



# THE JAPAN SHIP OWNERS' MUTUAL PROTECTION & INDEMNITY ASSOCIATION

## SPECIAL CIRCULAR

No. 16-007  
13 June 2016

### To the Members

Dear Sirs,

### Report on the 591st Meeting of the Board of Directors

The 591st Meeting of the Association's Board of Directors was held at Kaiun Club, Tokyo on 13 June 2016.

The main decisions of the Meeting are as follows:-

#### 1. The 66th Ordinary General Meeting of the Members

The Board approved the convening of the 66th Ordinary General Meeting of the Members at Kaiun Club, Tokyo at 11:20 on 11 July 2016.

#### 2. Agenda of the 66th Ordinary General Meeting of the Members

The Board approved the following report and proposals for inclusion in the agenda of the Ordinary General Meeting.

**Report :** The Business Report for the 66th business year (from 1 April 2015 to 31 March 2016);

**Proposals :**

1. To approve an Inventory, Balance Sheet, Income and Expenditure Account and proposals for the treatment of the deficit for the 66th business year (from 1 April 2015 to 31 March 2016);
2. To elect Members to the Board of Directors, and to appoint Auditors;
3. To approve the payment of retirement bonus to retiring directors;
4. To authorise the Board of Directors to implement decisions taken at the General Meeting of the Members;

Further details of the above items can be found in the "Notice of the Ordinary General Meeting of the Members to be held on 11 July 2016", which will be sent to the Members under a separate mail, together with enclosures.

The highlights of the closing accounts for the 2015 business year (this year) are scheduled for inclusion in the agenda at the forthcoming Ordinary General Meeting and are as follows :

This year, the Association posted a net loss of JPY133 million. This net loss was caused by a decrease of the net premium written, which was mainly due to the reduction in the supplementary call for the 2014 policy year to 20% from the scheduled 40%. Despite a small net loss, the level of reserves, which may be used as a barometer of the financial strength of the Association, climbed to JPY21,086 million in total, JPY372 million up from last year. An increase in the catastrophe reserve was partly responsible for this.

We would sincerely like to thank the Members for their efforts in the safe operation of their vessels and their understanding of and cooperation with the management of the Association.

### **3. Business/Budget Plan for the 2016 business year**

The Board approved the Association's business/budget plan for the 2016 business year.

The 2016 business year is the second year of the new Medium-Term Operational Plan, entitled "JPI's CHANGE Phase II", under which the Association set out the three management strategies, i.e., "Reliability", "Soundness" and "Competitiveness". As regards "Reliability", the Association will enhance our loss prevention activities and the quality of our insurance services. Regarding "Soundness", the Association shall proceed to improve and develop our Enterprise Risk Management system, which will result in a more detailed analysis and control of risk being available to the Association. Further, as to "Competitiveness", the Association will try to expand our operation in the Asian market and to establish new underwriting schemes.

The Association will strive with great enthusiasm toward the achievement of our various goals, including "JPI's CHANGE Phase II". We would ask the Members to assist us in our striving by providing their continued support. We thank the Members for their attention and co-operation.

Yours faithfully,

**The Japan Ship Owners' Mutual Protection & Indemnity Association**