than fourteen (14) days before the meeting and he shall be entitled to be heard at that meeting. Any vacancy created by the removal of a Director at a Special General Meeting may be filled at the meeting by the election of another Director in his place or, in the absence of any such election, by the Board.

## 23 Resignation and Disqualification of Directors

The office of a Director shall be vacated upon the happening of any of the following events:

- 23.1 if he resigns his office by notice in writing delivered to the Registered Office or tendered at a meeting of the Board;
- 23.2 if he becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health and the Board resolves that his office is vacated;
- 23.3 if he becomes bankrupt under the laws of any country or compounds with his creditors;
- 23.4 if he is prohibited by law from being a Director; or
- 23.5 if he ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Bye-Laws.

## 24 Alternate Directors

- 24.1 A Director may appoint and remove his own Alternate Director. Any appointment or removal of an Alternate Director by a Director shall be effected by delivery of a written notice of appointment or removal to the Secretary at the Registered Office, signed by such Director, and such notice shall be effective immediately upon receipt or on any later date specified in that notice. Any Alternate Director may be removed by resolution of the Board. Subject as aforesaid, the office of Alternate Director shall continue until the next annual election of Directors or, if earlier, the date on which the relevant Director ceases to be a Director. An Alternate Director may also be a Director in his own right and may act as alternate to more than one Director.
- 24.2 An Alternate Director shall be entitled to receive notices of all meetings of Directors, to attend, be counted in the quorum and vote at any such meeting at which any Director to whom he is alternate is not personally present, and generally to perform all the functions of any Director to whom he is alternate in his absence.
- 24.3 Every person acting as an Alternate Director shall (except as regards powers to appoint an alternate and remuneration) be subject in all respects to the provisions of these Bye-Laws relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for any Director for whom he is alternate. An Alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director. Every person acting as an Alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an Alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the terms of his appointment provides to the contrary, be as effective as the signature of the Director or Directors to whom he is alternate.

## 25 Directors' Fees and Additional Remuneration and Expenses

The amount, if any, of Directors' fees shall from time to time be determined by the Company by Resolution or in the absence of such a determination, by the Board. Unless otherwise determined to the contrary, such fees shall be deemed to accrue from day to day. Each Director may be paid his reasonable travel, hotel and incidental expenses in attending and returning from meetings of the Board or committees constituted pursuant to these Bye-Laws or general meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.

## 26 Directors' Interests

- 26.1 A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.
- 26.2 A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 26.3 Subject to the provisions of the Companies Acts, a Director may notwithstanding his office be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is interested. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- 26.4 So long as, where it is necessary, he declares the nature of his interest at the first opportunity at a meeting of the Board or by writing to the Directors as required by the Companies Acts, a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from any office or employment to which these Bye-Laws allow him to be appointed or from any transaction or arrangement in which these Bye-Laws allow him to be interested, and no such transaction or arrangement shall be liable to be avoided on the ground of any interest or benefit.
- 26.5 Subject to the Companies Acts and any further disclosure required thereby, a general notice to the Directors by a Director or Officer declaring that he is a director or officer or has an interest in a person and is to be regarded as interested in any transaction or arrangement made with that person, shall be a sufficient declaration of interest in relation to any transaction or arrangement so made.

## POWERS AND DUTIES OF THE BOARD

### 27 Powers and Duties of the Board

- 27.1 Subject to the provisions of the Companies Acts, these Bye-Laws and to any directions given by the Company by Resolution, the Board shall manage the business of the Company and may pay all expenses incurred in promoting and incorporating the Company and may exercise all the powers of the Company. No alteration of these Bye-Laws and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Bye-Law shall not be limited by any special power given to the Board by these Bye-Laws and a meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
- 27.2 The Board may exercise all the powers of the Company except those powers that are required by the Companies Acts or these Bye-Laws to be exercised by the Shareholders.
- 27.3 All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
- 27.4 The Board on behalf of the Company may provide benefits, whether by the payment of gratuities or pensions or otherwise, for any person including any Director or former Director who has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary or affiliate of the Company or a predecessor in the business of the Company or of any such subsidiary or affiliate, and to any member of his family or any person who is or was dependent on him, and may contribute to any fund and pay premiums for the purchase or provision of any such gratuity, pension or other benefit, or for the insurance of any such person.
- 27.5 The Board may from time to time appoint one or more of its body to be a managing director, joint managing director or an assistant managing director or to hold any other employment or executive



office with the Company for such period and upon such terms as the Board may determine and may revoke or terminate any such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Any person so appointed shall receive such remuneration (if any) (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

## 28 Delegation of the Board's Powers

- 28.1 The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-Laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney and of such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney may, if so authorised by the power of attorney, execute any deed, instrument or other document on behalf of the Company.
- 28.2 The Board may entrust to and confer upon any Director, Officer or, without prejudice to the provisions of Bye-Law 28.3, other person any of the powers, authorities and discretions exercisable by it upon such terms and conditions with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions, and may from time to time revoke or vary all or any of such powers, authorities and discretions, but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
- 28.3 The Board may delegate any of its powers, authorities and discretions to committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, and in conducting its proceedings conform to any regulations which may be imposed upon it by the Board. If no regulations are imposed by the Board the proceedings of a committee with two (2) or more members shall be, as far as is practicable, governed by the Bye-Laws regulating the proceedings of the Board.

## 29 Proceedings of the Board

- 29.1 The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the motion shall be deemed to have been lost. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.
- 29.2 Notice of a meeting of the Board may be given to a Director by word of mouth or in any manner permitted by these Bye-Laws. A Director may retrospectively waive the requirement for notice of any meeting by consenting in writing to the business conducted at the meeting.
- 29.3 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2) individuals. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
- 29.4 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract, transaction or arrangement with the Company and has complied with the provisions of the Companies Acts and these Bye-Laws with regard to disclosure of his interest shall be entitled to vote in respect of any contract, transaction or arrangement in which he is so interested and if he shall do so his vote shall be counted, and he shall be taken into account in ascertaining whether a quorum is present.
- 29.5 The Resident Representative shall, upon delivering written notice of an address for the purposes of receipt of notice to the Registered Office, be entitled to receive notice of, attend and be heard at, and to receive minutes of all meetings of the Board.
- 29.6 So long as a quorum of Directors remains in office, the continuing Directors may act notwithstanding any vacancy in the Board but, if no such quorum remains, the continuing Directors or a sole continuing Director may act only for the purpose of calling a general meeting.

- 29.7 The Board may choose one of their number to preside as chairman at every meeting of the Board. If there is no such chairman, or if at any meeting the chairman is not present within five (5) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present may choose one of their number to be chairman of the meeting.
- 29.8 The meetings and proceedings of any committee consisting of two (2) or more members shall be governed by the provisions contained in these Bye-Laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.
- 29.9 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (or by an Alternate Director, as provided for in these Bye-Laws) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the Directors or members of the committee concerned.
- 29.10 A meeting of the Board or a committee appointed by the Board may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and participation in such a meeting shall constitute presence in person at such meeting. Such a meeting shall be deemed to take place where the largest group of those Directors participating in the meeting is physically assembled, or, if there is no such group, where the chairman of the meeting then is.
- 29.11 All acts done by the Board or by any committee or by any person acting as a Director or member of a committee or any person duly authorised by the Board or any committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated their office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, member of such committee or person so authorised.

## OFFICERS

### 30 Officers

- 30.1 The Officers of the Company, who may or may not be Directors, may be appointed by the Board at any time. Any person appointed pursuant to this Bye-Law shall hold office for such period and upon such terms as the Board may determine and the Board may revoke or terminate any such appointment. Any such revocation or termination shall be without prejudice to any claim for damages that such Officer may have against the Company or the Company may have against such Officer for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Save as provided in the Companies Acts or these Bye-Laws, the powers and duties of the Officers of the Company shall be such (if any) as are determined from time to time by the Board.
- 30.2 The provisions of these Bye-Laws as to resignation and disqualification of Directors shall *mutatis mutandis* apply to the resignation and disqualification of Officers.

## MINUTES

### 31 Minutes

- 31.1 The Board shall cause minutes to be made and books kept for the purpose of recording:
- 31.1.1 all appointments of Officers made by the Board;
  - 31.1.2 the names of the Directors and other persons (if any) present at each meeting of the Board and of any committee; and
  - 31.1.3 all proceedings at meetings of the Company, of the holders of any class of shares in the Company, of the Board and of committees appointed by the Board or the Shareholders.
- 31.2 Shareholders shall only be entitled to see the Register of Directors and Officers, the Register, the financial information provided for in Bye-Law 38.3 and the minutes of meetings of the Shareholders of the Company.

## SECRETARY AND RESIDENT REPRESENTATIVE

### 32 Secretary and Resident Representative

- 32.1 The Secretary (including one or more deputy or assistant secretaries) and, if required, the Resident Representative, shall be appointed by the Board at such remuneration (if any) and upon such terms as it may think fit and any Secretary and Resident Representative so appointed may be removed by the Board. The duties of the Secretary and the duties of the Resident Representative shall be those prescribed by the Companies Acts together with such other duties as shall from time to time be prescribed by the Board.
- 32.2 A provision of the Companies Acts or these Bye-Laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

## THE SEAL

### 33 The Seal

- 33.1 The Board may authorise the production of a common seal of the Company and one or more duplicate common seals of the Company, which shall consist of a circular device with the name of the Company around the outer margin thereof and the country and year of registration in Bermuda across the centre thereof.
- 33.2 Any document required to be under seal or executed as a deed on behalf of the Company may be:
- 33.2.1 executed under the Seal in accordance with these Bye-Laws; or
  - 33.2.2 signed or executed by any person authorised by the Board for that purpose, without the use of the Seal.
- 33.3 The Board shall provide for the custody of every Seal. A Seal shall only be used by authority of the Board or of a committee constituted by the Board. Subject to these Bye-Laws, any instrument to which a Seal is affixed shall be attested by the signature of:
- 33.3.1 a Director; or
  - 33.3.2 the Secretary; or
  - 33.3.3 any one person authorised by the Board for that purpose.

## DIVIDENDS AND OTHER PAYMENTS

### 34 Dividends and Other Payments

- 34.1 The Board may from time to time declare dividends or distributions out of contributed surplus to be paid to the Shareholders according to their rights and interests, including such interim dividends as appear to the Board to be justified by the position of the Company. The Board, in its discretion, may determine that any dividend shall be paid in cash or shall be satisfied, subject to Bye-Law 36, in paying up in full shares in the Company to be issued to the Shareholders credited as fully paid or partly paid or partly in one way and partly the other. The Board may also pay any fixed cash dividend which is payable on any shares of the Company half yearly or on such other dates, whenever the position of the Company, in the opinion of the Board, justifies such payment.
- 34.2 Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:
- 34.2.1 all dividends or distributions out of contributed surplus may be declared and paid according to the amounts paid up on the shares in respect of which the dividend or distribution is paid, and an amount paid up on a share in advance of calls may be treated for the purpose of this Bye-Law as paid-up on the share;
  - 34.2.2 dividends or distributions out of contributed surplus may be apportioned and paid pro rata according to the amounts paid-up on the shares during any portion or portions of the period in respect of which the dividend or distribution is paid.
- 34.3 The Board may deduct from any dividend, distribution or other monies payable to a Shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.

- 34.4 No dividend, distribution or other monies payable by the Company on or in respect of any share shall bear interest against the Company.
- 34.5 Any dividend, distribution or interest, or part thereof payable in cash, or any other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post or by courier addressed to the holder at his address in the Register or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his registered address as appearing in the Register or addressed to such person at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two (2) or more joint holders may give effectual receipts for any dividends, distributions or other monies payable or property distributable in respect of the shares held by such joint holders.
- 34.6 Any dividend or distribution out of contributed surplus unclaimed for a period of six (6) years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.
- 34.7 The Board may also, in addition to its other powers, direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend, the Board may settle it as it thinks expedient, and in particular, may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board, provided that such dividend or distribution may not be satisfied by the distribution of any partly paid shares or debentures of any company without the sanction of a Resolution.

## 35 Reserves

The Board may, before declaring any dividend or distribution out of contributed surplus, set aside such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose of the Company and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any sums which it may think it prudent not to distribute.

## CAPITALISATION OF PROFITS

### 36 Capitalisation of Profits

- 36.1 The Board may from time to time resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account and accordingly that such amount be set free for distribution amongst the Shareholders or any class of Shareholders who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up amounts for the time being unpaid on any shares in the Company held by such Shareholders respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid amongst such Shareholders, or partly in one way and partly in the other, provided that for the purpose of this Bye-Law, a share premium account may be applied only in paying up of unissued shares to be issued to such Shareholders credited as fully paid.
- 36.2 Where any difficulty arises in regard to any distribution under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments should be made to any Shareholders in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Shareholders.

## RECORD DATES

### 37 Record Dates

Notwithstanding any other provisions of these Bye-Laws, the Company may by Resolution or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and for the purpose of identifying the persons entitled to receive notices of any general meeting and to vote at any general meeting. Any such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made or such notice is despatched.

## ACCOUNTING RECORDS

### 38 Accounting Records

- 38.1 The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Companies Acts.
- 38.2 The records of account shall be kept at the Registered Office or at such other place or places as the Board thinks fit, and shall at all times be open to inspection by the Directors, PROVIDED that if the records of account are kept at some place outside Bermuda, there shall be kept at an office of the Company in Bermuda such records as will enable the Directors to ascertain with reasonable accuracy the financial position of the Company at the end of each three (3) month period. No Shareholder (other than an Officer of the Company) shall have any right to inspect any accounting record or book or document of the Company except as conferred by law or authorised by the Board or by Resolution.
- 38.3 A copy of every balance sheet and statement of income and expenditure, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the Auditors' report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts.

## AUDIT

### 39 Audit

Save and to the extent that an audit is waived in the manner permitted by the Companies Acts, Auditors shall be appointed and their duties regulated in accordance with the Companies Acts, any other applicable law and such requirements not inconsistent with the Companies Acts as the Board may from time to time determine.

## SERVICE OF NOTICES AND OTHER DOCUMENTS

### 40 Service of Notices and Other Documents

- 40.1 Any notice or other document (including but not limited to a share certificate, any notice of a general meeting of the Company, any instrument of proxy and any document to be sent in accordance with Bye-Law 38.3) may be sent to, served on or delivered to any Shareholder by the Company
  - 40.1.1 personally;
  - 40.1.2 by sending it through the post (by airmail where applicable) in a pre-paid letter addressed to such Shareholder at his address as appearing in the Register;
  - 40.1.3 by sending it by courier to or leaving it at the Shareholder's address appearing in the Register;
  - 40.1.4 where applicable, by sending it by email or facsimile or other mode of representing or reproducing words in a legible and non-transitory form or by sending an electronic record of it by electronic means, in each case to an address or number supplied by such Shareholder for the purposes of communication in such manner; or
  - 40.1.5 by publication of an electronic record of it on a website and notification of such publication (which shall include the address of the website, the place on the website where the document may be found, and how the document may be accessed on the website) by any of the methods set out in paragraphs 40.1.1, 40.1.2, 40.1.3 or 40.1.4 of this Bye-Law, in accordance with the Companies Acts.

In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed as sufficient service on or delivery to all the joint holders.

- 40.2 Any notice or other document shall be deemed to have been served on or delivered to any Shareholder by the Company
- 40.2.1 if sent by personal delivery, at the time of delivery;
  - 40.2.2 if sent by post, forty-eight (48) hours after it was put in the post;
  - 40.2.3 if sent by courier or facsimile, twenty-four (24) hours after sending;
  - 40.2.4 if sent by email or other mode of representing or reproducing words in a legible and non-transitory form or as an electronic record by electronic means, twelve (12) hours after sending; or
  - 40.2.5 if published as an electronic record on a website, at the time that the notification of such publication shall be deemed to have been delivered to such Shareholder,

and in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed and stamped and put in the post, published on a website in accordance with the Companies Acts and the provisions of these Bye-Laws, or sent by courier, facsimile, email or as an electronic record by electronic means, as the case may be, in accordance with these Bye-Laws.

Each Shareholder and each person becoming a Shareholder subsequent to the adoption of these Bye-laws, by virtue of its holding or its acquisition and continued holding of a share, as applicable, shall be deemed to have acknowledged and agreed that any notice or other document (excluding a share certificate) may be provided by the Company by way of accessing them on a website instead of being provided by other means.

- 40.3 Any notice or other document delivered, sent or given to a Shareholder in any manner permitted by these Bye-Laws shall, notwithstanding that such Shareholder is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Shareholder as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed as sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- 40.4 Save as otherwise provided, the provisions of these Bye-Laws as to service of notices and other documents on Shareholders shall *mutatis mutandis* apply to service or delivery of notices and other documents to the Company or any Director, Alternate Director or Resident Representative pursuant to these Bye-Laws.

## WINDING UP

### 41 Winding Up

If the Company shall be wound up, the liquidator may, with the sanction of a Resolution of the Company and any other sanction required by the Companies Acts, divide amongst the Shareholders in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purposes set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any shares or other assets upon which there is any liability.

## INDEMNITY

### 42 Indemnity

- 42.1 Subject to the proviso below, every Indemnified Person shall be indemnified and held harmless out of the assets of the Company against all liabilities, loss, damage or expense (including but not limited to liabilities under contract, tort and statute or any applicable foreign law or regulation and all



reasonable legal and other costs including defence costs incurred in defending any legal proceedings whether civil or criminal and expenses properly payable) incurred or suffered by him by or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties and the indemnity contained in this Bye-Law shall extend to any Indemnified Person acting in any office or trust in the reasonable belief that he has been appointed or elected to such office or trust notwithstanding any defect in such appointment or election PROVIDED ALWAYS that the indemnity contained in this Bye-Law shall not extend to any matter which would render it void pursuant to the Companies Acts.

- 42.2 No Indemnified Person shall be liable to the Company for the acts, defaults or omissions of any other Indemnified Person.
- 42.3 To the extent that any Indemnified Person is entitled to claim an indemnity pursuant to these Bye-Laws in respect of amounts paid or discharged by him, the relevant indemnity shall take effect as an obligation of the Company to reimburse the person making such payment or effecting such discharge.
- 42.4 Each Shareholder and the Company agree to waive any claim or right of action he or it may at any time have, whether individually or by or in the right of the Company, against any Indemnified Person on account of any action taken by such Indemnified Person or the failure of such Indemnified Person to take any action in the performance of his duties with or for the Company PROVIDED HOWEVER that such waiver shall not apply to any claims or rights of action arising out of the fraud of such Indemnified Person or to recover any gain, personal profit or advantage to which such Indemnified Person is not legally entitled.
- 42.5 The Company shall advance moneys to any Indemnified Person for the costs, charges, and expenses incurred by the Indemnified Person in defending any civil or criminal proceedings against them, on condition and receipt of an undertaking in a form satisfactory to the Company that the Indemnified Person shall repay such portion of the advance attributable to any claim of fraud or dishonesty if such a claim is proved against the Indemnified Person.
- 42.6 The advance of moneys would not be paid unless the advance was duly authorized upon a determination that the indemnification of the Indemnified Person was appropriate because the Indemnified Person had met the standard of conduct which would entitle the Indemnified Person to indemnification and further the determination referred to above must be made by a majority vote of the Board at a meeting duly constituted by a quorum of Directors not party to the proceedings in respect of which the indemnification is, or would be, claimed; or, in the case such meeting cannot be constituted by lack of disinterested quorum by an independent third party; or, alternatively, by a majority vote of the Shareholders.

## **AMALGAMATION**

### 43 Amalgamation

Any resolution proposed for consideration at any general meeting to approve the amalgamation of the Company with any other company, wherever incorporated, shall require the approval of a simple majority of votes cast at such meeting and the quorum for such meeting shall be that required in Bye-Law 19.1 and a poll may be demanded in respect of such resolution in accordance with the provisions of Bye-Law 20.2.

## **CONTINUATION**

### 44 Continuation

Subject to the Companies Acts, the Board may approve the discontinuation of the Company in Bermuda and the continuation of the Company in a jurisdiction outside Bermuda. The Board, having resolved to approve the discontinuation of the Company, may further resolve not to proceed with any application to discontinue the Company in Bermuda or may vary such application as it sees fit.

## **ALTERATION OF BYE-LAWS**

### 45 Alteration of Bye-Laws

These Bye-Laws may be amended from time to time by resolution of the Board, but subject to approval by Resolution.



# APPENDIX 8

## ARTICLES OF ASSOCIATION – GARD AS

As approved by the Annual General Meeting held on 13 June 2022

### 1. Company name

The company's name shall be Gard AS

### 2. Location of company

The company is located in Arendal

### 3. Business

The company's business is insurance intermediary activities on behalf of insurance business for Norwegian and foreign marine and energy insurers, and other related business.

### 4. Share capital

The Share capital is NOK 30,000,000 divided on 50,000 shares, each with a face value of NOK 600.

### 5. Board of Directors and Chief Executive Officer

The Board of Directors shall consist of - up to six (6) representatives elected by the shareholders. In addition up to three (3) representatives shall be elected by and from the employees. Time of service for the Directors elected by and from the employees is two years.

In the event of an equal number of votes being cast, the chairman of the meeting shall not have the deciding vote.

### 6. Authorisation to sign on behalf of the company

The Chairman of the board and the Chief Executive Officer together have authorization to sign on behalf of the company. The Board of Directors may grant power of procuration.

### 7. Annual General Meeting

The Annual General Meeting shall decide on the following matters:

- Approve the accounts and the annual report, including dividend to shareholders
- Elect board members
- Elect an auditor
- Other matters pursuant to the Joint Stock Company Act or pursuant to the Articles of Association.

All decisions of the Annual General Meeting require approval of shareholders representing a minimum of 2/3 of the share capital.

# APPENDIX 9

## PRESIDENT & CEO – TERMS OF REFERENCE

Adopted by the Board of Directors of Gard P. & I. (Bermuda) Ltd. on 13 May 2019

### 1. The Company's President and Chief Executive Officer

The President and Chief Executive Officer ("CEO") of Gard P. & I. (Bermuda) Ltd. (the "Company") and the various subsidiaries in the Gard group, is appointed by the Company's Board of Directors (the "Board") and reports to the Board, the Sub-Committees of the Board<sup>80</sup> and to the Election and Governance Committee (together the "Committee"). The CEO also reports to the Board of Directors of the Company's various subsidiaries<sup>81</sup>.

The CEO is responsible for the day-to-day management of the Company and shall ensure that the Company, and its subsidiaries, are managed in accordance with applicable laws and regulations, the Company's or subsidiaries' Bye-Laws and/or Articles of Association, as well as any other policies or instructions approved by the Board<sup>82</sup> or relevant Committee.

### 2. Authority, duties and responsibilities

The authority, general duties and responsibilities of the CEO include:

The CEO is authorized to represent the Company externally and to take any necessary action not entrusted to others by any applicable laws or regulations, the Company's or subsidiaries' Bye-Laws and/or Articles of Association, policies or decisions made by the Board or relevant Committee.

The CEO's day-to-day management does not include taking actions of an extraordinary character or of major importance for the Company without the approval of the Board or relevant Committee. Actions/decisions of such extraordinary character or major importance may only be taken by the CEO if specifically authorized by the Board or relevant Committee, except in situations where it is not possible to await a decision by the Board or relevant Committee without causing material disadvantage to the Company. On such occasions the Board or relevant Committee must be notified of the action without undue delay.

The CEO shall ensure that all operations and activities of the Company are conducted in accordance with applicable laws, regulations, sound business practices and ethical standards, as well as with policies, instructions and/or orders issued by the Board or relevant Committee.

The CEO shall ensure that the Company has employees and key employees who in combination possess the necessary qualifications and experience for the proper operation of the Company.

The CEO shall establish instructions and policies which set out the employees' duties and responsibilities, as well as proper work processes and reporting procedures.

The CEO is responsible for submitting to the Board or relevant Committee a financial plan and budget for the following financial year, in a timely manner prior and to the end of each financial year.

The CEO shall also ensure that the Company's annual accounts and annual report are prepared and presented in accordance with applicable legislation, regulations and accounting standards, no later than three months following the end of the financial year.

The CEO shall ensure that the Company has in place proper risk management and internal control systems which are based on an assessment of relevant risks pursuant to guidelines established by the Board or relevant Committee, including:

- Continuously monitor changes in the Company's risks and ensure that the Company's risks are adequately safeguarded in accordance with the Board's or relevant Committee's guidelines,
- Provide relevant and timely information to the Board or Committee which is of relevance for the Company's risk management and internal control, including information on new risks,
- Ensure that the Company's risk management and internal control processes are documented,

- Ensure that risk management and internal control are carried out and monitored in a proper manner.

The CEO may not sit on boards, or participate in business operations, of other companies or organizations outside of the Gard group of companies unless expressly authorized by the Board or relevant Committee.

### **3. Meetings and reporting**

The CEO is, in consultation with the Chairman of the Board or Committee, responsible for the preparation of the various board and committee meetings.

The CEO has, even when not a member of the Board or Committee, a right and a duty to participate in and to speak at the Board or Committee meeting, except when there is a conflict of interest or if the Board or Committee has decided otherwise on a case by case basis.

The CEO shall regularly provide a report, either in meeting or in writing, to the Board or Committee, describing the activities, status and financial developments of the Company.

The CEO shall also provide reports on specific matters if requested by the Board or a Committee or an individual member of the Board or a Committee.

# APPENDIX 10

## AUDIT COMMITTEE – TERMS OF REFERENCE

### GARD P. & I. (BERMUDA) LTD.

Adopted by the Board of Directors on 28 October 2013, as amended by the Board of Directors on 11 May 2015, 9 May 2016, 7 May 2017 and 12 May 2021.

#### **1. Membership**

- 1.1 The Audit Committee (the “Committee”) is established as a preparatory and advisory committee of the Company’s Board of Directors (the “Board”).
- 1.2 The Committee shall each year be appointed by the Board on the recommendation of the Election Committee. The appointment shall take place at the first Board meeting held after the Annual General Meeting. The Committee shall comprise of at least three and no more than five members all of whom shall be Directors of the Company, save that one member of the Committee does not need to be a Director of the Company. The Board shall appoint a chairman from among the members of the Committee from time to time. Each member of the Committee shall be independent and at least one member shall have competence in accounting and/or auditing. The Committee shall, as a whole, have the relevant competence and experience.

#### **2. Meetings**

- 2.1 Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the Company’s Bye-laws and the governance principles agreed regulating the meetings and proceedings of Directors.
- 2.2 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 2.3 The Committee shall meet at least two times per annum and more frequently as deemed necessary by the chairman of the Committee or at the request of a Committee member or Gard’s external or internal auditors.
- 2.4 The Committee will invite members of management, auditors or others to attend meetings and provide pertinent information as necessary. The Committee is expected to maintain free and open communication with the external auditor, the internal auditor and management.
- 2.5 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any person required to attend, no later than 14 days before the date of the meeting. Supporting papers shall be sent to Committee members and attendees as appropriate at the same time. Members may attend meetings in person, by telephone or other communication device.

#### **3. Authority and Responsibilities**

- 3.1 The Committee’s responsibility is one of supervision and, in fulfilling their responsibilities, it is recognised that the members of the Committee do not represent themselves to be accountants or auditors by profession. As such, it is not the duty of the Committee or its members to conduct auditing or accounting reviews or procedures.
- 3.2 The Committee shall rely on the expertise and knowledge of management and the internal and external auditors in carrying out its responsibilities. The management is responsible for determining that Gard’s financial statements are complete, accurate and in accordance with the agreed reporting and accounting policies. The external auditor is responsible for auditing Gard’s financial statements.
- 3.3 The Committee shall have the power to conduct or authorise investigations into any matters within its scope of responsibilities, and shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Committee, and to communicate directly with the internal and external auditors. The Committee is further authorised to seek any information it requires from any employee of Gard in order to perform its duties.

#### 4. Duties

4.1 The Audit Committee shall assist the Board in fulfilling its responsibilities with regard to the integrity of the financial statements, the organization of the compliance function and the monitoring of compliance with legal and regulatory requirements, the appropriateness of the internal controls, the external auditor's qualifications and independence, and the performance of the external auditor and the internal audit function.

4.2 The Committee shall also;

- viii. review the annual and half-yearly financial statements and reports of Gard before they are submitted to the Board.
- ix. inform the Board of the outcome of the statutory audit and explain how the audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process
- x. prepare the Board's follow-up of the financial reporting process and make recommendations or proposals to ensure its integrity
- xi. be responsible for and recommend the appointment and dismissal of the external auditor, reviewing their level of audit fees and approve the audit plan;
- xii. have regular contact with the company's elected auditor regarding the audit of the annual accounts, including monitoring the audit performance
- xiii. assess and monitor the Auditor's independence, in particular the Auditor's provision of non-audit services and related fees
- xiv. as regards to the Company's financial reporting, monitor the internal control, risk management and auditing systems of the Company, without breaching its independence
- xv. review and monitor the compliance framework annually, including the compliance risk policy;
- xvi. receive yearly and half yearly reports from the Compliance Officer covering both financial and operational statutory and regulatory requirements the Company and its subsidiaries are subject to;
- xvii. approve the internal audit plan(s), including scope and resources, and any amendment(s) to such plan(s) and evaluate the conclusion of the reports from the internal audit reviews;
- xviii. evaluate the performance of the internal auditor;
- xix. assess and monitor the adequacy of the internal control system;
- xx. ensure that Gard has appropriate procedures for the receipt, retention and treatment of complaints received by Gard regarding accounting, internal accounting controls or auditing matters;
- xxi. perform the function as audit committee in the subsidiaries of the Company as required;
- xxii. review the arrangements for employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters, including review of ethical and whistleblowing guidelines; and
- xxiii. evaluating any matters as may be requested by the Board or the Executive Committee

4.3 The forgoing list of duties is not exhaustive and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the effective performance of its oversight function.

4.4 The Committee has the broadest investigation authority within its domain and is entitled to make use of outside expertise.

4.5 The Committee shall each year provide the Board with a report on the Committee's work and operation of the Company and its subsidiaries. The Committee shall report to the Board immediately if the Committee becomes aware of any major act of negligence, error or irregularities of great importance or extent or if the Committee considers that the Company or any of its subsidiaries have incurred or are at the risk of incurring large losses.

- 4.6 The Committee shall report separately to the Executive Committee of the Company with regard to the annual and half-yearly and quarterly financial statements before they are submitted to the Board
- 4.7 These terms of reference may be amended from time to time as required, subject to approval by the Board.

# APPENDIX 11

## RISK COMMITTEE – TERMS OF REFERENCE

### GARD P. & I. (BERMUDA) LTD.

Adopted by the Board of Directors on 9 May 2016.

#### 1. Membership

- 1.1 The Risk Committee (the “Committee”) is established as a committee of the Company’s Board of Directors (the “Board”).
- 1.2 The Committee shall each year be appointed by the Board on the recommendation of the Election & Governance Committee of the Company. The appointment shall take place at the first Board meeting held after the Annual General Meeting. The Committee shall comprise of at least three and no more than five members, all of whom shall be Directors of the Company. The Board shall appoint a chairman from among the members of the Committee from time to time. Each member of the Committee shall be independent and have experience with regard to risk management issues and practices.

#### 2. Meetings

- 2.1 Unless varied by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company’s Bye-Laws and the agreed governance principles regulating the meetings and proceedings of Directors.
- 2.2 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 2.3 The Committee shall meet as often as necessary to fulfil its duties and responsibilities but not less frequently than two times each year and more frequently if deemed necessary by the chairman of the Committee or at the request of a Committee member or the Chief Financial Officer (“CFO”).
- 2.4 The Committee will invite members of management, auditors or others to attend meetings and provide pertinent information as necessary. The Committee is expected to maintain free and open communication with the chairman of the Audit Committee, the chairman of the Executive Committee, the CFO and the management of the Company.
- 2.5 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any person required to attend, no later than 14 days before the date of the meeting. Supporting papers shall be sent to Committee members and attendees as appropriate at the same time. Members may attend meetings in person, by telephone or other communication device.

#### 3. Authority

The Committee is authorised by the Board to:

- 3.1 investigate or cause to be investigated, any activity within its terms of reference;
- 3.2 obtain, at the Company’s expense, external legal and/or other professional advice on any matter within its terms of reference as the Committee deems necessary, and to secure the attendance of such advisors at Committee meetings as necessary;
- 3.3 to seek any information it requires from any employee of the Company or any of its subsidiaries in order to perform its duties, and require all employees to co-operate with any request made by the Committee; and
- 3.4 delegate any of its duties as appropriate to such person or persons as it thinks fit whilst retaining responsibility and oversight for any and all actions taken.

#### 4. Duties

- 4.1 The Committee shall assist the Board in fulfilling its responsibilities in relation to the oversight of risks within the Company and its subsidiaries with particular focus on reviewing the Company and its



subsidiaries' overall risk strategy, risk appetite, risk tolerance, risk profile and assessing the effectiveness of the risk management framework. The Committee shall consider the risks impact on both the financial and non-financial goals of the Company and its subsidiaries.

4.2 The Committee shall also:

- i. review and monitor the Company's future risk strategy and its risk appetite, particularly in relation to capital, liquidity, and insurance and operational risk;
- ii. review the parameters, methodologies and processes used in the Company's model for determining its economic and regulatory capital requirements and satisfy itself that the assumptions and calibrations used, reflect the Company's and its subsidiaries' forward-looking risk profile;
- iii. review the design, completeness and effectiveness of the risk management framework relative to the Company and its subsidiaries' activities, and to assess the adequacy and quality of the risk management function and effectiveness of risk reporting within Gard;
- iv. review and approve the risk policies and any relevant business standards, and to monitor compliance with these and management's actions to remedy any breaches;
- v. satisfy itself that risks related to the Company and its subsidiaries' business plan and any capital implications are adequately identified and assessed by management as part of the business planning process through appropriate stress-testing and scenario analysis and that mitigating actions are implemented and taken;
- vi. satisfy itself that any risk-based information is used effectively by management;
- vii. review the Own Risk and Solvency Assessment (ORSA) report to ensure that it accurately reflects the business risk profile and capital requirements;
- viii. perform the function as the Risk Committee in the subsidiaries of the Company as required; and
- ix. evaluate any matters as may be requested by the Board or the Executive Committee.

4.3 The forgoing list of duties is not exhaustive and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the effective performance of its risk oversight function.

4.4 The Committee has the broadest investigation authority within its domain and is entitled to make use of outside expertise.

4.5 The Committee shall each year provide both the Executive Committee and the Board with reports on the Committee's work and operation of the Company and its subsidiaries. The Committee shall report to the Executive Committee and the Board immediately if the Committee becomes aware of any major act of negligence, error or irregularities of great importance or extent or if the Committee considers that the Company or any of its subsidiaries have incurred or are at the risk of incurring large losses.

4.6 These terms of reference may be amended from time to time as required, subject to approval by the Board.

# APPENDIX 12

## REMUNERATION COMMITTEE – TERMS OF REFERENCE

### GARD P. & I. (BERMUDA) LTD.

Adopted by the Board of Directors on 28 October 2013, as amended by the Board of Directors on 11 May 2015.

#### 1. Membership

- 1.1 The Remuneration Committee (the “Committee”) is established as a committee of the Company’s Board of Directors (the “Board”).
- 1.2 The Committee shall each year be appointed by the Board on the recommendation of the Election & Governance Committee. The appointment shall take place at the first Board meeting held after the Annual General Meeting. The Committee shall comprise of at least three and no more than five members, all of whom shall be Directors of the Company. The Board shall appoint a chairman from among the members of the Committee from time to time.

#### 2. Meetings

- 2.1 Only members of the Committee shall have the right to attend meetings of the Committee. Other individuals and external advisors may be invited to attend for all or part of any meeting, as and when deemed appropriate or necessary.
- 2.2 Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the Company’s Bye-laws and agreed governance principles regulating the meetings and proceedings of Directors.
- 2.3 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. The Committee shall meet at least once a year and otherwise as required.
- 2.4 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any person required to attend, no later than 14 days before the date of the meeting. Supporting papers shall be sent to Committee members and attendees as appropriate at the same time. Members may attend meetings in person, by telephone or other communication device.

#### 3. Authority

- 3.1 The Committee is authorised by the Board to obtain, at the Company’s expense, outside legal or other professional advice on any matters within its terms of reference. The Committee is further authorised to seek any information it requires from any employee of Gard in order to perform its duties, provided always that the Chief Executive Officer shall receive copies of any such information requested from an employee of Gard.
- 3.2 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Gard secretariat for assistance as required.
- 3.3 The Committee shall have full authority to commission any reports or surveys which it deems necessary to help fulfil its obligations.

#### 4. Duties

- 4.1 The Committee shall establish transparent procedures for reviewing and determining the remuneration of Directors and the Chief Executive Officer and shall also:
  - i. make annual recommendations to the Board as to remuneration of the Directors;
  - ii. make annual recommendation to the Executive Committee as to the remuneration of the Chief Executive Officer and

- iii. review Gard's remuneration policy in general, including the operation of any employee incentive scheme from time to time in force, and report to the Executive Committee.

4.2 The Committee shall each year provide the Board with a report on the Committee's work. The Committee shall in addition report to the Board on matters of major importance if and when required.

The Committee shall undertake such other duties as may be allocated to the Committee by the Board from time to time.

# APPENDIX 13

## ELECTION & GOVERNANCE COMMITTEE – TERMS OF REFERENCE

### GARD P. & I. (BERMUDA) LTD.

Adopted by the Annual General Meeting held on 21 June 2018.

#### 1. Membership

- 1.1 The Election & Governance Committee (the “Committee”) is established pursuant to Article 8 of the Bye-Laws of Gard P. & I. (Bermuda) Ltd (the “Association”).
- 1.2 The Committee shall consist of three but not more than four members elected by the General Meeting. All members of the Committee shall be eligible for election as Directors of the Association pursuant to Article 5.1 of the Bye-Laws.
- 1.3 At each Annual General Meeting those members of the Committee who have been in office for three years since the last election or re-election shall retire from office but may be re-elected.
- 1.4 The Chairman of the Committee shall be elected every year from and among the members of the Committee.

#### 2. Meetings

- 2.1 Unless varied by these Terms of Reference, meetings and proceedings of the Committee shall be governed by the Company’s Bye-Laws and the agreed governance principles regulating the meetings and proceedings of Directors.
- 2.2 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 2.3 The Committee shall meet as often as necessary to fulfil its duties and responsibilities but not less frequently than one time each year and more frequently if deemed necessary by the chairman of the Committee or at the request of a Committee member of the Chief Executive Officer.
- 2.4 The Committee will invite members of management or others to attend meetings and provide pertinent information as necessary. The Committee is expected to maintain free and open communication with the chairman of the Board of Directors and the Chief Executive Officer.
- 2.5 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any person required to attend, no later than 14 days before the date of the meeting. Supporting papers shall be sent to Committee members and attendees as appropriate at the same time. Members may attend meetings in person, by telephone or other communication device.

#### 3. Authority

The Committee is authorised to:

- 3.1 investigate or cause to be investigated, any activity within its terms of reference;
- 3.2 obtain, at the Company’s expense, external legal and/or other professional advice on any matter within its terms of reference as the Committee deems necessary, and to secure the attendance of such advisors at Committee meetings as necessary;
- 3.3 seek any information it requires to perform its duties; and
- 3.4 delegate any of its duties as appropriate to such person or persons as it thinks fit whilst retaining responsibility and oversight for any and all actions taken.

#### **4. Duties**

- 4.1 The Committee shall make recommendations to the General Meeting on the appointment of Directors. The recommendations of the Committee shall be submitted to the Board of Directors prior to the General Meeting at which the relevant election(s) shall take place.
- 4.2 The Committee shall review general governance principles and procedures for the Board of Directors and the sub-committees of the Board and once a year provide the Board of Directors with a report on the Committee's work.
- 4.3 The Committee shall make recommendations to the Board of Directors with regard to the appointment of the members of the sub-committees of the Board of Directors and the election of members of the boards of the Association's subsidiaries.

#### **5. Bye-Laws and Terms of Reference**

References in these Terms of Reference to the Board of Directors means the Board of Directors of the Association unless otherwise stated. Likewise, any references to the Annual General Meeting or the General Meeting means the Annual General Meeting or the General Meeting of the Association unless otherwise stated.

In case there is any conflict between these terms of reference and the bye-laws of the association, the bye-laws shall prevail. These terms of reference may be amended from time to time as required, subject to approval by the general meeting.

## APPENDIX 14 GLOSSARY

The following is a glossary of the key terms and abbreviations used in this document:

<b>Terms and Abbreviations</b>	<b>Full name/description</b>
AML/ATF	Anti-Money Laundering and Anti-Terrorism Financing
GC	General Counsel
CDD	Customer Due Diligence - the facts about a Customer that enable us to assess the extent to which the Customer exposes Gard to a range of Financial Crime risks
Customer	Members, Clients, External Service Providers, Claimants
Customer Identification	Identifying the Customer and verifying the identity by using reliable, independent source documents, data or information.
GCO	Group Compliance Officer
GLT	Group Leadership Team
KYC	Know Your Customer
PEP	Politically Exposed Person - an individual who has been entrusted with a prominent public function. A PEP generally presents a higher risk for potential involvement in bribery and corruption by virtue of their position and the influence that they may hold. and therefore will be subject to EDD. The risk extends to close associates and family members.
SAR	Suspicious Activity Report - a SAR is a piece of information alerting law enforcement agencies that certain Customer activity is in some way suspicious and may indicate money laundering or terrorist financing

# APPENDIX 15

## DECISION MATRIX

	AGM	Gard Board	Excom	Election & Governance Committee	Audit Committee	Risk Committee	Remuneration Committee	Management
Bye-Laws	D	R	R					R
Annual Accounts	D	R	R		A/R			E/P
1/2 year Accounts		D	R		A/R			E/P
Quarterly Accounts			D		A/R			E/P
Appointment of the CEO		D						
Election of Directors	D			R				
Election of Committees		D		R				
Overall Strategy & Goals		D	R					E/P
Risk Appetite - Insurance and Investment		D	R			A/R		E/P
Implementation of Risk Appetite			D			A/R		E/P
Risk Management Framework			D			A/R		
Implementation of strategy			D					E/P
Investment Guidelines		D	R		A/R			E/P
Premium Policy/ Rules		D	R					E/P
Omnibus Cover		D	R					E/P
Succession plan of Management			D					E/P
Asset Allocation			D		A/R			E/P
Investment Benchmarks			D		A/R			E/P
Whistleblowing					D			
Compliance reporting					D			E/P
Daily Operational matters								D
Corporate Remuneration			D				R	R
Board and Committee Remuneration	D						R	
Succession plan for the Board	D	R		R				
Financial Plan			D					E/P

**D = Decide**  
**R = Recommend**  
**A/R= Audit and Review**  
**E/P= Execute and Prepare**