

**B Y E - L A W S**  
**of**  
**Through Transport Mutual Insurance Association Limited**

The undersigned HEREBY CERTIFIES that the attached Bye-Laws are a true copy of the Bye-Laws of **Through Transport Mutual Insurance Association Limited** (the "Company") adopted by the Members of the Company on 22 June 2017.

Director

**APPLEBY**

Canon's Court, 22 Victoria Street  
Hamilton HM 12  
Bermuda

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**of**  
**Through Transport Mutual Insurance Association Limited**

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**B Y E - L A W S**  
**of**  
**Through Transport Mutual Insurance Association Limited**

**Introduction**

**1 Parts and Sections of the Bye-Laws**

In addition to this introduction these Bye-Laws consist of the following Parts:

Part A	Definitions
Part B	Membership
Section 1	Insurance and Membership
Section 2	Members' Meetings
Part C	Directors and Other Officers of the Association
Section 1	Appointment, Election and Removal of Directors
Section 2	Powers of Directors
Section 3	Duties of Directors
Section 4	Rights and Remuneration of Directors
Section 5	Directors' Meetings
Section 6	Other Officers of the Association
Part D	Managers
Part E	The Funds of the Association
Section 1	Funding Policy Years
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Section 3	Reserves
Section 4	Investments
Section 5	Audit
Part F	Notices

Part G        Dissolution

Part H        Terms and Conditions of Insurance and Alterations of Bye-Laws

Part I        Amalgamation and Merger

Schedule     Form of Proxy

## **2        Headings and Notes**

2.1        The headings and notes to these Bye-Laws are inserted for convenience.

2.2        They do not form part of the Bye-Laws and no reference is to be made to them in interpreting the Bye-Laws.

## **3        Translations**

Where these Bye-Laws are translated into a language other than English, the English text shall govern.

## **Part A: Definitions**

In these Bye-Laws the words listed below shall have the meanings respectively set opposite to them, if not inconsistent with the subject or context:

<b>Word</b>	<b>Meaning</b>
<b>Act</b>	The Through Transport Mutual Insurance Association Limited Consolidation and Amendment Act, enacted in Bermuda on 29 <sup>th</sup> December, 1993 and every amendment thereto for the time being in force.
<b>Agree, agreed or agreement</b>	Agree, agreed, or an agreement made, in writing.
<b>Association</b>	Through Transport Mutual Insurance Association Limited, referred to in the Act as “the Company”.
<b>Assured</b>	The person so designated in the Policy of Insurance.
<b>Board</b>	The Board of Directors for the time being of the Association.
<b>Bye-Laws</b>	These Bye-Laws as from time to time amended and for the time being in force.
<b>Chairman</b>	The Chairman of the Board for the time being.
<b>Closed policy year</b>	A policy year which the Directors shall have determined shall be closed.
<b>Companies Acts</b>	Every Bermuda statute from time to time in force concerning companies insofar as the same applies to the Association including the Act.
<b>Director</b>	A member of the Board for the time being.
<b>Electronic Communication</b>	Means the same as in the Electronic Transactions Act 1999 of Bermuda (and includes for the avoidance of doubt e-mail).
<b>Fixed Premium</b>	A price, or any part thereof, for insurance with the Association which has not been agreed to be a Mutual Premium.
<b>In writing</b>	Visibly expressed in any mode of permanently representing or reproducing words, including telegram, telefax and other Electronic Communication.

<b>Insurance, Insured (as a verb)</b>	Insurance or insured, or reinsurance or reinsured, by the Association.
<b>Insurance broker</b>	Any insurance broker, consultant or other intermediary or agent directly or indirectly involved in dealing on behalf of the Assured with matters arising out of insurance with the Association.
<b>Managers</b>	The Managers for the time being of the Association.
<b>Member</b>	A person who is a Member for the time being of the Association.
<b>Month</b>	Calendar Month.
<b>Mutual Premium</b>	A price, or any part thereof, for insurance with the Association, which is subject to Supplementary Premiums, Return Premiums and Release Premiums.
<b>Notice</b>	Notice in writing unless otherwise specifically stated.
<b>Office</b>	The registered office for the time being of the Company.
<b>Open policy year</b>	A policy year which is not a closed policy year.
<b>Policy of Insurance</b>	Any document issued by the Managers evidencing the terms and conditions of insurance with the association, including any certificate of insurance, endorsement, schedule and clause.
<b>Policy year</b>	A year from 0000 hours on 1 <sup>st</sup> January to 2400 hours on 31 <sup>st</sup> December, Greenwich Mean Time.
<b>President, Vice-President, Treasurer</b>	Respectively, the officers of the Association having such titles.
<b>Register of Members</b>	The Register of Members of the Association for the time being maintained by the Association.
<b>Release Premium</b>	Monies paid by an Assured in accordance with paragraph 4 (Release Premiums) of Part E (The Funds of the Association), Section 1 (Funding Policy Years).
<b>Reserve</b>	Any reserve fund which the Directors may from time to time establish.



<b>Return Premium</b>	Monies returned to an Assured in accordance with paragraph 2 (Return Premiums) of Part E (The Funds of the Association), Section 2 (Closing Policy Years).
<b>Seal</b>	The Common Seal of the Association.
<b>Secretary</b>	The person for the time being appointed to perform the duties of the Secretary of the Association, including an assistant or deputy Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.
<b>Supplementary Premium</b>	Monies paid by an Assured in accordance with paragraph 3 (Supplementary Premiums) of Part E (The Funds of the Association), Section 1 (Funding Policy Years).
<b>Terms and Conditions</b>	Include exclusions, qualifications and, where applicable, price.
<b>Year</b>	Calendar year unless otherwise specifically stated.

“May” shall be construed as permissive.

“Shall” shall be construed as imperative.

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

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

Words importing persons shall include companies or associations or bodies or persons whether incorporated or unincorporated.

The comparative shall include the superlative.

Words and expressions shall bear the same meaning as in the Companies Acts.

## **Part B: Membership**

### **Section 1: Insurance and Membership**

#### **1 Insurance**

1.1 Where only one person is insured by the Association, he shall be referred to as the Assured and be so designated in the Policy of Insurance.

- 1.2.1 Where two or more persons are jointly insured by the Association, only one of them shall be the Assured, who shall be that person so designated in the Policy of Insurance, and the others shall be referred to as Co-Assureds or Joint Assureds.
- 1.2.2 Such Co-Assureds or Joint Assureds shall be deemed to have appointed the Assured as their agent for all purposes relating to the insurance and to have authorised the Association and its Managers to deal only with such agent on their behalf.

## 2 Membership

2.1 The Association shall consist of an unlimited number of Members.

2.2.1 Subject to paragraph 2.3 below and unless otherwise agreed by the Managers, the following shall be Members:

- (a) every Assured;
- (b) every person who is insured by an insurer who is reinsured by the Association and who would be the Assured if he was directly insured by the Association;
- (c) every Member of TT Club Mutual Insurance Limited.

2.2.2 Every Director of the Association whilst holding that office shall also be a Member.

2.3 The following shall not be Members:

2.3.1 any insurer who is reinsured by the Association, unless otherwise agreed by the Managers;

2.3.2 any other person who the Managers have agreed shall not be a Member.

2.4 Membership shall not be transferable or transmissible.

2.5.1 A Director shall by reason of his appointment or election as such, become a Member.

2.5.2 Any other person shall become a Member at the time that the insurance by reason of which he becomes a Member commences.

2.6.1 As soon as reasonably practicable after a person becomes a Member, the Managers shall enter his name in the Register of Members.

2.6.2 (a) The Register of Members shall be open to inspection by any officer of a Member in person on payment of any expenses incurred.

(b) A Member is not entitled to make copies of any entry in the Register.

2.7 A Member shall cease to be a Member forthwith upon the happening of one of the following events:

- 2.7.1 if, being a Member by virtue of paragraph 2.2.1(a) or (b), the insurance by reason of which he became a Member ceases or is cancelled;
- 2.7.2 if, being a Member by virtue of paragraph 2.2.1(c), he ceased to be a Member of TT Club Mutual Insurance Limited;
- 2.7.3 if, being a Member solely by reason of his being a Director, he ceases to be a Director.
- 2.8 Any insured who is or becomes a Member shall become and remain a Member of Through Transport Mutual Insurance Association (Isle of Man) Limited (“the I of M Company”) (or its successors or assigns) upon any transfer of funds undertaken pursuant to Bye-law 2.8.1 below, subject always to the provisions of the Bye-laws of the Association (or the constitutional documentation of any successor or assign) from time to time in force. It is a condition of membership of the Association and of acceptance of any application for membership of the Association that the aforesaid terms apply.
- 2.8.1 In the event that the Directors determine, in their discretion, that for the protection and security of the Association’s undertaking and property and the interests of the Members of the Association against loss, damage or injury, the Association transfers its funds and business from Bermuda to the I of M Company, then any certificate of insurance present and in force, issued to each insured shall be transferred, assigned and conveyed to the I of M Company immediately, whereupon the I of M Company shall provide the same coverage afforded under the applicable certificate of insurance on the same terms and conditions as the certificate of insurance present and in force issued by the Association.

## **Section 2: Members’ Meetings**

### **1 General**

- 1.1 All references in these Bye-Laws to the rights and obligations of Members in respect of general meetings shall be construed to refer only to those Members who are entitled to attend and vote in accordance with the provisions of paragraph 1.2 below.
- 1.2 The Members entitled to receive notice of and to attend and vote at such meetings are only those:
  - 1.2.1 who are Members by reason of being Directors of the Association; or
  - 1.2.2 who are entered in the Register of Members of the Association at least sixty days prior to the date of the general meeting in question.
- 1.3 The accidental omission to give notice of any general meeting to, or the non receipt of such notice by, any person entitled to receive the same shall not invalidate the proceedings at that general meeting.

- 1.4 The Chairman of a general meeting of the Members shall be, in order of priority amongst those attending:
- 1.4.1 the Chairman of the Board;
  - 1.4.2 a Deputy Chairman of the Board, if appointed;
  - 1.4.3 any other person so elected by those present at the meeting.
- 1.5 The Chairman of a general meeting of the Members may, with the consent of those present and shall if so directed by the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place.
- 1.6 Minutes of all resolutions and proceedings of each general meeting of the Members shall be duly entered in books provided for the purpose.

## **2 Annual General Meeting**

- 2.1 A general meeting of the Members of the Association shall be held at least once in every year either in Bermuda or elsewhere at a time and place to be fixed from time to time by the Board.
- 2.2 Notice of each annual general meeting of the Association shall:
- 2.2.1 be given by an Officer of the Association in writing to each Member entitled to receive notice of and to attend and vote at that meeting;
  - 2.2.2 be sent not less than 14 clear days' before the meeting convenes, stating the date, time, place and objects and that the election of Directors shall take place thereat.

## **3 Special General Meetings**

- 3.1 The Board, any two Directors or the Chairman may convene a special general meeting of the Members upon at least 14 clear days' notice sent to each Member entitled to receive notice of and attend and vote at that meeting. Such notice shall state the date, time, place and objects of such meeting, which may be held either in Bermuda or elsewhere.
- 3.2 A special general meeting may be called at any time by requisition in writing of not less than one tenth of the Members entitled to receive notice of and attend and vote at that meeting.

## **4 Voting at Members' Meeting**

- 4.1 Five Members of the Association present in person or by proxy shall constitute a quorum at any general meeting of the Members.

- 4.2 At any general meeting, each Member present in person or by proxy shall have one vote.
- 4.3 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

## **5 Voting by Proxy**

- 5.1 A person appointed as proxy need not be a Member.
- 5.2 Where an appointment is made in writing (but not by Electronic Communication) the instrument appointing the proxy shall be signed under the hand of the appointer or his agent or, if such appointer is a corporation, the proxy shall be executed on behalf of the corporation by one of its officers. Where an appointment is made by Electronic Communication it shall be subject to such procedure for verifying appointments made in this manner as the Board shall from time to time specify.
- 5.3 The instrument appointing a proxy shall be in the form of the Schedule annexed to these Bye-Laws, subject to any variations or alterations that the Directors may approve to meet the circumstances of particular cases.
- 5.4 Where an appointment is made by an instrument in writing (but not by Electronic Communication) the instrument appointing a proxy shall be left with the Secretary not less than twelve hours before the commencement of the meeting or adjourned meeting, as the case may be, at which the person named in such instrument proposes to vote. Where an appointment is contained in an Electronic Communication and an address has been specified for the purpose of receiving Electronic Communications:
- (i) in the notice convening the meeting; or
  - (ii) in any instrument of proxy sent out by the Association in relation to the meeting; or
  - (iii) in any invitation contained in an Electronic Communication to appoint a proxy issued by the Association in relation to the meeting the Electronic Communication has been received at such address not less than twelve hours before the commencement of the meeting or adjourned meeting at which the person named in such appointment proposes to vote. In relation to Electronic Communications 'address' includes any number or address used for the purpose of such communications.
- 5.5 A vote given in accordance with the terms of an appointment of proxy shall be valid notwithstanding the death or insanity of the principal or the revocation of the appointment of proxy or of the authority under which the appointment of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Secretary (or in the case of a proxy contained in an

Electronic Communication at the address at which such appointment was duly received) three hours at least before the commencement of the meeting or adjourned meeting at which the appointment of proxy is used.

**Part C: Directors and Other Officers of the Association**  
**Section 1: Appointment, Election and Removal of Directors**

**1 Number**

The number of Directors shall not be less than five nor more than thirty.

**2 Qualifications**

2.1 Only persons who qualify under the following provisions shall be eligible for appointment or election as Directors of the Association, namely, any person who is:

2.1.1 ordinarily resident in Bermuda or recommended for appointment or election as a Director at a duly constituted meeting of the Board; or

2.1.2 insured in the Association, or the agent of such a person; or

2.1.3 a director of or employed in any executive capacity by a corporation which is any of the following:

(a) a Member;

(b) the holding company of a corporation which is a Member ("Member corporation");

(c) a subsidiary of a Member corporation;

(d) associated with a Member corporation;

(e) the agent of a Member corporation.

2.2 The maximum number of Directors appointed or elected by reason of their eligibility under paragraph 2.1.1 shall not exceed one third of the total number of Directors at any one time.

2.3 Neither the Managers nor any employee of the Managers shall be eligible to be appointed or elected as a Director.

**3 Election**

3.1 In order to be eligible for election to the office of Director at any general meeting a person must be duly qualified and be one of the following:

3.1.1 a Director retiring at the meeting;

3.1.2 approved by the Directors;

3.1.3 proposed by a Member duly qualified to attend and vote at such meeting.

3.2 In order to propose a person for election under paragraph 3.1.3 the Member must, not later than the 1<sup>st</sup> March in the year of the meeting in question, leave at the registered office of the Association both of the following:

3.2.1 a signed notice of his intention to propose such person for election;

3.2.2 a notice, signed by that person, of his willingness to be elected and act as a Director.

3.3 A person may be appointed a Director otherwise than by election at a general meeting only in accordance with the provisions of paragraph 3 (Vacancies) of Section 2 (Powers of Directors).

#### **4 Retirement and Removal of Directors**

4.1 At each annual general meeting one-third of the Directors for the time being or if their number is not three or a multiple of three, then the number nearest one third, shall retire from office.

4.2 The Directors to retire at every annual general meeting shall be those who have been longest in office since their last election, and in the case of Directors elected on the same day the choice between them shall, in the absence of agreement, be determined by lot.

4.3 A Director retiring in accordance with paragraphs 4.1 and 4.2 who continues to be qualified to hold office under paragraph 2, shall be eligible for re-election.

4.4 If a Director ceases to be eligible for appointment or election as provided in paragraph 2, he shall resign from the office of Director not later than the next annual general meeting.

4.5 A Director shall cease to be a Director immediately upon the occurrence of any of the following events:

4.5.1 his death;

4.5.2 a receiving order being made against him;

4.5.3 his bankruptcy;

4.5.4 the making of any arrangement or composition with his creditors generally;

4.5.5 his incapacity by reason of mental disorder of managing and administering his property and affairs.

4.6 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.

## **Section 2: Powers of Directors**

### **1 General**

The powers conferred upon the Directors in these Bye-Laws are in addition to, not in limitation of, any powers and duties that may be or have been conferred or imposed upon them by any statute or otherwise in any way whatsoever.

### **2 Exercise of Powers**

2.1 The Directors may exercise all such powers and do all such acts and things as may be exercised or done by the Association, except those acts and things expressly directed to be exercised or done by the Association in general meeting.

2.2 The Board may exercise without limitation all the powers of the Association to borrow money and to mortgage or charge its undertaking and property or any part thereof or to issue debentures and other securities.

2.3 The Directors may join in the promotion or support of any association or organisation having for its object the defence or promotion of the interests of the insurance and transport industries or either of them and may contribute from time to time to the funds of such association or organisation such sums as the Board may deem necessary. The Directors may elect and send representatives to take part in the deliberations or management of any such associations or organisations.

### **3 Vacancies**

3.1 The Directors may at any time appoint any qualified person to fill a vacancy, whether casual or not, in the Board of Directors.

3.2 The continuing Directors may act, notwithstanding any vacancy in their number, provided that, in the event that their number has been reduced below the number of five, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Association but for no other purpose.

3.3 Any Director appointed pursuant to paragraph 3.1 shall hold office only until the next following annual general meeting and, if he continues to be qualified, shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meetings.



## **4 Delegation**

- 4.1 The Directors may delegate any of their powers to Committees consisting of two or more of the Directors, but every such Committee shall conform to such directions as the Directors shall impose on it.
- 4.2 The Board may from time to time and at any time by power of attorney under the Seal appoint any corporation or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney of the Association for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under the Bye-Laws) and for such period and on such terms and subject to such conditions as they 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.
- 4.3 The Directors may, subject to paragraph 4.4, from time to time delegate to the Managers or to any one or more of their number such of the powers, duties or discretions vested in the Directors as they may think fit, in which case:
- 4.3.1 such delegation may be for such period and upon such terms and conditions as the Directors may determine;
- 4.3.2 the Directors may at any time revoke or vary such delegation;
- 4.3.3 the Directors shall give the Managers notice of such delegation and its terms, conditions, revocation or variation.
- 4.4 The Directors may not delegate to the Managers any of the powers, duties or discretions of the Directors:
- 4.4.1 required by law to be exercised by the Directors personally;
- 4.4.2 relating to general meetings or the proceedings thereat;
- 4.4.3 conferred by paragraph 3 (Vacancies) of this Section or paragraph 2 (Remuneration) of Section 4 (Rights and Remuneration of Directors);
- 4.4.4 to borrow money, or mortgage or charge the Association's undertaking or property;
- 4.4.5 to issue debentures or other securities;
- 4.4.6 relating to meetings of the Directors or Committees of the Directors or the proceedings thereat;
- 4.4.7 relating to the appointment of Managers or the Secretary;
- 4.4.8 relating to the Seal, Reserves, accounts or notices of general meetings.

- 4.5 In no circumstances shall the Managers become or be deemed to have become Directors of the Association by reason of such delegation or otherwise.

### **Section 3: Duties of Directors**

#### **1 General**

The Directors are responsible for the management of the business of the Association and may pay all expenses incurred in promoting and incorporating the Association.

#### **2 Supervision**

The Directors shall exercise a general supervision over the affairs of the Association and without limitation to paragraph 1 (General) they shall be responsible for:

- 2.1 the correct keeping of the books;
- 2.2 the safekeeping of all funds and securities of the Association.

#### **3 Accounts**

3.1 The Directors shall ensure that true accounts are kept of all transactions of the Association in the manner required by the Companies Acts.

3.2 The Directors shall ensure that:

- 3.2.1 the accounts of the Association are audited at least once in every fiscal year by the auditor;
- 3.2.2 such audited accounts are laid before the Members at the annual general meeting in each year;
- 3.2.3 the accounts are open to inspection by any Member;
- 3.2.4 the Association's books, accounts and vouchers are submitted to the auditor whenever required;
- 3.2.5 such information and explanations are furnished to the auditor as may be necessary for the performance of his duties.

#### **4 Minutes**

4.1 The Directors shall ensure that minutes are duly entered in books provided for the purpose of such meetings and matters as required by the Companies Acts and these Bye-Laws.

## **5 Seal**

- 5.1 The Directors shall provide for the safe custody of the Seal.
- 5.2 Every instrument to which the Seal shall be affixed shall be signed by a Director; or an Officer of the Association; or any one person authorised by the Board for this purpose.
- 5.3 Any document required to be under seal or executed as a deed on behalf of the Association may be:
  - 5.3.1 executed under the Seal in accordance with these Bye-Laws; or
  - 5.3.2 signed or executed by any person authorised by the board for that purpose, without the use of the Seal.

## **Section 4: Rights and Remuneration of Directors**

### **1 Conflicts of Interest**

- 1.1 A Director may hold any other office or place of profit in the Association (other than the office of auditor or Manager) in conjunction with this office of Director.
- 1.2 No Director shall be disqualified by his office as Director or any other office in the Association from contracting with the Association in any capacity.
- 1.3 Where a Director contracts with the Association, or is otherwise interested in any contract or arrangement entered into by or on behalf of the Association, the fact that the Director is a director of, or holds any other office in, or is in a fiduciary relationship with, the Association, shall not make:
  - 1.3.1 any such contract or arrangement liable to be avoided; or
  - 1.3.2 the Director liable to account to the Association for any profit he may realise by reason of such contract or arrangement.
- 1.4 Any Director may act by himself or by 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.
- 1.5 A Director shall not as a Director vote or be counted in the quorum present upon a motion in respect of:
  - 1.5.1 any contract or arrangement which he shall make with the Association; or
  - 1.5.2 any matter in which he is interested.

1.6 If a Director does vote upon any motion as set out in paragraph 1.5, his vote shall not be counted.

## **2 Remuneration**

2.1 The remuneration of the Directors shall be such sum (if any) as shall from time to time be voted to them by the Association in general meeting, such sum to be divided amongst the Directors as follows, in order of priority:

2.1.1 as specified by the resolution by which it is voted;

2.1.2 as the Directors shall resolve;

2.1.3 equally.

2.2 The Directors' remuneration shall be deemed to accrue from day to day.

## **3 Indemnity**

3.1 Subject to paragraph 3.2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled, a relevant officer may be indemnified out of the Association's assets against:

3.1.1 any liability incurred by that relevant officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Association or an associated company; and/or

3.1.2 any liability incurred by that relevant officer in connection with the activities of the Association or an associated company; and/or

3.1.3 any other liability incurred by that relevant officer as an officer of the Association or an associated company.

3.2 This paragraph 3 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

3.3 The Association may provide any relevant officer of the Association with funds to meet expenditure incurred or to be incurred by such relevant officer in defending any civil proceedings against him/her, on condition and receipt of an undertaking in a form satisfactory to the Association that the relevant officer shall repay such portion of the advance attributable to any claim of fraud or dishonesty if such claim is proved against the relevant officer.

3.4 The directors may decide to purchase and maintain insurance at the expense of the Association, for the benefit of any relevant officer in respect of any relevant loss.

3.5 For the purposes of this paragraph 3:3.5.1

companies are “associated” if one is a subsidiary of the other or both are subsidiaries of the same body corporate;

- 3.5.2 a “relevant officer” means any person who is or was at any time a director, secretary or other officer (other than any person engaged as auditor) of the Association or an associated company; and
- 3.5.3 a “relevant loss” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties or powers in relation to the Association, any associated company or any person fund or employees’ share scheme of the Association or an associated company.
- 3.6 For the purpose of this paragraph 3, a Director shall be entitled to vote and to be counted in the quorum at any meeting of the Board or a committee of the Board at which any indemnity, arrangement or proposal falling within any of the provisions of this paragraph is to be considered. For the purpose of Part C, section 4, paragraph 1 of these Bye-Laws, any interest which any Director may have in such indemnity, arrangement or proposal shall not be regarded as a material interest unless the terms of such indemnity, arrangement or proposal confer upon such Director a privilege or benefit not generally available to, or awarded to, any other Director. The decision of the chairman of the meeting as to whether the indemnity, arrangement or proposal to be considered at the meeting falls within the provisions of this paragraph or as to the materiality of any Director’s interest therein shall be final and conclusive.
- 3.7 Each Member and the Association 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 Association, against any Director on account of any action taken by such Director or the failure of such Director to take any action in the performance of his duties with or for the Association PROVIDED HOWEVER that such waiver shall not apply to any claims or rights of action arising out of the fraud of such Director or to recover any gain, personal profit or advantage to which such Director is not legally entitled.

## **Section 5: Directors’ Meetings**

### **1 Quorum**

The quorum necessary for the transaction of the business of the Board shall be two directors.

Any Director or member of a Committee of Directors may participate in a meeting of the Directors or such Committee by means of a conference telephone or any communication equipment allowing all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a

meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

## **2 Voting**

- 2.1 Questions arising at any meeting of the Directors shall be decided by a majority or those present and entitled to vote.
- 2.2 In the case of an equality of votes the Chairman shall have a second or casting vote.
- 2.3 A resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed by a meeting of the Board duly called and constituted.

## **3 Calling a Meeting**

- 3.1 The Secretary on the requisition of any Director shall, and a Director may, at any time summon a meeting of the Directors.
- 3.2 Notice of meetings of the Directors may be by telephone or otherwise.

## **4 Chairman**

- 4.1 The Chairman of any meeting of the Directors shall be, in order of priority amongst those attending:
  - 4.1.2 the Chairman of the Board;
  - 4.1.3 a Deputy Chairman of the Board, if appointed;
  - 4.1.4 any other person so elected by those present at the meeting.

## **5 Minutes**

- 5.1 The Directors shall cause minutes of the following matters to be duly entered in books provided for the purpose:
  - 5.1.2 all elections and appointments of officers;
  - 5.1.3 the names of the Directors present at each meeting of the Directors and of any Committee of the Directors;
  - 5.1.4 all resolutions of each meeting of the Directors and of any Committee of the Directors;
  - 5.1.5 all resolutions of the Directors passed in accordance with the procedure set out in paragraph 2.3 of this Section.

## **6 Other Officers of the Association**

### **1 General**

The Officers of the Association shall consist of a Chairman of the Board, a Secretary and such other Officers, including one or more Deputy Chairmen of the Board, as the Directors may from time to time determine.

### **2 Officers who must be Directors**

2.1 A Chairman of the Board shall be appointed by the Directors from amongst their number as soon as convenient after each annual general meeting.

2.2 The Directors may appoint one or more Deputy Chairmen of the Board from amongst their number.

2.3 Any person appointed pursuant to these provisions shall, unless the Directors shall otherwise decide, hold office until his successor is appointed.

### **3 Officers Who Need Not be Directors**

3.1 Other officers may be appointed by the Directors as they may from time to time determine.

3.2 The Directors shall appoint a Secretary and may appoint:

3.2.1 a Chief Executive;

3.2.2 a Treasurer;

3.2.3 an assistant Secretary;

3.2.4 an assistant Treasurer.

3.3 Such Officers need not be Directors and shall hold office for such time as the Directors decide.

3.4 The same person may hold the offices of Chairman of the Board, Secretary and Treasurer.

3.5 Officers of the Association shall be entitled to the same indemnity and exemption from liability as are accorded to the Directors by paragraph 3 (Indemnity) of Section 4 (Rights and Remuneration of Directors).

### **4 Secretary**

4.1 The Secretary shall:

- 4.1.1 attend all meetings of the Members, the Board of Directors and of Committees of the Directors;
- 4.1.2 keep correct minutes of such meetings and of all resolutions of the Directors passed in accordance with the procedure set out in paragraph 2.3 of Section 5 (Directors' Meetings), and enter the same in proper books provided for the purpose; and
- 4.1.3 perform such other duties as are prescribed by the Companies Acts or these Bye-Laws, or as shall be prescribed by the Directors from time to time.

## **5 Authentication**

Any Director or Secretary or other person appointed by the Directors shall have power to authenticate any documents affecting the constitution of the Association (including the Bye-Laws), any resolutions passed by the Association or the Directors, and any books, records, documents and accounts relating to the business of the Association, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Association having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

## **6 Validity**

All acts done by any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or such person acting as aforesaid or that any of them had vacated office, be as valid as if every such person had been duly appointed and had continued to be a Director.

## **Part D: Managers**

### **1 The Managers**

The Directors shall have the power to appoint such person or persons as they think fit, in their absolute discretion, to manage the business of the Association on such terms as the Directors may determine, provided however that the termination of any agreement entrusting the management of substantially the whole of the business of the Association to any third party shall be subject to a vote approving such termination at a meeting of the Members duly convened and held.

### **2 Delegation**

Whenever any power, duty or discretion is delegated to, or is conferred or imposed upon the Managers by the Bye-Laws or the terms and conditions of insurance as



evidenced by the Policy of Insurance, the same may, subject to any terms or conditions imposed upon the Managers in relation thereto, be exercised by:

- 2.1 any director of the Managers;
- 2.2 any employee of the Managers; or
- 2.3 an agent appointed by the Managers with the approval of the Directors.

### **3 Indemnity**

- 3.1 The Managers shall be entitled to the same indemnity and exemption from liability as is given to a Director by paragraph 3 (Indemnity) of Part C (Directors and Other Officers of the Association), Section 4 (Rights and Remunerations of Directors), subject, as regards the relationship between the Managers and the Association, to any restrictions on the scope of such indemnity and exemption from liability that may be set out in a management agreement concluded between the Managers and the Association on or following their appointment under paragraph 1 of this Section.
- 3.2 For the purposes of this paragraph 3, the term “the Managers” means any on or more of the Managers and any and all servants and agents of the Managers to whom duties of the Managers have been entrusted.

## **Part E: The Funds of the Association**

### **Section 1: Funding Policy Years**

#### **1 General**

- 1.1 Unless the Directors otherwise decide, all insurances given by the Association against the risks set out in or insured in accordance with the terms and conditions of the insurance referred to in paragraph 1 (Terms and Conditions of Insurance) of Part G (Terms and Conditions of Insurance and Alteration of Bye-Laws) shall:
  - 1.1.1 fall into a single class, regardless of any difference in the insured services or insured interest as between one Assured and another or between one group or Assureds and another; and,
  - 1.1.2 contribute to and be a charge against a common fund.

#### **2 Premium Income**

- 2.1 The price charged for insurance in the Association may be any of the following:
  - 2.1.1 a Mutual Premium;

- 2.1.2 a Fixed Premium; or
- 2.1.3 any combination of the two.
- 2.2 Every Mutual Premium and Fixed Premium shall be paid:
  - 2.2.1 in such manner and on such date as the Managers may decide;
  - 2.2.2 in the currency of the United States of America dollar or such other currency as the Managers may agree.
- 2.3 The Assureds, the price of whose insurance in respect of any Open Policy Year is or includes a Mutual Premium, shall provide, by way of such Mutual Premiums and, if necessary, Supplementary Premiums, all the funds which in the opinion of the Directors are required to meet:
  - 2.3.1 such of the general expenses of the Association as the Directors may from time to time think fit to charge against the insurance business of the Association in respect of such policy year
  - 2.3.2 the claims, expenses and outgoings (whether incurred, accrued or anticipated) of the insurance business of the Association in respect of such policy year, including (without limitation):
    - (a) any loss incurred by the Association on fixed premium business in respect of such policy year;
    - (b) any proportion of any claims, expenses or outgoings of any insurer reinsured by the Association, which has fallen or which is thought likely to fall upon the Association;
  - 2.3.3 such provisions and transfers to Reserves as the Directors think fit to make out of the funds standing to the credit of such policy year.
- 2.4 Where the price is agreed for a period of time which does not fall wholly within any one policy year, it shall be apportioned by the policy years within which such period falls on a pro rata daily basis.

### **3 Supplementary Premiums**

- 3.1 At such time during or after the end of the Open Policy Year as they think fit, the Directors may levy a Supplementary Premium on those Assureds, the price of whose insurance for that year is or includes a Mutual Premium.
- 3.2 Every Supplementary Premium shall be expressed as a percentage of the Mutual Premium applicable to the insurances for such policy year.
- 3.3 The same percentage shall be applied to all such Mutual Premiums.

- 3.4 The percentage shall be determined by the Directors.
- 3.5 Once such percentage has been determined, each Assured is obliged, upon being debited, to pay to the Association the Supplementary Premium applicable to his insurance for such policy year, in such manner and on such date as the Directors may decide.

#### **4 Release Premiums**

- 4.1 Upon the termination of the insurance of an Assured for any reason, the Managers may:
  - 4.1.1 charge the Assured a Release Premium, being an amount which the Managers then regard as his likely liability for Supplementary Premiums; or
  - 4.1.2 agree other terms and conditions in relation to such liability.
- 4.2 A Release Premium so charged shall be paid to the Association in such manner and on such date as the Managers may decide.
- 4.3 Upon the exercise by the Managers of their powers under paragraph 4.1, such Assured:
  - 4.3.1 shall have no liability for any Supplementary Premiums in respect of such insurance which are levied after the date of such exercise; and
  - 4.3.2 shall not be entitled to any Return Premiums which the Association may make after such date.

#### **5 Failure to Pay**

- 5.1 If an Assured fails to pay any amount due from him to the Association, such amount shall be a charge against the insurance business of the Association for the policy year in respect of which such amount is due.
- 5.2 Upon such failure to pay the Assured may be charged interest on the amount so due.
  - 5.2.1 The rate of such interest shall be determined from time to time by the Directors.
  - 5.2.2. Such rate of interest shall apply generally to all Assureds who have so failed to pay.
  - 5.2.3 Such rate of interest may be fixed or variable.
  - 5.2.4 The Managers may waive the debiting of interest and the payment of interest one debited.

## **Section 2: Closing Policy Years**

### **1 General**

- 1.1 The Directors shall close each policy year at such date after the end of such year as they think fit.
- 1.2 The Directors may close a policy year notwithstanding that it is known or anticipated that there exist, or may arise in the future, claims, expenses and outgoings in respect of that year, the validity, extent or amount of which has yet to be established.
- 1.3 After a policy year has been closed, no Supplementary Premiums or further Supplementary Premiums may be levied in respect of that year.

### **2 Return Premiums**

- 2.1 If, upon the closing of any policy year or at any time thereafter, it shall appear to the Directors that the total of the funds standing to the credit of such year exceeds the claims, expenses and outgoings for that year (as referred to in paragraph 2.3 of Section 1 (Funding Policy Years), then the Directors may dispose of any such excess in either or both of the following ways:
  - 2.1.1 by transferring it to the Reserves of the Association;
  - 2.1.2 by returning it to the Assureds in accordance with paragraph 2.2.
- 2.2 Subject to paragraph 2.3, any amount which the Directors so order to be returned to Assureds shall be paid or credited to the Assureds insured in respect of such policy year in proportion to the amounts of their Mutual Premiums for that year, and in such manner and on such dates as the Directors may decide.
- 2.3 No such return shall be made:
  - 2.3.1 to any Assured whose insurance has been cancelled;
  - 2.3.2 to any Assured who has been released from liability for any future Supplementary Premiums in accordance with paragraph 4 (Release Premiums) of Section 1 (Funding Policy Years).

### **3 Deficiencies**

If, upon the closing of any policy year or at any time thereafter, it shall appear to the Directors that the claims, expenses and outgoings for that year (as referred to in paragraph 2.3 of Section 1 (Funding Policy Years) exceed the total of the funds standing to the credit of such policy year, then the Directors may make good such deficiency by transferring to such year funds standing to the credit of any Reserves.

#### **4 Amalgamation**

- 4.1 Upon or after the closing of any policy year, the Directors may direct that the accounts for that year be amalgamated with those for any other closed policy year and that the amounts standing to the credit of such years be pooled.
- 4.2 In such event, the policy years concerned shall thereafter be treated for all purposes as though they constituted a single Closed Policy Year.

#### **5 Forecasts**

- 5.1 The Directors, the Managers, their servants or agents may at any time forecast the percentage of Supplementary Premiums or Return Premiums, if any, which are likely to be levied or made, as the case may be, for any policy year.
- 5.2 The Directors are not in any way bound by any such forecast and may levy Supplementary Premiums or make Return Premiums for that year in accordance with this Part at a greater or lesser percentage than that forecast, or decide not to levy such Supplementary Premiums or make such Return Premiums at all.
- 5.3 No liability whatsoever in respect of any inaccuracy in such forecast shall fall upon the Association, the Directors, the Managers or their servants or agents.

### **Section 3: Reserves**

#### **1 Purposes**

The Directors may establish and maintain Reserves, in addition to those required by the Companies Acts, for such contingencies and purposes as they think fit, including (without limitation):

- 1.1 to eliminate or reduce any need for a Supplementary Premium in any policy year past, present or future;
- 1.2 to eliminate or reduce any deficiency which has occurred or which in the view of the Directors is likely to occur in any Closed Policy Year;
- 1.3 to protect the Association against any actual or potential losses (realised or unrealised) on exchange or in connection with its investments.

#### **2 Establishment and Maintenance**

In order to raise the funds required to establish and maintain any such Reserve, the Directors may:

- 2.1 transfer to Reserves any part or proportion of the Mutual, Fixed or Supplementary Premium, or any policy year, the Assureds being given notice of such transfer at the latest when the Mutual, Fixed or Supplementary Premium in question is debited;
- 2.2 transfer to Reserves any amount or proportion of the funds standing to the credit or any policy year, such transfer to be reported in the next Annual Report of the Association.

### **3 Use**

The Directors may transfer funds from any Reserve to meet any contingency or purpose as they think fit, whether or not the contingency or purpose is that for which the Reserve was created.

## **Section 4: Investments**

### **1 Pooling**

The Directors may direct that any or all of the funds of the Association, whether standing to the credit of any policy year or to the credit of any Reserve, be pooled for investment purposes and invested as one fund.

### **2 Apportionment**

- 2.1 If any funds have been so pooled, the Directors may apportion as they think fit the income arising from the investment of such funds among and between the different policy years and Reserves from which such funds originated.
- 2.2 The Directors may similarly apportion capital gains and losses and gains and losses on exchange, realised and unrealised.

### **3 Closing Policy Years**

Without limitation of the above, the Directors may direct that, after the closing of any policy year, that year shall not be credited with any share of the apportionments referred to in paragraph 2 (Apportionment) and that its share shall instead be credited to any Reserve.

## **Section 5: Audit**

### **1 Auditor**

- 1.1 An auditor of the accounts of the Association shall be appointed at each annual general meeting.
- 1.2 Such auditor shall be an independent representative of the Members.

- 1.3 If the office of auditor becomes vacant or the auditor is incapable of performing his duties, the Directors shall as early as practicable convene a special general meeting of the Members to appoint an auditor to fill the vacancy or an acting auditor to act during the incapacity of the auditor.

## **2 Duties and Powers of the Auditor**

- 2.1 The auditor shall be furnished with a list of all books kept by the Association and shall at all times have the right of access to the books, accounts and vouchers of the Association and shall be entitled to require from the Directors and the Managers such information and explanation as may be necessary for the performance of his duties.
- 2.2 The auditor shall be entitled to attend any general meeting of the Association at which any accounts which have been examined or reported on by him are to be laid before the Association and to make any statements or explanations he may desire with respect to the accounts.
- 2.3 Notice of every such meeting shall be given to the auditor in the manner prescribed for Members.

## **Part F: Notices**

### **1 Notice to the Association**

Any notice that is required to be served on the Association must be sent to the Association's registered office for the time being or where an address has been specified for receiving notices by Electronic Communication to such address.

### **2 Notice to a Member or an Assured**

- 2.1 Any notice that is required to be served by the Association on a Member or on an Assured, may be served on him or his insurance broker in any of the following ways:
  - 2.1.1 personally;
  - 2.1.2 in the case of a company, by handing it to a director or officer of such company;
  - 2.1.3 by post;
  - 2.1.4 Electronic Communication;
  - 2.1.5 facsimile;
  - 2.1.6 cable;
  - 2.1.7 telegram.

- 2.2 A notice shall be sent in accordance with one of paragraphs 2.1.3 to 2.1.7 to the Member, the Assured or his insurance broker, as the case may be, at his address or to his facsimile number or e-mail address as last known to the Managers.

### **3 Date of Service**

Any such notice if served:

- 3.1 personally, shall be deemed served on the date on which it was served;
- 3.2 by post, shall be deemed to have been served on the third day following the date on which it was posted;
- 3.3 by facsimile or electronic means, shall be deemed to have been served on the day on which it was transmitted;
- 3.4 by telegram or cable, shall be deemed to have been served on the day on which it was handed into the telegram or cable office.

### **4 Electronic Communications**

Nothing in these Bye-Laws shall require the Association to accept any Electronic Communication (including any proxy):

- (i) not lodged at the address supplied by the Association; or
- (ii) found or suspected to contain a computer virus or to be otherwise contaminated; or
- (iii) which does not comply with any verification procedure applied by the Association from time to time.

## **Part G: Dissolution**

### **Winding Up**

In the event of the winding up of the Association, after its liabilities have been satisfied, the remaining assets of the Association shall be distributed in such a fair and equitable manner amongst the Members as the liquidator may decide.

## **Part H: Terms and Conditions of Insurance and Alterations of Bye-Laws**

### **1 Terms and Conditions of Insurance**

- 1.1 Subject to the provisions of these Bye-Laws, the business of the Association shall be conducted in accordance with terms and conditions of insurance from time to time determined by the Directors.



- 1.2 In so doing, the Directors may determine standard terms and conditions in relation to services and risks insured by the Association.
- 1.3 Copies of such standard terms and conditions are available to any Member on written request to the Managers.
- 1.4 The Directors may delegate to the Managers in accordance with paragraph 4.2 of Part C (Directors and Other Officers of the Association), Section 2 (Power of Directors) the power, in respect of any particular insurance, to:
  - (a) amend the provisions of the standard terms and conditions and include additional provisions;
  - (b) agree that the Association insure services other than those within the scope of the standard terms and conditions;
  - (c) agree that the Association insure risks other than those set out in the standard terms and conditions;
  - (d) agree that the Association insure risks on terms and conditions other than those set out in the standard terms and conditions.

## 2 **Alterations of Bye-Laws**

These Bye-Laws may be from time to time amended, abrogated or added to by resolution of the Association in general meeting.

## **Part I: Amalgamation and Merger**

Any resolution proposed for consideration at any special general meeting to approve the amalgamation or merger of the Association 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 Part B Section 2 paragraph 4.

**Schedule**

**Form of Proxy**

The undersigned, a Member of Through Transport Mutual Insurance Association Limited, hereby Appoints

.....

or .....

to be the undersigned's proxy in the order named to vote on behalf of the undersigned by the annual or special (as the case may be) general meeting of the Company to be held on

..... and at any adjournment thereof.

Please indicate with a tick in the space below how you wish your vote to be cast:

For                       Against

Resolution 1 \_\_\_\_\_

Resolution 2 \_\_\_\_\_

etc

Unless otherwise instructed, the proxy shall vote as he thinks fit.

Signed this day of .....20.....

By (*name*) .....

(*office or capacity*).....

for and on behalf (*the Member*) .....