

# 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, the AGM held on 21 June 2018 and the AGM held on 20 June 2019.

### 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 last instalments and/or 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 and 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 a 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 levy of last instalments, supplementary calls and overspill calls, or the repayment of excess advance calls, last instalments, 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 authorised 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 authorised 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 levy of last instalments, supplementary calls and overspill calls or the repayment of excess advance calls, last instalments, 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 authorised 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 and Governance Committee**

1. The Association shall establish an Election and 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 and 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 and 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 and Governance Committee shall consist of three but not more than four members elected by the General Meeting. All members of the Election and 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 and 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 and Governance Committee shall be elected every year from and amongst the members of the Election and 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 and 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 and 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 immediately prior to noon GMT on 20th February 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.