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## **JINHUI HOLDINGS COMPANY LIMITED**

**金輝集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

Stock Code : 137

### **OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is made by Jinhui Holdings Company Limited in compliance with Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)*

Please refer to the attached announcement released on 6 November 2019 through the Oslo Stock Exchange by Jinhui Shipping and Transportation Limited, an approximately 55.69% owned subsidiary of Jinhui Holdings Company Limited, in accordance with the regulations of the Oslo Stock Exchange.

By Order of the Board  
**Jinhui Holdings Company Limited**  
**Ng Siu Fai**  
*Chairman*

Hong Kong, 6 November 2019

*As at date of this announcement, the Executive Directors of Jinhui Holdings Company Limited are Ng Siu Fai, Ng Kam Wah Thomas, Ng Ki Hung Frankie and Ho Suk Lin; and the Independent Non-executive Directors of Jinhui Holdings Company Limited are Cui Jianhua, Tsui Che Yin Frank and William Yau.*



# JINHUI SHIPPING AND TRANSPORTATION LIMITED

(incorporated in Bermuda with limited liability)

Letter to shareholders of Jinhui Shipping and Transportation Limited (the “Company”)

## PROPOSED ADOPTION OF NEW BYE-LAWS

The Board of Directors proposed to amend the existing Bye-laws, inter alia, to update provisions of the Bye-laws where it considered desirable and to better align with the most updated Companies Act 1981 of Bermuda (the “Companies Act”). The proposed adoption of the new Bye-laws are subject to the approval of the shareholders of the Company by way of a special resolution at a special general meeting to be held on 29 November 2019.

Principal amendments proposed to be made are mainly include:

### (1) DELIVERY OF ELECTRONIC RECORDS GENERALLY IN LINE WITH THE COMPANIES ACT

Pursuant to the Companies Act Section 2A(4) DELIVERY OF ELECTRONIC RECORDS GENERALLY, where:

*COMPANIES ACT SECTION 2A(4)*

*(4) Subject to subsection (5), an electronic record of a document is deemed to have been delivered to a person if it is published on a website and the person is sent a notice which includes details of — (a) the publication of the document on the website, the address of the website, the place on the website where the document may be found and how the document may be accessed on the website; and (b) how the person is to notify the company that the person elects to receive the document in a physical form if the person wishes to receive the document in a physical form. (4A) If, in accordance with a notice sent to a person under subsection (4), the person elects to receive a document in a physical form, the company shall send to that person such document within seven days of receipt of that person’s election. (4B) The accidental omission of a company to send a document to a person in accordance with subsection (4A), or the non-receipt by the person of a document that has been duly sent to that person, does not invalidate deemed delivery of that document to that person pursuant to subsection (4).*

For the purpose of environmental protection and reducing printing and distribution costs, the Board proposed to remove the requirement of printed copy of annual report to shareholders as contained in the existing Bye-laws clause 152. With effect on the adoption of the new Bye-laws, the Company will publish the annual report on the company website provided the shareholder is sent a notice which includes details of: “(a) the publication of the document on the website, the address of the website, the place on the website where the document may be found and how the document may be accessed on the website; and (b) how the person is to notify the company that the person elects to receive the document in a physical form if the person wishes to receive the document in a physical form.”

### (2) PURCHASE OF SHARES OF THE COMPANY IN LINE WITH THE COMPANIES ACT

Under the existing Bye-laws clause 3(2), the Board may exercise any power to purchase or acquire its own shares, subject to the Companies Act and authorization of members by way of ordinary resolution upon such terms and conditions at a general meeting determined.

The Board proposed to amend the existing Bye-laws to give the Board discretion to decide whether or not to purchase or acquire its own shares in accordance with the Companies Act on such terms as the Board shall think fit. With effect on the adoption of the new Bye-laws, the Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Companies Act.

## RECOMMENDATION

Instead of carrying out piecemeal modifications on the existing Bye-laws, the Board proposed that a new set of bye-laws of the Company that reflect the above principal amendments and other miscellaneous amendments to update or clarify provision of the bye-laws where it is considered desirable and to better align with the wordings in the most updated Companies Act. The shareholders of the Company should note that the principal amendments described above are not exhaustive and that the new Bye-laws also contain other changes which are primarily in line with the standard provisions of the bye-laws of other companies incorporated in Bermuda.

The proposed new Bye-laws are enclosed, together with the notice of the special general meeting and the form of proxy to shareholders of the Company. The Board believes that the proposed amendments to the new Bye-laws and the adoption of the new Bye-laws are in the interests of the Company and the shareholders of the Company as a whole. Accordingly, the Board recommends the shareholders of the Company to vote in favour of the resolution to be proposed at the forthcoming Special General Meeting.

By Order of the Board

**Ng Siu Fai**  
Chairman

6 November 2019



**JINHUI SHIPPING AND TRANSPORTATION LIMITED**  
*(incorporated in Bermuda with limited liability)*

**NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Special General Meeting of Jinhui Shipping and Transportation Limited (the “Company”) will be held at The Plaza Restaurant, 2/F., Edif. Xin Hua, Rua de Nagasaki, ZAPE, Macau SAR, the People’s Republic of China on Friday, 29 November 2019 at 9:30 a.m. for the following purposes:

**Proposed Agenda**

1. To appoint chairman of the meeting.
2. To confirm the notice.
3. To consider and, if thought fit, approve and adopt, by a **SPECIAL RESOLUTION** of the members of the Company (“Members”), the bye-laws circulated with this notice of the Special General Meeting, as the bye-laws of the Company in substitution for and to the exclusion of all existing bye-laws thereof.

By Order of the Board

**Ho Suk Lin Cathy**  
*Company Secretary*

6 November 2019

**Instructions to all Members**

1. The Board of Directors has fixed the close of business on 25 November 2019 as the record date for the determination of the Members entitled to attend and vote at the Special General Meeting or any adjournment thereof. Changes to entries on the register of members after such date shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjournment thereof.
2. As at date of this notice, the Company has issued 109,258,943 ordinary shares, and each share carries one vote. As at date of this notice, the Company does not hold any of its own shares.
3. A special resolution requires (i) not less than two-thirds of votes cast by Members, or their proxyholders, entitled to do so at the meeting; and (ii) not less than 21 clear days’ notice.
4. In order to be valid, you are hereby requested to fill in, sign and return a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at Nordea Bank Abp, Filial Norge (“Nordea Bank”) Nordea Issuer Services, at Essendrops gate 7, 0368 Oslo or Postboks 1166 Sentrum, 0107 Oslo, Norway, not less than 48 hours before the time appointed for holding the meeting. Completion and return of a form of proxy will not preclude you from attending and voting in person if you are subsequently able to be present.
5. A member of the Company entitled to attend and vote at the above meeting may appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company but must attend the above meeting in person to represent the member. A person or entity registered in the Norwegian Registry of Securities registered as owner of shares of the Company is entitled to request Nordea Bank to appoint him/her/it as proxy to attend and vote at the above meeting. Nordea Bank shall not attend or vote at the meeting other than through proxies appointed in the manner aforesaid.
6. An appendix regarding the amended bye-laws will be circulated to Members together with this notice.

*Note: This notice and other relevant documents are available on the websites of the Oslo Stock Exchange at [www.newsweb.no](http://www.newsweb.no) and the Company at [www.jinhuiship.com](http://www.jinhuiship.com).*

**APPENDIX 1**

**PROPOSED NEW BYE-LAWS**

**OF**

**JINHUI SHIPPING AND TRANSPORTATION LIMITED**

**to be adopted in Special General Meeting to be held on 29 November 2019**

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**BYE-LAWS**

**OF**

**JINHUI SHIPPING AND TRANSPORTATION LIMITED**

**Adopted at the Special General Meeting held on 20 June 1994  
and amended by a written resolution of all the members  
of the Company dated 15 September 1994  
and amended at the Annual General Meeting held on 9 May 2002  
and amended at the Special General Meeting held on 29 November 2019**

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## INTERPRETATION

### 1. Definitions

1.1 In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Act	the Companies Act 1981 of Bermuda;
Alternate Director	an alternate director appointed in accordance with these Bye-laws;
Auditor	the auditor of the Company, which includes an individual, company or partnership;
Board	the board of directors (including, for the avoidance of doubt, a sole director) of the Company appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of Directors at which there is a quorum;
Company	Jinhui Shipping and Transportation Limited;
Designated Stock Exchange	the Oslo Stock Exchange and/or any other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;
Director	a director of the Company and shall include an Alternate Director;
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
notice	written notice as further provided in these Bye-laws unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;

Ordinary Resolution	a resolution is an ordinary resolution when it has been passed by a simple majority of votes cast at a general meeting for which, subject to Bye-law 22.5, at least 14 clear days' notice has been given and specifying the intention to propose the ordinary resolution, and a Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required in these Bye-laws or the Act;
Register of Directors and Officers	the register of directors and officers referred to in these Bye-laws;
Register of Members	the register of members referred to in these Bye-laws;
Registrar	the Norwegian bank or corporation, acting through its registrar department, issuer services or similar capacity, appointed by the Company from time to time to provide VPS securities services to the Company, if applicable;
Resident Representative	any person appointed to act as resident representative and includes any deputy or assistant resident representative;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any or all of the duties of the Secretary;
Special Resolution	a resolution is a special resolution when it has been passed by a majority of not less than two-thirds of votes cast at a general meeting for which, subject to Bye-law 22.5, at least 21 clear days' notice has been given and specifying the intention to propose the special resolution;
Treasury Share	a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled; and
VPS	the Norwegian Central Securities Depository maintained by Verdipapirsentralen ASA.

1.2 In these Bye-laws, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and *vice versa*;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;

- (d) the words:–
    - (i) “may” shall be construed as permissive; and
    - (ii) “shall” shall be construed as imperative;
  - (e) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof;
  - (f) the phrase “issued and outstanding” in relation to shares, means shares in issue other than Treasury Shares;
  - (g) the word “corporation” means a corporation whether or not a company within the meaning of the Act; and
  - (h) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.
- 1.3 In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.
- 1.4 Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

## **SHARES**

### **2. Power to Issue Shares**

- 2.1 Subject to these Bye-laws and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares on such terms and conditions as it may determine and any shares or class of shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regards to voting, return of capital, or otherwise as the Company may by Special Resolution of the Members prescribe.
- 2.2 Subject to the Act and these Bye-laws, any preference shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder) are liable to be redeemed on such terms and in such manner as may be determined by the Board (before the issue or conversion).

### **3. Power of the Company to Purchase its Shares**

- 3.1 The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.
- 3.2 The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

#### **4. Rights Attaching to Shares**

- 4.1 At the date these Bye-laws are adopted, the share capital of the Company is divided into ordinary shares of par value US\$0.05 each (the “Ordinary Shares”).
- 4.2 The holders of Ordinary Shares shall, subject to these Bye-laws (including, without limitation, the rights attaching to any preference shares and any other class of shares):
- (a) be entitled to one vote per share;
  - (b) be entitled to such dividends as the Board may from time to time declare;
  - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
  - (d) generally be entitled to enjoy all of the rights attaching to shares.
- 4.3 If and for so long as any of the Company’s shares are listed on a Designated Stock Exchange, the following provisions shall apply:
- (a) unless the Company by Special Resolution otherwise decides to disapply the Members’ preferential rights in respect of a particular issue of shares or generally for any period not exceeding five years (save that in the latter case any such disapplication shall apply only to such number of shares as does not exceed a number equal to 50% of the issued share capital of the Company immediately prior to the passing of the Special Resolution concerning the disapplication of the preferential rights of Members, the Members shall have the first and preferential right to subscribe for and be allotted any shares of the Company proposed to be issued in proportion to the number of shares held by them. The Company shall give all of the Members written notice of their right to subscribe for new shares setting out the details of the number of such shares for which the particular Member has the right to subscribe, the price of such shares, the period (the “Subscription Period”) after which the right to subscribe, if not exercised, will be deemed to have been declined, which shall be a reasonable period of not less than 14 clear days, and the date upon which the rights expire (the “Expiry Date”). Any rights which have not been exercised on or prior to the Expiry Date shall become null and void;
  - (b) if a Member’s preferential right to subscribe for the new shares is not exercised or is not fully exercised within the Subscription Period, the Board may, at its absolute discretion, sell those preferential rights which have not been exercised within the Subscription Period so that the proceeds therefrom net of expenses benefit the Members who have not exercised such subscription rights within the Subscription Period (save where the sale of such preferential rights produces a benefit of less than US\$10 in respect of any Member, in which case the benefit shall be retained by the Company) or issue and allot new shares in respect of such preferential rights to those Members who have indicated to the Company that they wish to subscribe for a larger number of the shares than that to which they would otherwise be entitled, insofar as possible in proportion to the number of subscription rights each of them has exercised;
  - (c) where any rights granted pursuant to Bye-law 4.3(a) have not been exercised prior to the Expiry Date or such later date as may be applicable, and the shares to which they relate have not been issued in full pursuant to Bye-law 4.3(b), the shares to which such rights relate shall be at the disposal of the Board, which may offer, allot, grant option over or otherwise dispose of them to such persons and upon such terms and conditions as the Board may in its absolute discretion determine but so that such shares shall not be

disposed of on terms which are more favourable than the terms on which they were offered to the Members provided always that no shares shall be issued at a discount. Neither the Company nor the Board shall be obligated, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to Members (including the Registrar where it holds shares as nominee shown in the VPS and having addresses in any such jurisdiction) whose addresses are shown in the Register of Members or in any register maintained by the Registrar as in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or deemed to be, a separate class of Members for any purpose whatsoever;

- (d) subject to Bye-law 4.3(a), the Board may issue warrants conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine; and
- (e) PROVIDED ALWAYS that this Bye-law 4.3 shall be subject to the provisions set out in Bye-law 11, with all references to the registration of a transfer of a share being read as including, *mutatis mutandis*, references to an allotment of a share and to an issue of warrants to subscribe for a share.

4.4 All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

## **5. Calls on Shares**

- 5.1 The Board may make such calls as it thinks fit upon the Members in respect of any moneys (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members (and not made payable at fixed times by the terms and conditions of issue) and each Member shall (subject to being given at least 14 clear days' written notice (which excludes the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect) pay to the Company as required by such notice the amount called on such Member's shares. If a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.
- 5.2 Any amount which, by the terms of allotment of a share, becomes payable upon issue or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Bye-laws be deemed to be an amount on which a call has been duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest, costs and expenses, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a duly made and notified call.
- 5.3 The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.
- 5.4 The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by such Member, although no part of that amount has been called up or become payable.

## 6. Forfeiture of Shares

- 6.1 If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call  
Jinhui Shipping and Transportation Limited (the "Company")

You have failed to pay the call of [amount of call] made on [date], in respect of the [number] share(s) [number in figures] standing in your name in the Register of Members of the Company, on [date], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [•] per annum computed from the said [date] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [date]

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[Signature of Secretary] By Order of the Board

- 6.2 If the requirements of such notice are not complied with (with such Member being given not less than 14 clear days' from receipt of such notice (which excludes the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect)), any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Bye-laws and the Act.
- 6.3 A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture, together with all interest due thereon and any costs and expenses incurred by the Company in connection therewith.
- 6.4 The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

## 7. Share Certificates

- 7.1 Subject to the provisions of this Bye-law 7, every Member shall be entitled to a certificate under the common seal (or a facsimile thereof) of the Company or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.



- 7.2 Subject to being entitled to a share certificate under the provisions of Bye-law 7.1, the Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.
- 7.3 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed, the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it thinks fit.
- 7.4 Notwithstanding any provisions of these Bye-laws:
- (a) the Board shall, subject always to the Act and any other applicable laws and regulations and the facilities and requirements of any relevant system concerned, have power to implement any arrangements it may, in its absolute discretion, think fit in relation to the evidencing of title to and transfer of uncertificated shares by means of the VPS system or any other relevant system, and to the extent such arrangements are so implemented, no provision of these Bye-laws shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer of shares in uncertificated form; and
  - (b) unless otherwise determined by the Board and as permitted by the Act and any other applicable laws and regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument.

## **8. Fractional Shares**

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

## **REGISTRATION OF SHARES**

### **9. Register of Members**

- 9.1 The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act. Subject to the provisions of the Act, the Board may resolve that the Company may keep one or more branch registers in any place in or outside of Bermuda, and the Board may make, amend and revoke any such regulations as it may think fit respecting the keeping of such branch registers. The Board may authorise any share on the Register of Members to be included in a branch register or any share registered on a branch register to be registered on another branch register, provided that at all times the Register of Members is maintained in accordance with the Act. The Company's shares may be registered with the VPS in the name of the Registrar which may or may not be a branch register as permitted by the Act.
- 9.2 The Register of Members shall be open to inspection without charge at the registered office of the Company during business hours, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

## 10. Registered Holder Absolute Owner

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

## 11. Transfer of Registered Shares

- 11.1 Subject to the Act and to such of the restrictions contained in these Bye-laws as may be applicable, any Member may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve. No such instrument shall be required on the redemption of a share or on the purchase by the Company of a share. Where applicable, all transfers of uncertificated shares shall be made in accordance with and be subject to the facilities and requirements of the transfer of title to shares in that class by means of the VPS system or any other relevant system concerned and, subject thereto, in accordance with any arrangements made by the Board pursuant to Bye-law 7.
- 11.2 The instrument of transfer shall be signed by (or in the case of a party that is a corporation, on behalf of) the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.
- 11.3 The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares (if one has been issued) to which it relates and by such other evidence as the Board may reasonably require showing the right of the transferor to make the transfer.
- 11.4 The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 11.5 The Board may refuse to register the transfer of any share, and may direct the Registrar to decline (and the Registrar, to the extent it is able to do so, shall decline if so requested) to register the transfer of any interest in a share held through the VPS, where such a transfer would, in the opinion of the Board, be likely to result in 50% or more of the aggregate issued and outstanding share capital of the Company, or shares of the Company to which are attached 50% or more of the votes attached to all issued and outstanding shares of the Company, being held or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway or, alternatively, such shares being effectively connected to a Norwegian business activity, or the Company otherwise being deemed a Controlled Foreign Company as such term is defined pursuant to Norwegian tax legislation; provided that this provision shall not apply to the registration of shares in the name of the Registrar as nominee of persons whose interests in such shares are reflected in the VPS, but shall apply, *mutatis mutandis*, to the interests in shares of the Company held by persons through the VPS.
- 11.6 For the purposes of Bye-law 11.5, each Member (other than the Registrar in respect of those shares registered in its name on the Register as nominee of persons whose interests in such shares are reflected in the VPS) shall be deemed to be resident for tax purposes in the jurisdiction specified in the address shown in the Registrar for such Member, and each person whose interests in shares are reflected in the VPS shall be deemed to be resident for tax purposes in the jurisdiction specified in the address shown in the VPS for such person. If such Member or person is not resident for tax purposes in such jurisdiction or if there is a subsequent

change in his residence for tax purposes, such Member shall notify the Company immediately of his residence for tax purposes where he is or is deemed so resident in Norway (or in any other jurisdiction nominated by the Board from time to time).

Where any Member or person whose interests in shares are reflected in the VPS fails to notify the Company in accordance with the foregoing, the Board and the Registrar may suspend *sine die* such Member's or person's entitlement to vote or otherwise exercise any rights attaching to the shares or interests therein or to receive payments of dividends or distributions which become due or payable in respect of such shares or interests and the Company shall have no liability to such Member or person arising out of the late payment or non-payment of such sums and the Company may retain such sums for its own use and benefit. In addition to the foregoing, the Board and the Registrar may dispose of the shares in the Company or interests therein of such Member or person at the best price reasonably obtainable in all the circumstances. Where a notice informing such Member or person of the proposed disposal of his shares or interests therein has been served, his shares or interests therein may not be transferred otherwise than in accordance with this Bye-law 11 and any other purported transfer of such shares or interests therein shall not be registered in the books of the Company or the VPS and shall be null and void.

If 50% or more of the aggregate issued and outstanding share capital of the Company or shares to which are attached 50% or more of the votes attached to all issued and outstanding shares of the Company are found to be held or owned directly or indirectly (including without limitation, through the VPS) by individuals or legal persons resident for tax purposes in Norway (or such other jurisdiction as the Board may nominate from time to time) (other than the Registrar in respect of those shares registered in its name on the Registrar as nominee of persons whose interests in such shares are reflected in the VPS), the Board may make an announcement to such effect through the Designated Stock Exchange and the Board and the Registrar shall thereafter be entitled to dispose of such number of shares of the Company or interests therein held or owned by such persons as will result in the percentage of the aggregate issued and outstanding share capital of the Company held or owned as aforesaid being less than 50%, and, for these purposes, the Board and the Registrar shall in such case dispose of shares or interests therein owned by individuals or legal persons resident for tax purposes in the relevant jurisdiction in question on the basis that the shares or interests therein most recently acquired shall be the first to be disposed of (i.e. on the basis of the last acquired first sold), save where there is a breach of the obligation to notify tax residency pursuant to the foregoing, in which event the shares or interests therein of the person in breach thereof shall be sold first. Members shall not be entitled to raise any objection to the disposal of their shares.

- 11.7 The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share which is not fully paid up. The Board shall refuse to register, and shall direct the Registrar to decline to register, a transfer of any interest in a share unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda or elsewhere or any Designated Stock Exchange have been obtained. If the Board refuses to register a transfer of any share, the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.
- 11.8 Where applicable, all transfers of uncertificated shares shall be made in accordance with and be subject to the facilities and requirements of the transfer of title to shares in that class by means of the VPS system or any other relevant system concerned and, subject thereto, in accordance with any arrangements made by the Board pursuant to Bye-law 7.
- 11.9 Shares may be transferred without a written instrument if transferred by an appointed agent or otherwise in accordance with the Act.

11.10 Subject to Bye-law 11.5, but notwithstanding anything to the contrary in these Bye-laws, shares that are listed or admitted to trading on an appointed stock exchange may be transferred in accordance with the rules and regulations of such exchange.

## 12. Transmission of Registered Shares

12.1 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.

12.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member  
Jinhui Shipping and Transportation Limited (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased/bankrupt Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [date]

Signed by:

In the presence of:

\_\_\_\_\_  
Transferor

\_\_\_\_\_  
Witness

Signed by:

In the presence of:

\_\_\_\_\_  
Transferee

\_\_\_\_\_  
Witness

12.3 On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

- 12.4 Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to such share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

## **ALTERATION OF SHARE CAPITAL**

### **13. Power to Alter Capital**

- 13.1 The Company may if authorised by a Special Resolution of the Members increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.
- 13.2 Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

### **14. Variation of Rights Attaching to Shares**

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy more than one-third of the issued shares of the class, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any such general meeting held during such time. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

## **DIVIDENDS AND CAPITALISATION**

### **15. Dividends**

- 15.1 The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.
- 15.2 The Board may fix any date as the record date for determining the Members entitled to receive any dividend.
- 15.3 The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
- 15.4 The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

## **16. Power to Set Aside Profits**

The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purposes.

## **17. Method of Payment**

- 17.1 Any dividend, interest, or other moneys payable in cash in respect of the shares may be paid through the VPS system or any other relevant system, by cheque or bank draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the Member may direct in writing, or by transfer to such account as the Member may direct in writing.
- 17.2 In the case of joint holders of shares, any dividend, interest or other moneys payable in cash in respect of the shares may be paid by cheque or bank draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may direct in writing, or by transfer to such account as the joint holders may direct in writing. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 17.3 The Board may deduct from the dividends or distributions payable to any Member all moneys due from such Member to the Company on account of calls or otherwise.
- 17.4 Any dividend and/or other moneys payable in respect of a share which has remained unclaimed for six years from the date when it became due for payment shall, if the Board so resolves, be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend or other moneys payable in respect of a share may (but need not) be paid by the Company into an account separate from the Company's own account. Such payment shall not constitute the Company a trustee in respect thereof.
- 17.5 The Company shall be entitled to cease sending dividend cheques and drafts by post or otherwise to a Member if those instruments have been returned undelivered to, or left uncashed by, that Member on at least two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish the Member's new address. The entitlement conferred on the Company by this Bye-law in respect of any Member shall cease if the Member claims a dividend or cashes a dividend cheque or draft.

## **18. Capitalisation**

- 18.1 The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro rata (except in connection with the conversion of shares of one class to shares of another class) to the Members.
- 18.2 The Board may capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

## MEETINGS OF MEMBERS

### 19. Annual General Meetings

Notwithstanding the provisions of the Act entitling the Members of the Company to elect to dispense with the holding of an annual general meeting, an annual general meeting shall be held in each year (other than the year of incorporation) at such time and place as the Board shall appoint.

### 20. Special General Meetings

The Board may convene a special general meeting whenever in their judgment such a meeting is necessary.

### 21. Requisitioned General Meetings

The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene a special general meeting and the provisions of the Act shall apply.

### 22. Notice

- 22.1 At least 21 clear days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Directors will take place thereat, and as far as practicable, the other business to be conducted at the meeting.
- 22.2 At least 14 clear days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting; provided that if the passing of a Special Resolution is to be considered at such special general meeting then at least 21 clear days' notice of the special general meeting shall be given.
- 22.3 The period of notice shall be exclusive of the day on which it is served or deemed to have been served pursuant to Bye-law 23 and exclusive of the day on which the meeting is to be held.
- 22.4 The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting.
- 22.5 A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the issued and outstanding shares giving a right to attend and vote thereat in the case of a special general meeting.
- 22.6 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **23. Giving Notice and Access**

23.1 A notice may be given by the Company to a Member:

- (a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or
- (b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served one day after the date on which it is deposited, with postage prepaid, in the mail; or
- (c) by sending it by courier to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served one day after the date on which it is deposited, with courier fees paid, with the courier service; or
- (d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or
- (e) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website, in which case the notice shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.

23.2 Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

23.3 In proving service under paragraphs 23.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

## **24. Postponement or Cancellation of General Meeting**

The Secretary may, and on the instruction of the chairman or president of the Company or the Board, the Secretary shall, postpone or cancel any general meeting called in accordance with these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement or cancellation is given to the Members before the time for such meeting. Fresh notice of the date, time and place for a postponed meeting shall be given to each Member in accordance with these Bye-laws.

## **25. Security in Meetings**

The Board may, and at any general meeting, the chairman of such meeting may, make any arrangement and impose any requirement or restriction it or he considers appropriate to ensure the security of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The Board and, at any general meeting, the chairman of such meeting are entitled to refuse entry to a person who refuses to comply with any such arrangements, requirements or restrictions.



## **26. Quorum at General Meetings**

- 26.1 At any general meeting two or more persons present at the start of the meeting and representing in person or by proxy issued and outstanding voting shares in the Company shall form a quorum for the transaction of business, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any general meeting held during such time.
- 26.2 If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may determine. Unless the meeting is adjourned to a specific date, time and place announced at the meeting being adjourned, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

## **27. Chairman to Preside at General Meetings**

Unless otherwise agreed by a majority of those attending and entitled to vote at a general meeting, the chairman of the Company, if there be one who is present, and if not the president of the Company, if there be one who is present, shall act as chairman of such meeting. In their absence, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. In their absence, or if a Director declines to take the chair, or if the chairman chosen shall retire from the chair, a chairman of the meeting shall be appointed or elected by those present at the meeting and entitled to vote.

## **28. Voting on Resolutions**

- 28.1 Subject to the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by: (i) in the case of an Ordinary Resolution or any matter which does not require a Special Resolution, by the affirmative votes of a majority of the votes cast in accordance with these Bye-laws and in the case of an equality of votes the resolution shall fail; or (ii) in the case of a Special Resolution, by the affirmative votes of a majority of not less than two-thirds of the votes cast in accordance with these Bye-laws.
- 28.2 No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.
- 28.3 At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to these Bye-laws, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his hand.
- 28.4 At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

28.5 At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Bye-laws, be conclusive evidence of that fact.

## **29. Power to Demand a Vote on a Poll**

29.1 Notwithstanding the foregoing, a poll may be demanded by any of the following persons:

- (a) the chairman of such meeting; or
- (b) at least three Members present in person or represented by proxy; or
- (c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or
- (d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.

29.2 Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

29.3 A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such meeting as the chairman (or acting chairman) of the meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.

29.4 Where a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by one or more scrutineers appointed by the Board or, in the absence of such appointment, by a committee of not less than two Members or proxy holders appointed by the chairman of the meeting for the purpose, and the result of the poll shall be declared by the chairman of the meeting.

### 30. Voting by Joint Holders of Shares

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

### 31. Instrument of Proxy

31.1 A Member may appoint a proxy by

- (a) an instrument in writing in substantially the following form or such other form as the Board may determine from time to time or the Board or the chairman of the meeting shall accept:

Proxy

Jinhui Shipping and Transportation Limited (the "Company")

I/We, [insert names here], being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on [date] and at any adjournment thereof. [Any restrictions on voting to be inserted here.]

Signed this [date]

\_\_\_\_\_  
Member(s)

or

- (b) such telephonic, electronic or other means as may be approved by the Board from time to time.

31.2 The appointment of a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority must be received by the Company not less than 48 hours before the time appointed for holding the meeting at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person named in the appointment proposes to vote, and appointment of a proxy which is not received in the manner so permitted shall be invalid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within 12 months from such date.

31.3 A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.

31.4 The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

## **32. Representation of Corporate Member**

- 32.1 A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 32.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

## **33. Adjournment of General Meeting**

- 33.1 The chairman of a general meeting at which a quorum is present may, with the consent of the Members holding a majority of the voting rights of those Members present in person or by proxy (and shall if so directed by Members holding a majority of the voting rights of those Members present in person or by proxy) adjourn the meeting.
- 33.2 The chairman of a general meeting may adjourn the meeting to another time and place without the consent or direction of the Members if it appears to him that:
- (a) it is likely to be impractical to hold or continue that meeting because of the number of Members wishing to attend who are not present; or
  - (b) the unruly conduct of persons attending the meeting prevents, or is likely to prevent, the orderly continuation of the business of the meeting; or
  - (c) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
- 33.3 Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

## **34. Written Resolutions**

- 34.1 Subject to the following, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members, including a Special Resolution, may, without a meeting and without any previous notice being required, be done by resolution in writing signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Act, on behalf of, all the Members who at the date of the resolution would be entitled to attend the meeting and vote on the resolution.
- 34.2 A resolution in writing may be signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Act, on behalf of, all the Members, or all the Members of the relevant class thereof, in as many counterparts as may be necessary.

- 34.3 A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, including a Special Resolution, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.
- 34.4 A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.
- 34.5 This Bye-law shall not apply to:
- (a) a resolution passed to remove an Auditor from office before the expiration of his term of office; or
  - (b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.
- 34.6 For the purposes of this Bye-law, the date of the resolution is the date when the resolution is signed by, or in the case of a Member that is a corporation whether or not a company within the meaning of the Act, on behalf of, the last Member to sign and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

### **35. Directors Attendance at General Meetings**

The Directors shall be entitled to receive notice of, attend and be heard at any general meeting.

## **DIRECTORS AND OFFICERS**

### **36. Election of Directors**

- 36.1 Only persons who are proposed or nominated in accordance with this Bye-law shall be eligible for election as Directors. Any Member or the Board may propose any person for election as a Director, provided that such Member must be a Member on the record date for determining the Members entitled to receive notice of and to vote at the general meeting to consider the proposal to appoint such person as a Director. Where any person, other than a Director retiring at the meeting or a person proposed for re-election or election as a Director by the Board, is to be proposed for election as a Director, notice must be given by a Member to the Company in compliance with the notice procedures set forth in Bye-law 36.2 and 36.3.
- 36.2 In addition to any other applicable requirements, for a nomination to be made by a Member, such Member must have given timely notice thereof in proper written form to the Secretary of the Company. To be timely, a Member's notice to the Secretary must be received at the registered office of the Company or such other address of the Company as the Secretary may specify from time to time: (a) in the case of an annual general meeting, notice by the Member in order to be timely must be so received not later than the close of business on the 10<sup>th</sup> (tenth) day following the day on which such notice of the annual general meeting was given by the Company to the Members pursuant to Bye-law 23; or (b) in the case of a special general meeting called for the purpose of electing Directors, not later than the close of business on the 10<sup>th</sup> (tenth) day following the day on which notice of the special general meeting was given by the Company to Members pursuant to Bye-law 23.

- 36.3 To be in proper written form, a Member's notice to the Secretary must set forth: (a) as to each person whom the Member proposes to nominate for election as a Director (i) the name, age, business address and residential address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares and other securities of the Company which are owned beneficially or of record by the person, and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the rules and regulations promulgated thereunder; and (b) as to the Member giving the notice (i) the name and record address of such Member, (ii) the class and number of shares and other securities of the Company which are owned beneficially or of record by such Member, (iii) a description of all arrangements or understandings between such Member and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such Member, (iv) a representation that such Member intends to appear in person or by proxy at the meeting to nominate the person(s) named, in its notice, and (v) any other information relating to such Member that would be required to be disclosed in a proxy statement or other filing pursuant to the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a Director if elected, and to the publication of his or her personal data, if required.
- 36.4 If the chairman of any general meeting determines that a nomination was not made in accordance with this Bye-law 36, the chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded. The decision of the chairman of any general meeting as to the validity of any nomination shall be final.
- 36.5 Where persons are validly proposed for re-election or election as a Director, the persons receiving the most votes (up to the number of Directors to be elected) shall be elected as Directors, and an absolute majority of the votes cast shall not be a prerequisite to the election of such Directors.
- 36.6 At any general meeting the Members may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

### **37. Number of Directors**

The Board shall consist of such number of Directors being not less than two Directors (or such greater number as may be approved by the Members by Ordinary Resolution) and not more than such maximum number of Directors as the Members by Ordinary Resolution may from time to time determine.

### **38. Term of Office of Directors**

- 38.1 Notwithstanding any other provision in these Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation provided that notwithstanding anything herein, the chairman of the Board (being an officer of the Company appointed by the Board from amongst the Directors), if there is one, and the managing director of the Company (being an officer of the Company appointed by the Board from amongst the Directors), if there is one, shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire at each annual general meeting.
- 38.2 A retiring Director shall be eligible for re-election. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so

to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to Bye-law 41.2 shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

### **39. Alternate Directors**

- 39.1 At any general meeting, the Members may elect a person or persons to act as a Director in the alternative to any one or more Directors or may authorise the Board to appoint such Alternate Directors.
- 39.2 Unless the Members otherwise resolve, any Director may appoint a person or persons to act as a Director in the alternative to himself by notice deposited with the Secretary.
- 39.3 Any person elected or appointed pursuant to this Bye-law shall have all the rights and powers of the Director or Directors for whom such person is elected or appointed in the alternative, provided that such person shall not be counted more than once in determining whether or not a quorum is present.
- 39.4 An Alternate Director shall be entitled to receive notice of all Board meetings and to attend and vote at any such meeting at which a Director for whom such Alternate Director was appointed in the alternative is not personally present and generally to perform at such meeting all the functions of such Director for whom such Alternate Director was appointed.
- 39.5 An Alternate Director's office shall terminate –
- (a) in the case of an alternate elected or appointed by the Members or the Board:
    - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to the Director for whom he was elected or appointed to act, would result in the termination of that Director's directorship; or
    - (ii) if the Director for whom he was elected or appointed in the alternative ceases for any reason to be a Director, provided that the alternate whose office terminates in these circumstances may be re-appointed by the Board as an alternate to the person appointed to fill the vacancy; and
  - (b) in the case of an alternate appointed by a Director:
    - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's directorship; or
    - (ii) when the Alternate Director's appointor revokes the appointment by notice to the Company in writing specifying when the appointment is to terminate; or
    - (iii) if the Alternate Director's appointor ceases for any reason to be a Director.

#### **40. Removal of Directors**

- 40.1 Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may by Special Resolution, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director, provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 clear days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.
- 40.2 If a Director is removed from the Board under this Bye-law the Members may fill the vacancy at the meeting at which such Director is removed. In the absence of such election or appointment, the Board may fill the vacancy.

#### **41. Vacancy in the Office of Director**

- 41.1 The office of Director shall be vacated if the Director:
- (a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;
  - (b) is or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
  - (c) is or becomes of unsound mind or dies; or
  - (d) resigns his office by notice to the Company.
- 41.2 The Members in general meeting or the Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director or as a result of an increase in the size of the Board and to appoint an Alternate Director to any Director so appointed.

#### **42. Remuneration of Directors**

The remuneration (if any) of the Directors shall be determined by the Company in general meeting and shall be deemed to accrue from day to day. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from Board meetings, meetings of any committee appointed by the Board or general meetings, or in connection with the business of the Company or their duties as Directors generally.

#### **43. Defect in Appointment**

All acts done in good faith by the Board, any Director, a member of a committee appointed by the Board, any person to whom the Board may have delegated any of its powers, or 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 person acting as aforesaid, or that he was, or any of them were, disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or act in the relevant capacity.



#### **44. Directors to Manage Business**

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Act or by these Bye-laws, required to be exercised by the Company in general meeting.

#### **45. Powers of the Board of Directors**

The Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may think fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;

- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law;
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any deed, agreement, document or instrument on behalf of the Company; and
- (l) take all necessary or desirable actions within its control to ensure that the Company is not deemed to be a Controlled Foreign Company as such term is defined pursuant to Norwegian tax legislation.

#### **46. Register of Directors and Officers**

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

#### **47. Appointment of Officers**

The Board may appoint such Officers (who may or may not be Directors) as the Board may determine for such terms as the Board deems fit.

#### **48. Appointment of Secretary**

The Secretary shall be appointed by the Board from time to time for such term as the Board deems fit.

#### **49. Duties of Officers**

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

#### **50. Remuneration of Officers**

The Officers shall receive such remuneration as the Board may determine.

#### **51. Conflicts of Interest**

51.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company on such terms, including with respect to remuneration, as may be agreed between the parties. Nothing herein contained shall authorise a Director or a Director's firm, partner or company to act as Auditor to the Company.

51.2 A Director who is directly or indirectly interested in a contract or proposed contract with the Company (an "Interested Director") shall declare the nature of such interest as required by the Act.

51.3 An Interested Director who has complied with the requirements of the foregoing Bye-law may:

- (a) vote in respect of such contract or proposed contract; and/or

- (b) be counted in the quorum for the meeting at which the contract or proposed contract is to be voted on,

and no such contract or proposed contract shall be void or voidable by reason only that the Interested Director voted on it or was counted in the quorum of the relevant meeting and the Interested Director shall not be liable to account to the Company for any profit realised thereby.

## **52. Indemnification and Exculpation of Directors and Officers**

- 52.1 The Directors, Resident Representative, Secretary and other Officers (such term to include any person appointed to any committee by the Board) acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them (whether for the time being or formerly), and their heirs, executors and administrators (each of which an “indemnified party”), shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to such Director or Officer.
- 52.2 The Company may purchase and maintain insurance for the benefit of any Director or Officer against any liability incurred by him under the Act in his capacity as a Director or Officer or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.
- 52.3 The Company may advance moneys to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings against him, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him.

## **MEETINGS OF THE BOARD OF DIRECTORS**

### **53. Board Meetings**

The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it thinks fit. Subject to these Bye-laws, a resolution put to the vote at a Board meeting shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the chairman shall have a second casting vote.

#### **54. Notice of Board Meetings**

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

#### **55. Electronic Participation in Meetings**

Directors may participate in any meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

#### **56. No Corporate Directors**

Only natural persons may be elected or appointed as Directors, and the election or appointment of a corporation, partnership or similar entity as a Director shall not be permitted.

#### **57. Quorum at Board Meetings**

The quorum necessary for the transaction of business at a Board meeting shall be two Directors, or such other number as may be approved by the Board, provided that if there is only one Director for the time being in office the quorum shall be one.

#### **58. Board to Continue in the Event of Vacancy**

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at Board meetings, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting; or (ii) preserving the assets of the Company.

#### **59. Chairman to Preside**

Unless otherwise agreed by a majority of the Directors attending a Board meeting, the chairman of the Company, if there be one who is present, and if not, the president of the Company, if there be one who is present, shall act as chairman at such Board meeting. In their absence a chairman of the meeting shall be appointed or elected by the Directors present at the meeting.

#### **60. Written Resolutions**

A resolution in writing signed by all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a Board meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by the last Director. For the purposes of this Bye-law only, "the Directors" shall not include an Alternate Director.

## **61. Validity of Prior Acts of the Board**

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

## **CORPORATE RECORDS**

### **62. Minutes**

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each Board meeting and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, Board meetings, and meetings of committees appointed by the Board.

### **63. Place Where Corporate Records Kept**

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

### **64. Form and Use of Seal**

- 64.1 The Company may adopt a seal in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.
- 64.2 A seal may, but need not, be affixed to any deed, instrument or document, and if the seal is to be affixed thereto, it shall be attested by the signature of (i) any Director, or (ii) any Officer, or (iii) the Secretary, or (iv) any person authorised by the Board for that purpose.
- 64.3 A Resident Representative may, but need not, affix the seal of the Company to certify the authenticity of any copies of documents.

## **ACCOUNTS**

### **65. Records of Account**

- 65.1 The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:
  - (a) all amounts of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
  - (b) all sales and purchases of goods by the Company; and
  - (c) all assets and liabilities of the Company.

- 65.2 Such records of account shall be kept at the registered office of the Company or, subject to the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.
- 65.3 Such records of account shall be retained for a minimum period of five years from the date on which they are prepared.

## **66. Financial Year End**

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31st December in each year.

## **AUDITS**

### **67. Annual Audit**

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

### **68. Appointment and Removal of Auditor**

- 68.1 Subject to the Act, the Members shall appoint an auditor to the Company to hold office for such term as the Members deem fit or until a successor is appointed.
- 68.2 The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- 68.3 The Members may by Special Resolution remove the Auditor at any time before the expiration of his term of office and may by Ordinary Resolution appoint another auditor in his stead for the remainder of his term.

### **69. Remuneration of Auditor**

- 69.1 The remuneration of an Auditor appointed by the Members shall be fixed by the Company in general meeting or in such manner as the Members may determine.
- 69.2 The remuneration of an Auditor appointed by the Board to fill a casual vacancy in accordance with these Bye-laws shall be fixed by the Board.

### **70. Duties of Auditor**

- 70.1 The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.
- 70.2 The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

## **71. Access to Records**

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers for any information in their possession relating to the books or affairs of the Company.

## **72. Financial Statements and the Auditor's Report**

72.1 Subject to the following bye-law, the financial statements and/or the auditor's report as required by the Act shall

- (a) be laid before the Members at the annual general meeting; or
- (b) be received, accepted, adopted or approved by the Members by written resolution passed in accordance with these Bye-laws.

72.2 If all Members and Directors shall agree, either in writing or at a meeting, that in respect of a particular interval no financial statements and/or auditor's report thereon need be made available to the Members, and/or that no auditor shall be appointed then there shall be no obligation on the Company to do so.

## **73. Vacancy in the Office of Auditor**

The Board may fill any casual vacancy in the office of the Auditor.

## **VOLUNTARY WINDING-UP AND DISSOLUTION**

## **74. Winding-Up**

If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

## **CHANGES TO CONSTITUTION**

## **75. Changes to Bye-laws**

No Bye-law may be rescinded, altered or amended and no new Bye-law may be made save in accordance with the Act and until the same has been approved by a resolution of the Board and by a Special Resolution of the Members.

**76. Changes to the Memorandum of Association and Name of the Company**

No alteration or amendment to the Memorandum of Association, and no change in the name of the Company, may be made save in accordance with the Act and until same has been approved by a resolution of the Board and by a Special Resolution of the Members.

**77. Discontinuance**

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.



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