



**Notice to All Shareholders of Cayman National Corporation Ltd.**

The Annual General Meeting of Cayman National Corporation Ltd. will take place on Thursday, 5<sup>th</sup> March 2009, at 4.00 pm, at the Brasserie Conference Facilities, Cricket Square, George Town, Grand Cayman, Cayman Islands.

The formal Notice and Agenda, Proxy, Explanatory Note, prior year's Minutes, and Annual Report have been mailed to all shareholders.

The Notice and Agenda, Proxy, and Explanatory Note are also attached and posted to the Cayman National website.

Any shareholder who would like an additional copy of the Annual Report and the prior year's Minutes should contact:

Claudia Welds  
Senior Communications Executive  
Email: [claudia.welds@caymannational.com](mailto:claudia.welds@caymannational.com)  
Direct Line: (345) 815 5417

## **NOTICE AND AGENDA**

NOTICE IS GIVEN THAT THE ANNUAL GENERAL MEETING OF CAYMAN NATIONAL CORPORATION LTD. (the "Company") WILL BE HELD AT THE BRASSERIE CONFERENCE FACILITIES, 4<sup>TH</sup> FLOOR CENTURY YARD, CRICKET SQUARE, ELGIN AVENUE GEORGE TOWN, THURSDAY 5<sup>TH</sup> MARCH 2009 AT 4:00 PM FOR THE FOLLOWING PURPOSES:

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1. To confirm and accept the Minutes of the Annual General Meeting held 28<sup>th</sup> February 2008, a copy of which is enclosed with this Notice.
2. Any matters arising.
3. President's Report  
To receive and consider the President's Report for the year ended 30 September 2008.
4. Audited Accounts for the year ended 30 September 2008  
To receive and if thought fit to approve the consolidated audited accounts for the Company and its subsidiaries for the year ended 30 September 2008 and the Auditor's report thereon. Reproduction of the audited accounts is included in the Company's Annual Report for 2008, a copy of which is enclosed herewith.
5. Appointment of Auditor  
To re-appoint PricewaterhouseCoopers as Auditor for the current year and to authorise the Directors to agree its remuneration.
6. Dividend  
To declare a final cash dividend of 7 cents per share (CI\$0.07), to be distributed to shareholders of record as at 31 December 2008, for a total dividend for the year of 15 cents per share (CI\$0.15) as recommended by the Board of Directors.
7. Election of Directors to the Board of Directors
  - a) To consider a motion to re-elect Mrs. Sherri Bodden-Cowan., who retires by rotation and, being eligible, offers herself for re-election;
  - b) To consider a motion to re-elect Mr. John C. Bierley, who retires by rotation and, being eligible, offers himself for re-election;
  - c) To consider a motion to elect Mr. Bryan A. Hunter to the Board of Directors;
  - d) To consider a motion to elect Mr. Jude Scott to the Board of Directors.

8. SPECIAL RESOLUTIONS: Amendments to Articles of Association

- a) To consider and approve as a special resolution an amendment to Article 107 of the Company's Articles of Association which provides a mandatory age limit for directors, as follows:

Existing Provision	Proposed Provision
107. The office of a director shall be vacated, if a director: -  107.1 attains the age of 65 save in the case of an Existing Director.	107. The office of a director shall be vacated, if a director: -  107.1 attains the age of 70 save in the case of an Existing Director.

- b) To consider and approve as a special resolution an addition to Article 41 of the Company's Articles of Association relating to the Company's shares and share capital, as follows:

Existing Provision	Proposed Provision
None	41.1 The Company may, by resolution of its Directors purchase its own shares (including any redeemable shares and fractions of a share) in any manner whatsoever.  41.2 The Company may make a payment in respect of the redemption or purchase of its own shares otherwise than out of profits or the proceeds of a fresh issue of shares.

Date: 9<sup>th</sup> February 2009

By Order of the Board.



Secretary & Deputy  
Chairman

TAKE NOTICE THAT a member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and vote in his or her place and that a proxy need not be a member. A form of proxy is enclosed with this Notice.

**Cayman National Corporation Ltd**

200 Elgin Avenue PO Box 1097 Grand Cayman KY1-1102 Cayman Islands  
Tel (345) 949 4655 Fax (345) 949 0774

**PROXY**

Attention: The Secretary:

proxy sequence #

I, /We \_\_\_\_\_

, shareholder of \_\_\_\_\_ shares being a member of Cayman National Corporation Ltd., do hereby appoint:

**(Check Only One)** ✓

Mr. Benson O. Ebanks, Chairman OR  Mr. Truman M. Bodden Deputy Chairman/Secretary OR  Mr. Stuart J. Dack, President

OR \_\_\_\_\_

(Print Name)

or his/her designate (delete as appropriate), as my/our proxy to attend and vote in my/our name and on my/our behalf at the Annual General Meeting of Cayman National Corporation Ltd. to be held at the Brasserie Conference Facilities, Cricket Square, Elgin Avenue, Grand Cayman on Thursday 5th March, 2009 at 4:00pm, and at any adjournment thereof and if expedient to demand a poll.

I direct my proxy to vote for the following resolutions as indicated:

		<b>(Check One)</b>	
		<b>For</b>	<b>Against</b>
Item 4.	Approval of the Audited Accounts for the year ended 30 September 2008:	<input type="checkbox"/>	<input type="checkbox"/>
Item 5.	Re-appointment of PricewaterhouseCoopers as Auditor for the current year:	<input type="checkbox"/>	<input type="checkbox"/>
Item 6.	Approval of final cash dividend of 7 cents (CI\$0.07) per share for a total dividend for the year of 15 cents (CI\$0.15) per share:	<input type="checkbox"/>	<input type="checkbox"/>
Item 7.	(a) Re-election of Sherri Bodden-Cowan to the Board of Directors:	<input type="checkbox"/>	<input type="checkbox"/>
	(b) Re-election of John C. Bierley to the Board of Directors:	<input type="checkbox"/>	<input type="checkbox"/>
	(c) Election of Bryan A. Hunter to the Board of Directors:	<input type="checkbox"/>	<input type="checkbox"/>
	(d) Election of Jude Scott to the Board of Directors:	<input type="checkbox"/>	<input type="checkbox"/>
Item 8.	<b>SPECIAL RESOLUTIONS: Amendments to Articles of Association:</b>		
	(a) To consider and approve as a special resolution an amendment to Article 107 of the Company's Articles of Association which provides a mandatory age limit, as follows: Proposed Provisions 107. The office of a director shall be vacated, if a director:-  107.1 attains the age of 70 save in the case of an Existing Director.	<input type="checkbox"/>	<input type="checkbox"/>
	(b) To consider and approve as a special resolution an addition to Article 41 of the Company's Articles of Association relating to the Company's shares and share capital, as follows: Proposed Provisions 41.1 The Company may, by resolution of its Directors purchase its own shares (including any redeemable shares and fractions of a share) in any manner whatsoever.  41.2 The Company may make a payment in respect of the redemption or purchase of its own shares otherwise than out of profits or the proceeds of a fresh issue of shares.	<input type="checkbox"/>	<input type="checkbox"/>

On any other matter, I/we give my proxy authority to vote to maintain the status quo of the Company.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

*(If the shareholder is not a natural person, then this proxy must be signed under seal, or under the hand of an authorized officer, attorney, general partner, etc.)*

**This proxy must be deposited at the registered office (i.e.: only by delivering to The Secretary, Cayman National Corporation Ltd., Cayman National Building - 4th Floor, 200 Elgin Avenue, P.O. Box 1097, Grand Cayman, KY1-1102, Cayman Islands, or sending by fax to (345) 949 0774 no later than the time for holding the meeting or adjourned meeting.**

## **Explanatory Note to Shareholders**

*Please refer to the Agenda for the Annual General Meeting*

### **Item 7(c) and (d): Election of New Directors and Director Succession**

We have discussed director succession at recent Annual General Meetings. Mr. Benson Ebanks is due to retire upon reaching the mandatory age limit in 2010, and for personal reasons, Mr. David Trimble is planning to step down as a director later in 2009.

The Board of Directors has been carefully considering the issue of succession and is pleased to recommend to shareholders two excellent nominees for election to the Board: Mr. Bryan A. Hunter and Mr. Jude Scott.

Their biographies are printed overleaf. Both nominees are very well qualified and experienced professionals who have significant experience and exposure, both locally and internationally, and are both very highly regarded by peers and clients. The Board believes both Mr. Hunter and Mr. Scott will bring valuable experience and direction to Cayman National and recommends their election to the Board of Directors.

### **Item 8(a): Change in the mandatory age limit for Directors**

This amendment changes Article 107.1 so that the mandatory retirement age of directors (excluding "Existing Directors" being those directors who were in office in 2001) would be 70 years of age, instead of 65. The Board has found that it is desirable to extend the mandatory age limit to increase the availability of suitable new directors. The proposed age limit of 70 is consistent with the ability to perform and gives the Company the opportunity to consider nominees for directorship who have retired from their full time professional positions. The Board of Directors recommends that this amendment be made to the Articles of Association as a special resolution of the Company.

### **Item 8(b): Purchase of Own Shares**

This amendment consists of two additions to Article 41 of the Company's Articles of Association to permit the Company to purchase its own shares. As mentioned at our last Annual General Meeting, the Company's ability to purchase its own shares is a valuable tool the Board may use to increase shareholder value. This may be used in a number of different situations, including acting as its own market maker in the purchase of shares offered for sale at a low price, or otherwise increasing shareholder value by reducing the number of shares issued and outstanding. Our existing Articles of Association do not permit the Company to buy back its own shares, and these amendments will provide the appropriate provisions as required by the Companies Law (2007 Revision). The Board of Directors recommends that these amendments be made to the Articles of Association as a special resolution of the Company.

## **Biographies**

### **Bryan A Hunter**

Bryan Hunter is a Partner, the Deputy Team Leader of the Funds and Investment Services team and the Local Team Leader of the Insurance, Telecommunications and Technology team of the Cayman Islands office of the law firm of Appleby. He has extensive experience in the structuring and formation of hedge funds, funds of funds and private equity funds and regularly advises on various operational and regulatory issues in relation to these funds. His practice also includes general corporate matters, project finance, corporate finance and merger and acquisition transactions.

Bryan was admitted as an Attorney in the Cayman Islands in 1997. He is a Notary Public in the Cayman Islands, and a member of the Board of the Civil Aviation Authority, the Cayman Islands Law Society, the Caymanian Bar Association, the Managed Funds Association and the Insurance Managers Association of Cayman. He is currently serving as a member of the Financial Services Council.

Bryan served as a Council Member of the Chamber of Commerce where he chaired various committees. He is also the immediate past President of the Caymanian Bar Association.

### **Jude Scott**

Jude Scott retired as an Audit Partner from the Cayman Islands office of the accounting firm of Ernst & Young in 2008 after spending over 23 years with the firm. He held various roles in the firm, including Assurance and Advisory Business Services Leader and Insurance Practice Leader. As an audit partner, Jude was responsible for the audits of investment funds, multi-jurisdictional investment companies, banks and insurance companies.

Jude is a graduate of Baylor University. He is licensed as a CPA in the State of Illinois and is a member of the American Institute of Certified Public Accountants. He is a former President of the Cayman Islands Society of Professional Accountants (CISPA), where he also served on various committees, including the Public Practice Committee. He currently sits on the Cayman Islands Financial Services Council, Education Council, Insolvency Rules Committee and the Stock Exchange.