

**CIRCULATED TO ALL MEMBERS, BROKERS AND DIRECTORS
ATTENTION INSURANCE DEPARTMENT**

**12 MAY 2005
AAW/JI**

EXTRAORDINARY GENERAL MEETING OF THE MEMBERS - ROME 24 JUNE, 2005

DIRECTORS' REMUNERATION

It is proposed that the fees payable to Directors of the Association be reviewed. They have not been reviewed for six years. The fees proposed are set out in the attached document headed "Directors' Remuneration", and reflect the additional responsibilities now borne by Directors. The proposed fees are within the range of fees paid to Directors of International Group Clubs.

The proposal will be placed before Members for adoption at an Extraordinary General Meeting of the Members of the Association to be held in Rome, on Friday, 24 June, 2005, for which a notice is attached. If approved, the alterations will take effect from noon GMT on 20 February, 2005.

For easy reference the following papers are enclosed:-

1. Document headed "Directors' Remuneration".
2. Notice of Meeting, together with Form of Authorisation.
3. Form of Proxy.

AA WILSON
DIRECTOR - North Insurance Management Limited
As Managers on behalf of the North of England P&I Association Limited

CIRCULAR

NORTH OF ENGLAND P&I ASSOCIATION LIMITED 100 The Quayside, Newcastle upon Tyne, UK, NE1 3DU
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The North of England Protecting and Indemnity Association Limited. Registered in England No. 505456. Registered Office above
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North Insurance Management Limited. Registered in England No. 3922841. Registered Office above. Regulated in the UK by the Financial Services Authority

Attachments:-

DIRECTORS' REMUNERATION

At present the remuneration payable to each of the Directors is £750 per meeting attended. The Chairman and Vice-Chairman also receive an annual fee of £7,000.00 and £4,000.00 respectively.

It is proposed that, with effect from 20 February, 2005 for Directors the fee be increased to US\$2,500 per meeting attended, with the Chairman receiving an annual retainer of US\$10,000 and an attendance fee of US\$3,500 per meeting attended and the Vice-Chairman receiving an annual retainer of US\$5,000 with an attendance fee of US\$2,500 per meeting attended.

THE NORTH OF ENGLAND PROTECTING AND INDEMNITY ASSOCIATION LIMITED

N.B. This form does not need to be completed unless you or your representative are attending the meeting in person and is not required if any of your Chairman, Directors, Managers or Secretary is a Director of The North of England Protecting and Indemnity Association Limited as he or she is automatically authorised to represent you.

Form of Authorisation for a Corporate Representative

This is a certified copy of a Minute of the Directors or other governing body of:

passed on []

"We hereby authorise [] to act as our representative at the Extraordinary General Meeting of The North of England Protecting and Indemnity Association Limited on 24 June, 2005."

Certified a true copy:

Signed
For and on behalf of
[]

Dated

THE NORTH OF ENGLAND PROTECTING AND INDEMNITY ASSOCIATION LIMITED

Company No. 505456

Company Limited by Guarantee and not having a Share Capital

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at the Grand Hotel de la Minerve, Piazza Della Minerva 69, 00186 Rome, Italy, on 24 June, 2006 at 0930 hours for the purpose of considering and, if thought fit, passing the following Ordinary Resolution.

Ordinary Resolution

That the fees proposed in the enclosed document marked "Directors' Remuneration", and for the purpose of identification signed by the Chairman, be and are hereby adopted with effect from noon 20 February, 2005.

Dated: 12 May, 2005

By order of the Board

Secretary

Registered Office:

The Quayside
Newcastle upon Tyne
NE1 3DU

NOTE: 1. Each Member which is a corporation may authorise a representative to act on its behalf at the Meeting and to exercise the same powers as the Member. A Form of Authorisation is enclosed with this Notice. It should be delivered to the Company before the start of the Meeting to which it refers unless the representative is a Director of the North of England Protecting and Indemnity Association Limited and is Chairman, Director, Manager or Secretary of a Member in which case he is deemed authorised to so act.

2. Any Member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll to vote instead of him. A form of proxy is enclosed.

**THE NORTH OF ENGLAND PROTECTING AND INDEMNITY
ASSOCIATION LIMITED**

FORM OF PROXY

The undersigned, a Member of The North of England Protecting and Indemnity Association Limited, hereby appoints the Chairman of the meeting or or to be the undersigned's proxy in the order named to vote on behalf of the undersigned at the Extraordinary General Meeting of the Members of the said company to be held on 24 June, 2005, and any adjournment thereof.

This form is to be used in respect of the following Resolutions. This proxy will be used only in the event of a poll being directed or demanded.

For /Against

The Resolution to adopt the proposed fees in the document marked "Directors' Remuneration" with effect from noon 20 February, 2005.

As witness the hand of the undersigned this day of200

For (Name of Member IN CAPITALS)

.....

By (Office)

Notes

- 1. If you wish any person other than the Chairman to act as your proxy, please insert the name of your proxy in the space provided. If no name is inserted you will be deemed to have appointed the Chairman of the meeting. A proxy need not be a member.
- 2. Please indicate with an X in the appropriate spaces how you wish your votes to be cast in respect of each of the Resolutions. On receipt of this form duly signed but without any specific direction how you wish your votes to be cast, the proxy will vote in favour of the Resolutions unless so instructed and on any other Resolutions proposed at the meeting your proxy will vote or abstain at his discretion.
- 3. In the case of a corporation this form should either be under its seal or be signed by an authorised officer of the corporation, who should state in the line below his office (e.g. Company Secretary, Director).
- 4. To be valid at the Extraordinary General Meeting referred to, this form must be completed, signed and deposited with the Secretary of the Association, The Quayside, Newcastle upon Tyne, NE1 3DU, England, not less than 12 hours before the time appointed for holding the meeting. Completion and return of this form will not prevent you from attending the voting in person if you so wish.