

EUROPEAN FISHING VESSEL INSURANCE COMPANIES ASSOCIATION

CONSTITUTION

June 2018



THE EUROPEAN FISHING VESSEL INSURANCE COMPANIES ASSOCIATION

CONSTITUTION

1. Name

The association shall be called the European Fishing Vessel Insurance Companies Association ("EFICA").

2. OBJECTS

- (a) To gather, analyse, provide and share amongst its members:
 - (i) General relevant information in relation to the insurance of risks in the fishing industry;
 - (ii) information on patterns of insurance claims and ways of preventing such claims occurring.
- (b) To provide a forum
 - (i) for exchange of specialist technical advice as and when required
 - (ii) through which assistance or information in relation to reinsurance can be discussed.
- (c) To create contact, understanding and enhance support amongst members with regard to all issues which might from time to time be deemed of mutual concern or interest.
- (d) to take such further action in relation to the insurance of risks in the fishing industry as shall assist the members in the free and independent pursuit of their insurance activities.

3. MEMBERSHIP

(i) Eligibility

(a) Member

Any insurance, reinsurance company (Mutual or otherwise) or P&I Club involved in the insurance of fishing vessels may be admitted as a member of EFICA (a "Member").

(b) Associate Member

Any broker, lawyer, surveyor or agent involved in the insurance of fishing vessels may be admitted as an associate Member of EFICA (an "Associate").

(ii) Application for membership

Any such Company that wishes to be admitted as a Member or Associate shall, on the invitation of the Committee, submit an application in writing to the Secretary. Any such applicant shall be admitted as a Member or Associate upon the passing of a resolution to that effect by a simple majority of the members of the Committee and upon payment of any Subscription due.

(iii) Subscription

(a) Member

Members shall pay a periodic subscription to maintain minimum EFICA funds as recommended by the Committee agreed by Members at an Annual General Meeting by a simple majority of those Members present. This subscription is calculated as 0.03% of a Member's net annual income from European fishing business only. Member's Subscriptions must be paid into the bank account operated by the Treasurer for such purpose within four weeks of the date of the Annual General Meeting at which they are set. Members shall be entitled to be repaid a proportionate amount of their Subscription if their membership of EFICA is terminated prior to the Annual General Meeting.

(b) Associate

Associates shall pay an annual fee ("Fee") which shall be fixed at the Annual General Meeting by a simple majority of those present.

Associate's Subscriptions must be paid into the bank account operated by the Treasurer for such purpose within four weeks of the date of the Annual General Meeting at which they are set.

(iv) Termination

Membership or Associate of EFICA shall be terminated on the occurrence of any of the following:-

- (a) Upon receipt by the Secretary of notification in writing from a Member/Associate that that Member/Associate wishes to resign from EFICA;
- (b) Failure by a Member/Associate to make payment of any Subscription/Fee or Supplemental Call due within a period of four weeks from the date when the Subscription/Fee or Supplemental Call became due for payment;
- (c) On a resolution being passed to expel the Member/Associate by the Committee in accordance with the following provisions:

The Committee shall have power to expel any Member/Associate of EFICA who, in the opinion of the Committee, has offended against the Constitution, the Objects of EFICA, the Standing orders or whose conduct shall have rendered that Member/Associate unfit for membership of EFICA. Before any such Member/Associate is expelled, the Secretary shall give that Member/Associate fourteen days' written notice to attend a meeting of the Committee to consider the expulsion of that Member/Associate and stating the reasons for the proposed expulsion. The Member/Associate shall be expelled if, after consideration of the reasons for the proposed expulsion and the representations (if any) of the Member/Associate

in respect thereof, at least two thirds of the Committee present at the meeting to consider that Member/Associate's expulsion shall vote in favour of the expulsion.

- (d) On the liquidation, winding up, striking off receivership or similar event of a Member/Associate.

4. **COMMITTEE**

(i) **Composition**

The Committee composed by Members shall consist of the following posts:-

- (a) Chairman: Whose duty shall be to chair all meetings of the Committee and to represent the Committee and EFICA generally.
- (b) Vice Chairman: Whose duties shall be to assist the Chairman and to act as chairperson of any meeting of the Committee in the absence of the chairman.
- (c) Secretary: Who shall be responsible for all administrative duties of EFICA which shall include the issuing of notices of General Meetings and circulation of minutes and the keeping of a register of Members.
- (d) Treasurer: Who shall be responsible generally for all financial matters of EFICA and who shall in particular prepare a yearly budget for consideration and approval at the Annual General Meeting and keep detailed books of account of all Subscriptions, Supplemental Calls and other incomes and expenditures of EFICA.
- (e) Up to two Elected/Co-opted Members: Who shall be Members of EFICA.

(ii) **Election and Term**

Members of the Committee shall serve for a fixed term of two years but shall be eligible for immediate re-election. Membership of the Committee shall be voted on at the Annual General Meeting and shall be elected at that meeting by a simple majority of those present.

(iii) **Powers of the Committee**

The Committee shall be empowered to carry out the day to day business of EFICA and to represent EFICA generally. In addition, the Committee shall have the following specific powers:-

- (a) To appoint a Member to one of the posts of the Committee, should such a post become vacant at any time, provided that the Member so appointed shall act in an ad hoc capacity until the next General Meeting of the members at which the replacement for that post shall be elected in accordance with the terms of Clause (ii) above.
- (b) The Committee shall be entitled to appoint or dismiss and fix the remuneration, duties and conditions of service of such staff as may, in the opinion of the Committee, be necessary

provided that no member of the Committee shall be entitled to serve as a remunerated member of staff..

- (c) The Committee shall have power to enter into contracts in furtherance of the objects of EFICA on behalf of the Members.
- (d) The Committee shall be empowered to appoint such special or standing committees as may be deemed necessary by the Committee and shall be entitled to determine the terms of reference, powers, duration, composition and termination of such special or standing committees. A member of the Committee shall be appointed as the chairperson of each such special or standing committee and that chairperson shall be responsible for reporting all acts and proceedings of such special or standing committees back to the Committee. The provisions relating to quorum and voting at meetings of the Committee contained in Clause 4(iv) shall apply to meetings of such special or standing committees unless specifically varied by the Committee.
- (e) The Committee shall be empowered to open and operate a bank account on behalf of and in the name of EFICA.
- (f) The Committee may make, amend and repeal such rules for the conduct of its business, and that of EFICA, as it may deem necessary ("Standing Orders") provided that such Standing Orders are consistent with the Constitution.

(iv) Meetings of the Committee

Meetings of the Committee shall be held at least once every year on a date to be fixed at each such meeting or at any other time upon the requisition of two or more members of the Committee. The quorum for such meetings shall be one quarter of the then number of members of the Committee subject at all times to a minimum of three. All questions arising at any meeting of the Committee shall be decided by a simple majority of those present and entitled to vote with each member of the Committee being entitled to exercise one vote but, in the case of an equality of votes, the Chairman or, in the absence of the Chairman, the chairperson of that meeting shall have a second or casting vote.

(v) Liability

The members of the Committee shall be entitled to an indemnity from the Members for all liabilities, costs, claims and expenses incurred by or against them in the carrying out of their duties as members of the Committee but this indemnity shall not extend to costs, claims, expenses or liabilities incurred as a result of or arising from fraud, wrongdoing or wrongful omission on the part of the member of the Committee.

(vi) Removal

Members of the Committee shall be subject to the termination provisions applying generally to all Members specified in Clause 3 (iv) above and, in addition, a member of the Committee shall be deemed to have resigned from their post if absent from three consecutive meetings of the Committee without reasonable justification.

5. ASSETS OF EFICA

The income assets and property of EFICA shall be applied solely to the promotion of the aims and Objects of EFICA set out in Clause 2 of this Constitution and no part shall be paid or transferred directly or indirectly to any members of EFICA except by way of payment in good faith of reasonable and proper wages and repayment of expenses to any member of EFICA in return for services actually rendered to EFICA.

6 GENERAL MEETINGS

(i) Calling

- (a) EFICA shall hold an Annual General Meeting in each calendar year, on a date, time and venue to be decided upon by the Committee, provided that not more than eighteen months may elapse between consecutive Annual General Meetings.
- (b) A General Meeting may be called by the Secretary, in accordance with paragraph (c) below, at any time upon the request of the Committee or upon receipt by the Secretary of a written requisition signed by at least twenty per cent of the Members stating the matters they wish to be discussed, or specifying the terms of a resolution they wish to be considered, at such a General Meeting.
- (c) All Members/Associates must be notified in writing by the Secretary of the date, time and venue of all General Meetings at least twenty one days in advance of the date thereof unless all of the Member's/Associate's consent in writing to the holding of a General Meeting at short notice. The Secretary shall include in the aforesaid notice details of the matters to be discussed at the General Meeting and must attach thereto copies of any documents which are required to be discussed in terms thereof or thereat.
- (d) Additional participants may be invited to the annual meeting at the request of a member and by approval of the committee.

(ii) Matters to be dealt with at General Meetings

- (a) At the Annual General Meeting the business shall include:-
 - (i) the consideration of an annual report of the work done by or under the direction of the Committee, given by the Chairman.

- (ii) the consideration of an annual report on the accounts of EFICA and the budget for the forthcoming year, given by the Treasurer.
 - (iii) the election of members of the Committee.
 - (iv) any other business raised by the Committee.
 - (v) any other business raised by a requisition of Members.
- (b) At a General Meeting the business shall include the matters specified in the notice for that General Meeting.

(iii) Procedure at General Meetings

- (a) Quorum: At a General Meeting of EFICA the quorum shall be one third of the then number of Members/Associates of EFICA.
- (b) Voting: All questions arising at any General Meeting shall be decided by a simple majority of the Members/Associates present with each such Member being entitled to one vote but in the case of an equality of votes the Chairman (or in the absence of the chairman, the chairperson of that General Meeting) shall have a second or casting vote. Voting shall be on a show of hands.

7. **ALTERATION OF THE CONSTITUTION**

Alterations to the Constitution may only be effected by a simple majority of the Members at an Annual General Meeting unless all of the Members for the time being of EFICA consent to the changes in writing.

8. **DISSOLUTION**

EFICA may be disbanded at a General Meeting at which no less than two thirds of the then number of Members vote in favour of the dissolution of EFICA. Upon the passing of such a resolution, the surplus of assets remaining after meeting any outstanding debts of EFICA shall be distributed amongst the Members in equal shares.

9. **GOVERNING LAW**

The Members agree that whilst the principal administration of EFICA shall be carried out in England English Law shall apply to all aspects of EFICA including, without prejudice to the foregoing, interpretation of the Constitution, all meetings of the Members regardless of where held and to any dispute arising between Members and the Members hereby prorogate the non-exclusive jurisdiction of the English Courts