

Notices to Members

No. 10 - Class 2 - Rule Changes for 2006

January 2006

Notice to All Class 2 Members

NOTICE is hereby given that an Extraordinary General Meeting of the Members of Class 2 of the Association will be held on Wednesday, 1 February 2006 at 1000 hours or as soon thereafter as the business of the Extraordinary General Meeting of the Members of Class 1 of the Association has been terminated in the Mandarin Oriental Hotel du Rhône, Quai Turretini 1, 1201 Geneva, Switzerland, for the purpose of considering and, if thought fit, passing the following SPECIAL Resolution:

SPECIAL RESOLUTION

THAT alterations to a certain Rule of Class 2 (as hereafter set out with commentary) be made to take effect from noon GMT on 20 February 2006:-

COMMENTARY:

Rule 17- Premium Tax and Other Excise Taxes

It is proposed to change the Rule to allow the Association to collect from a Member insurance premium tax for which the Association may at some future time be liable to the relevant tax authority in default of payment by the Member. The existing Rule merely contains an indemnity from the Member to the Association once the Association has had to pay such tax authority.

The text of the current 2005 Rule is set out below with the changes marked. The proposed deletion from the 2005 Rule is identified by striking through of the text to be deleted. The proposed addition is bold and underlined. Pages headers and page numbering of the Rules will be adjusted once changes are adopted and prior to printing for the 2006 policy year:-

TEXT OF CHANGES

Rule 17 Premium Tax and Other Excise Taxes

~~A Member shall indemnify and hold harmless the Association in respect of any loss, damage, liability, cost or expense which the Association may incur in respect of premium tax or any other excise tax for which such Member bears any liability.~~

The Member shall pay on demand to the Association or its order the amount of any premium tax or other excise tax for which the Association determines it or the Member has or may become liable and shall indemnify and hold harmless the Association in respect of any loss, damage, liability, cost or expense which the Association may incur in respect of such premium tax or other excise tax.

By order of the Board
P A Aspden
Secretary
33 Boulevard Prince Henri
1724 Luxembourg

January 2006

A Member entitled to attend and vote is entitled to appoint a proxy (who need not be a Member of the Association) to attend and on a poll vote instead of him. The instrument appointing a proxy shall be left with the Secretary not less than 48 hours before the holding of the Meeting.