

## No. 8 2007/2008 - Class 2 - Rule Changes for 2008

November 2007

### 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, 5 December 2007 at 1030 hours or as soon thereafter as the business of the Extraordinary General Meeting of the Members of Class 1 of the Association has been completed, in the Fairmont Hotel Vier Jahreszeiten, Neuer Jungfernstieg 9 – 14, 20354 Hamburg, Germany 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 2008:-

It is proposed that the deductible for Class 2 claims should be modified so that Members should bear 25% of a Class 2 claim but with a minimum contribution of US\$5,000 and a maximum contribution towards the claim by a Member of US\$50,000.

Accordingly it is proposed that **paragraph (1) of Rule 11** be **deleted** and replaced with the following:

### Rule 11 - DEDUCTIBLES AND PARTY AND PARTY COSTS.

**(1) Unless otherwise agreed in writing, and subject to Rule 5 (discretion to support a case), each Member shall bear 25% of the costs and expenses in respect of each claim covered under Rule 3, provided that the minimum sum that the Member shall bear shall be US\$5,000 and the maximum sum shall be US\$50,000.**

**The said minimum sum of US\$5,000 shall be payable by the Member forthwith upon demand by the Managers whenever, in accordance with Rule 9, any lawyer, surveyor or other person is appointed and employed by the Managers on behalf of the Member or appointed and employed by the Member with the prior consent of the Managers. In the event that the costs and expenses in any case which the Association supports are less than US\$5,000, and the Member has paid that sum to the Association, the difference between the costs and expenses which the Association has made itself liable for to any such lawyer, surveyor or other person and the said sum of US\$5,000 will be refunded to the Member without interest.**

By way of illustration:

- (a) If the costs incurred in respect of a claim are US\$4,000 the Member will bear US\$4,000
- (b) If the costs incurred in respect of a claim are US\$6,000 the Member will bear US\$5,000.
- (c) If the costs incurred in respect of a claim are US\$20,000 the Member will bear US\$5,000
- (d) If the costs incurred in respect of a claim are US\$24,000 the Member will bear US\$6,000 (being 25%)
- (e) If the costs incurred in respect of a claim are US\$250,000 the Member will bear US\$50,000 (being the maximum)

deductible)

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

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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.