



SPECIAL CIRCULAR

To the Members

Report on the 597th Meeting of the Board of Directors

The 597th Meeting of the Association's Board of Directors was held at the Kaiun Club, Tokyo on 12 June 2018. The main decisions of the Meeting are as follows:-

1. The 68th Ordinary General Meeting of the Members

The Board approved the convening of the 68th Ordinary General Meeting of the Members at the Kaiun Club, Tokyo at 14:30 on 17 July 2018.

2. Agenda of the 68th 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 68th business year (from 1 April 2017 to 31 March 2018);

Proposals:

1. To approve an Inventory, Balance Sheet, Income and Expenditure Account, and proposals for the treatment of the surplus for the 68th business year (from 1 April 2017 to 31 March 2018);
2. To amend the Articles of Association;
3. To amend the Plan of Business Operations;
4. To elect Members to the Board of Directors, and to appoint Auditors;
5. To approve the payment of retirement bonus to a retiring director; and
6. To authorise the Board of Directors to handle decisions made at the General Meeting of the Members.

Details of the above items can be found in the "Notice of the 68th Ordinary General Meeting of the Members to be held on 17 July 2018", which will be sent to Members under a separate mail, together with enclosures.

The outline of the financial results for the 2017 business year (the above Proposal 1) is as follows:

Although the year saw some signs of decline in the positive claims trend of recent years, the Association applied a nil general increase to all classes of entry at the 2018 renewal, taking into consideration the fact that Members were still having to cope with tough business conditions. Moreover, a supplementary call of 30% for the 2016 policy year was levied against the original estimated 40% for ocean-going vessels, in effect returning the balance of approximately JPY1,550 million to Members with owners' entries in this class. The Association posted a net surplus of JPY1,190 million, and the amount of reserves climbed to JPY24,070 million in total, JPY680 million up from last year.

3. Mid-term Business Objectives and the First Action Plan

The Board approved the Association's Mid-term Business Objectives towards the 2023 business year and the First Action Plan, which sets out specific measures to take by the 2020 business year to achieve the Objectives. Further information on the Objectives and the Plan will be announced separately.

Yours faithfully,

The Japan Ship Owners' Mutual Protection & Indemnity Association