

Company Number: 3437588

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COMPANIES HOUSE

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTIONS OF THE BOARD OF DIRECTORS  
of  
OMEGA UNDERWRITING HOLDINGS LIMITED**

**(the "Company")**

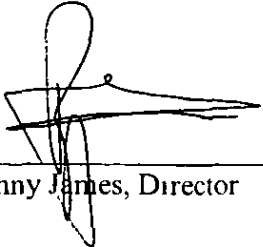
We, the undersigned, being all the directors of the Company, **HEREBY RESOLVE**, pursuant to regulation 93 of Table A of the Company (Tables A to F) Regulations 1985 incorporated by reference into the Company's articles of association, **THAT**

- (A) the written shareholder's resolutions of Omega Underwriting Agents Limited ("OUAL") and Omega Dedicated (No 2) Limited ("ODL2") (each in the form attached to this resolution) approving the amendment to the articles of association of OUAL and ODL2 (each in the form attached to this resolution), to be signed by the Company in its capacity as the sole shareholder of each of OUAL and ODL2, be and hereby are approved,
- (B) the written shareholder's resolutions of Omega Dedicated Limited ("ODL") (in the form attached to these written board resolutions) approving
  - (i) the variation of class rights of the holder of the A Share of £1 00, B Share of £1 00 and C Share of £1 00, in the authorised and issued share capital of ODL, the sub-division of such shares into Ordinary Shares of £0 25 each in the authorised and issued share capital of ODL,
  - (ii) the increase in the authorised share capital of ODL from £100,003 to £50,000,000 by the creation of 199,599,988 Ordinary Shares of £0.25 each, and
  - (iii) the amendment to the articles of association of ODL (in the form attached to these written board resolutions),

to be signed by the Company in its capacity as the sole holder of Ordinary Shares in ODL and in its capacity as the sole holder of the A Share, B Share and C Share in ODL, be and hereby is approved, and

(C) Mark Daly, as a Director of the Company, be and hereby is authorised to sign such written shareholder s resolutions on behalf of the Company

  
\_\_\_\_\_  
Andrew Adie, Director

  
\_\_\_\_\_  
Penny James, Director

  
\_\_\_\_\_  
Mark Daly, Director

Dated 20 MAY 2010

**ARTICLES OF ASSOCIATION OF  
OMEGA UNDERWRITING AGENTS LIMITED  
(the "Company")  
ADOPTED ON 20 MAY 2010**

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11/09/2010  
COMPANIES HOUSE

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#### **APPENDIX 1**

OIHL Bye-laws 1 and 38-42 (inclusive)

## **PART 1 INTERPRETATION AND LIMITATION OF LIABILITY**

### **Defined terms**

1

(1) In these articles, unless the context requires otherwise

"articles" means the Company's articles of association,

"auditors" means the auditors for the time being of the Company,

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,

"Byelaw" means the Lloyd's Underwriting Byelaw (No 2 of 2003),

"chairman" has the meaning given in article 12,

"chairman of the meeting" has the meaning given in article 40,

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company,

"controller" has the meaning given in section 422 of FSMA,

"Council" means the Council of Lloyd's established by the Lloyd's Act,

"default notice" has the meaning given to it in article 45 (Suspension of Voting Rights),

"director" means a director of the Company, and includes any person occupying the position of director, by whatever name called,

"distribution recipient" has the meaning given in article 32,

"document" includes, unless otherwise specified, any document sent or supplied in electronic form,

"electronic form" has the meaning given in section 1168 of the Companies Act 2006,

"Franchise Board" means the Board established by the Council with that name,

"FSA" means the Financial Services Authority and any statutory successor of the Financial Services Authority which has regulatory jurisdiction over the Company or the conduct of its affairs,

"FSMA" means the Financial Services and Markets Act 2000 (as amended),

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company,

"hard copy form" has the meaning given in section 1168 of the Companies Act 2006,

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares,

"independent directors" has the meaning set out in article 14,

"instrument" means a document in hard copy form,

"Lloyd's" means the Society incorporated by Lloyd's Act 1871 including where the context requires, the Council, the Franchise Board and persons authorised to act on behalf of Lloyd's,

"Lloyd's Act" means the Lloyd's Act 1982 (as amended),

"Lloyd's Underwriting Requirements" mean the underwriting requirements made by the Franchise Board which came into force on 5 December 2005 (as amended),

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006,

"OIHL" means Omega Insurance Holdings Limited,

"paid" means paid or credited as paid,

"participate", in relation to a directors' meeting, has the meaning given in article 10,

"proxy notice" has the meaning given in article 47,

"register" means the register of members of the Company,

"shareholder" means a person who is the holder of a share,

"shares" means shares in the Company,

"special resolution" has the meaning given in section 283 of the Companies Act 2006,

"subsidiary" has the meaning given in section 1159 of the Companies Act 2006,

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law, and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- (2) Unless the context otherwise requires, any reference to the Council shall include any person or body acting by or under the authority of the Council, including the Franchise Board
- (3) Any requirement in these articles for any agreement, consent or approval on the part of the Council is to be read as a requirement for such agreement, consent or approval to be given in writing before the act, event or state of affairs for which such agreement, consent or approval is needed is done or occurs. Any such agreement, consent or approval may be given on such terms and conditions and for such period as the Council thinks fit and may be revoked by the Council at any time

- (4) References herein to any statute are to any statutory re-enactment or modification thereof for the time being in force. References to any byelaw under the Lloyd's Act are to any amendment, modification, extension, consolidation or re-enactment thereof for the time being in force.
- (5) Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Company. Any words and expressions used in these articles which are defined in Section 2(1) of the Lloyd's Act, and which are not otherwise defined in these articles or in the Companies Act 2006, shall bear the meanings given to them in Section 2(1) of the Lloyd's Act.

#### Liability of members

- 2 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

### **PART 2 DIRECTORS**

#### **DIRECTORS' POWERS AND RESPONSIBILITIES**

##### Directors' general authority

- 3 Subject to these articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

##### Shareholders' reserve power

4

- (1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- (2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

##### Directors may delegate

5

- (1) Subject to the articles and to the extent permitted by the FSA and Lloyd's, the directors may delegate any of the powers which are conferred on them under the articles:
  - (a) to such person or committee,
  - (b) by such means (including by power of attorney),
  - (c) to such an extent,
  - (d) in relation to such matters or territories, and
  - (e) on such terms and conditions,



as they think fit

- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions

#### Committees

6

- (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them

### **DECISION-MAKING BY DIRECTORS**

#### Directors to take decisions collectively

7

- (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8
- (2) If
  - (a) the Company only has one director, and
  - (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making

#### Unanimous decisions

8

- (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting

- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

#### Calling a directors' meeting

9

- (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the Company secretary (if any) to give such notice
- (2) Notice of any directors' meeting must indicate
- (a) its proposed date and time,
  - (b) where it is to take place, and
  - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

#### Participation in directors' meetings

10

- (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when
- (a) the meeting has been called and takes place in accordance with the articles, and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

#### Quorum for directors' meetings

11

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than three, and unless otherwise fixed it is three, save as otherwise stated in these articles
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision
  - (a) to appoint further directors, or
  - (b) to call a general meeting so as to enable the shareholders to appoint further directors

#### Chairing of directors' meetings

12

- (1) The directors may appoint a director to chair their meetings
- (2) The person so appointed for the time being is known as the chairman
- (3) The directors may terminate the chairman's appointment at any time
- (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

#### Casting vote

13

- (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

#### Conflicts of interest

14

- (1) Subject to article 14(4) and without prejudice to the obligation of any director to disclose his interest in accordance Sections 177 or 182 (as applicable) of the 2006 Act, a director may vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in respect of which he has, directly or indirectly, an interest or duty. The director must be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote must be counted
- (2) Subject to the provisions of Part 10 of the 2006 Act, and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance Sections 177 or 182 (as applicable) of the 2006 Act, a director notwithstanding his

office and notwithstanding such interest (whether or not such interest conflicts with that of the Company)

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company (whether proposed or already entered into by the Company) or in which the Company is otherwise interested,
  - (b) may hold any other office or place of profit of the Company (except that of Auditor or auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the directors may arrange, either in addition to or in lieu of any remuneration provided for by any other article,
  - (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment, or any other direct or indirect subsidiaries of OIHL,
  - (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement with or from any interest in, any such body corporate, or any other direct or indirect subsidiaries of OIHL, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
  - (e) may retain for his own benefit all profits and advantages accruing to him from any such interest to the extent that such interest has been declared as aforesaid
- (3) For the purposes of articles 14(1) and 14(2)
- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified body corporate or firm, or specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified, and
  - (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his
- (4) A director must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company unless
- (a) the conflict of interest arises in relation to a transaction or arrangement with the Company, which conflict of interest shall be governed by articles 14(1) to 14(3) inclusive,
  - (b) the situation cannot reasonably be regarded as likely to give rise to a conflict of interest, or

- (c) the matter has been authorised by the "**Independent Directors**" (being the directors of the Company other than the director in question and any other interested director) at a meeting where only the Independent Directors present shall be counted in the quorum present and where only the votes of such Independent Directors shall be counted at such meeting
- (5) Subject to article 14(7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

#### Records of decisions to be kept

- 15 The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors

#### Directors' discretion to make further rules

- 16 Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors

### **APPOINTMENT OF DIRECTORS**

#### Methods of appointing directors

17

- (1) A person may not be appointed a director if and so long as the Company is registered as a managing agent under the Byelaw and is an authorised person within the meaning of FSMA unless such appointment has been notified to Lloyd's in accordance with Lloyd's requirements and the FSA has approved that person to carry out the controlled function of director or non-executive director. The Company shall not permit any person to act as a director of the Company if the Franchise Board decides that the person is not fit and proper or otherwise suitable to act in that capacity
- (2) Subject to article 17(1), the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of directors
- (3) Subject to article 17(1), the directors may by resolution appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of

directors and provided that a quorum of five (5) directors is present at the board meeting in which the resolution to appoint the director is passed. A person appointed by the directors to fill a vacancy or as an additional director is not required to retire from office at the annual general meeting next following his appointment.

- (4) Subject to article 17(1), the holder or holders of more than half in nominal value of the shares giving the right to attend and vote at general meetings of the Company may appoint a person to be a director, but only if the appointment does not cause the number of directors to exceed a number fixed by or in accordance with the articles as the maximum number of directors. The appointment is effected by notice to the Company signed by or on behalf of the holder or holders of such shares. The notice may consist of several documents in similar form each signed by or on behalf of one or more holders and shall be left at the registered office or sent by electronic communication to such address as the Company may specify for that purpose or in the absence of specification to the Company secretary. The appointment takes effect immediately on deposit of the notice in accordance with this article or on such later date (if any) specified in the notice. In this article "address" in relation to electronic communications includes any number or address used for the purposes of such communications.
- (5) Subject to article 17.1 and to the provisions of the Companies Act 2006, the directors may appoint one or more of their number to the office of managing director or to any other executive office of the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.

#### Termination of director's appointment

18 A person ceases to be a director as soon as

- (1) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- (2) the director becomes prohibited from being a director either by reason of an order made under any enactment or by reason of the occurrence of any other event in consequence of which he is by virtue of any enactment disqualified from being a director or anything analogous to any of the events specified in this article 18 occurs under the law of any applicable jurisdiction,
- (3) the director is found guilty of misconduct under, and/or is subject to a sanction imposed under, the Enforcement Byelaw (No 6 of 2005) and, in any such case Lloyd's notifies the Company that such director is no longer permitted to be a director by reason of such direction or finding,
- (4) the director is suspended pursuant to any other byelaw under the Lloyd's Act,
- (5) the Franchise Board decides that the person is not fit and proper or otherwise suitable to act in the capacity of director,

- (6) the director ceases to be approved by the FSA to carry on the controlled function of being an executive or non-executive director (as the case may be) of the Company,
- (7) a bankruptcy order is made against that person,
- (8) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (9) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (10) he becomes, in the opinion of all of his co-directors incapable, by reason of mental disorder, of discharging his duties as a director,
- (11) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (12) he is for more than six consecutive months absent without permission of the directors from meetings of directors held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him, and the directors resolve that his office be vacated,
- (13) he is removed from office by notice addressed to him at his last-known address and signed by all his co-directors,
- (14) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms,
- (15) he is removed from office by notice given to the Company signed by or on behalf of a member or members holding not less than a majority in nominal amount of the ordinary shares of the Company for the time being in issue. Such notice may consist of several documents in similar form each signed by or on behalf of one or more holders and shall be left at the registered office or sent by electronic communication to such address as the Company may specify for that purpose. The removal takes effect immediately upon deposit of the notice in accordance with this article or on such later date (if any) specified in the notice. In this article "address" in relation to electronic communications includes any facsimile number or email address used for the purposes of such Company communications or in the absence of such Company email address and/or Company facsimile number, the email address and/or facsimile number of the company secretary,
- (16) he is removed as a director by a resolution of the Company in general meeting, or
- (17) he is removed by a resolution of the board of directors of the Company, subject to a minimum quorum of five (5) directors being present at the board meeting at which the resolution is passed

#### Alternate Directors

19

- (1) Subject to these articles, any director (other than an alternate director) may appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director and may remove from office an alternate director so appointed by

him That person need not be approved by any resolution of the directors An alternate director shall cease to be an alternate director if his appointor ceases to be a director, but, if a director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment

- (2) An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director An alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of directors and meetings of committees of directors
- (3) Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors Any such notice may be left at or sent by post, electronic mail or facsimile transmission to the office, email address or another place designated for the purpose by the directors

#### Directors' remuneration

20

- (1) Directors may undertake any services for the Company that the directors decide
- (2) Directors are entitled to such remuneration as the directors determine
  - (a) for their services to the Company as directors, and
  - (b) for any other service which they undertake for the Company
- (3) Subject to the articles, a director's remuneration may
  - (a) take any form, and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day
- (5) Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested

#### Directors' expenses

- 21 The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at
- (a) meetings of directors or committees of directors,



- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

### **PART 3 SHARES AND DISTRIBUTIONS**

#### **SHARES**

##### **All shares to be fully paid up**

22

- (1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue
- (2) article 22(1) does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum

##### **Powers to issue different classes of share**

23

- (1) Subject to these articles (including but not limited to article 24), but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution
- (2) The Company does not have power to issue share options or warrants to bearer shares

##### **Substantial Shareholdings**

24

- (1) No person may, without the prior written consent of Lloyd's or the FSA, be a Controller of the Company
- (2) Any Controller or proposed Controller of the Company must execute and deliver or otherwise become party to such deeds, contracts, bonds, guarantees, undertakings and other documents as Lloyd's may specify
- (3) Any Controller or proposed Controller of the Company must notify the FSA of any proposed change in Control (as defined in Section 11 of the SUP sourcebook set out in the FSA's Handbook of Rules and Guidance) and obtain the FSA's approval prior to becoming a Controller or increasing the level of control held to a level for which FSA prior approval is required

##### **Company not bound by less than absolute interests**

- 25 Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it

### Share certificates

26

- (1) The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds
- (2) Every certificate must specify
  - (a) in respect of how many shares, of what class, it is issued,
  - (b) the nominal value of those shares,
  - (c) that the shares are fully paid, and
  - (d) any distinguishing numbers assigned to them
- (3) No certificate may be issued in respect of shares of more than one class
- (4) If more than one person holds a share, only one certificate may be issued in respect of it
- (5) Certificates must
  - (a) have affixed to them the Company's common seal, or
  - (b) be otherwise executed in accordance with the Companies Acts

### Replacement share certificates

27

- (1) If a certificate issued in respect of a shareholder's shares is
  - (a) damaged or defaced, or
  - (b) said to be lost, stolen or destroyed,that shareholder is entitled to be issued with a replacement certificate in respect of the same shares
- (2) A shareholder exercising the right to be issued with such a replacement certificate
  - (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
  - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
  - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

### Share transfers

28 Subject to article 29

- (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- (3) The Company may retain any instrument of transfer which is registered
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- (5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent
- (6) In accordance with section 567 of the Companies Act 2006, the pre-emption provisions of section 561 and section 562 do not apply to any allotment of the Company's shares

Special provisions relating to the transfer of shares

29

- (1) In this article 29, the following expressions bear the meanings set opposite them respectively below

accepted shares	shares in respect of which an accepting member accepts (or under the terms of the offer is deemed to accept) such offer,
compulsory purchase notice	a notice complying with article 29(3)(ii) hereof,
compulsory transfer notice	a notice complying with article 29(3)(i) hereof,
fair value	fair value certified in accordance with article 29(10),
notified member	a holder on whom a notice is served pursuant to this article 29,
person qualified to hold shares	a person in whose name the directors could, under the provisions of these articles, register the shares in question at the time when it is anticipated that they would be so registered (if registered at all),
purchaser	a person to whom, under the provisions of this article, shares are to be transferred, and
relevant shares	in relation to a compulsory transfer notice or a compulsory purchase notice, the shares to which such notice relates and in relation to a notified member, the

shares to which the notice served on him pursuant to this article 29 relates

- (2) If default notice has been served on any shareholder and has not been withdrawn the directors may, and at the direction of the Council or the FSA they must, give a notice in writing complying with this article 29 to the holder of such shares with respect to such of the shares held by him (whether solely or jointly) as may be specified in such notice
- (3) A notice served pursuant to this article 29 must require either
  - (i) that the relevant shares be transferred at their fair value, or
  - (ii) that the relevant shares be sold to the Company at their fair value
- (4) No notice may be given unless
  - (i) in the case of a notice which requires the relevant shares to be sold to the Company, the relevant shares are to be purchased out of distributable profits or the proceeds of a fresh issue of shares, and
  - (ii) in the case of a notice which requires the relevant shares to be transferred to a third party, a compulsory transfer notice must specify the name of the person who is nominated by the directors as the person to whom the relevant shares are to be transferred by the notified member. Such person must be a person qualified to hold the relevant shares and he must, prior to the despatch of the compulsory transfer notice, have obtained FSA approval and the approval of Lloyd's to hold such shares if by way of the transfer the person will become a Controller of the Company or increases the level of control held to a level for which prior Lloyd's and FSA approval is required
- (5) The notified member must within fourteen days of the service on him of a compulsory transfer notice (or such longer period as the directors may by writing determine), execute and deliver to the Company a form of transfer transferring the relevant shares to the person named in the compulsory transfer notice at their fair value and provided that such person has duly paid for such shares, the directors must register such transfer
- (6) If
  - (i) within seven days of the service on him of the compulsory transfer notice, the notified member by notice in writing to the Company specifies the name of some other person as the person to whom the relevant shares are to be transferred,
  - (ii) the member's nominee is a person qualified to hold the relevant shares and has obtained FSA approval and the approval of Lloyd's to hold such shares if by way of the transfer the nominee will become a Controller of the Company or increases the level of control held to a level for which prior Lloyd's and FSA approval is required, and
  - (iii) the directors have not within the further period of fourteen days hereof determined that the relevant shares should not be registered in the name of the member's nominee,

the notified member must, within seven days of the expiration of such period of fourteen days, execute and deliver to the Company a form of transfer transferring the relevant shares to the member's nominee at their fair value and provided that the member's nominee has duly paid for such shares, the directors must register such transfer

- (7) If any person to whom the notified member is, under any provision of this article 29, bound to transfer relevant shares fails to make payment of their fair value at the time stipulated by the directors the directors must, as soon as practicable, nominate some other person as the purchaser of the relevant shares in question. Such person must be a person qualified to hold such shares and he must, prior to being nominated, have obtained FSA approval and the approval of Lloyd's to hold such shares if by way of the transfer the person becomes a Controller of the Company or increases the level of control held to a level for which prior Lloyd's and FSA approval is required. The directors must serve a notice on the notified member specifying the name of the purchaser so nominated by them and the number of the relevant shares to be transferred to him. The notified member must within fourteen days of the service on him of such notice, execute and deliver to the Company a form of transfer transferring such shares in accordance therewith. Provided that the notified member is duly paid for such shares, the directors must register such transfer.
  - (8) If in any case a notified member having become bound to do so, fails to execute or deliver a transfer in accordance with, and within the time allowed by, this article, the directors must authorise an officer of the Company to execute on behalf of the notified member a form of transfer for the relevant shares in question in favour of the purchaser and a form of transfer executed under such authority is valid and effective. The purchase money must be paid to the Company whose receipt is a good discharge, and paid over (without interest) by the Company to the notified member.
  - (9) In any case where a compulsory purchase is served on the notified member, the directors must draw up a draft contract of purchase which provides for completion of the purchase of the relevant shares on the expiration of seven days after the passing of the special resolution hereinafter mentioned and for the payment to the notified member of the purchase price thereof on completion. The notified member is deemed, by virtue of his having become a member of the Company, to have agreed
    - (i) to such contract, and
    - (ii) to have appointed any person nominated by the director to execute such contract on his behalf, and
    - (iii) that he should deliver the relevant shares to the Company at completion.
- The directors must take all steps as are necessary or desirable to be taken by them to ensure that such contract is duly approved by the passing of a special resolution (whether in a general meeting of the Company or by written resolution), executed and carried into effect. A notified member is not entitled to vote upon the special resolution proposed to approve such contract.
- (10) The auditors for the time being must certify the sum which, in their opinion, is the fair value of the relevant shares. In so certifying, the auditors act as experts and not as arbitrators and their decision is final and binding. The cost of obtaining such auditors' certificate is to be borne by the Company.
  - (11) No share may be transferred to an infant, bankrupt or person of unsound mind.

- (12) If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share. A transmittee who produces such evidence of entitlement to shares as the directors may properly require
- (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had
- (13) Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares. Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish
- (14) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it. Any transfer made or executed under this article 29(14) is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred

#### Transmittees bound by prior notices

- 30 If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members

### **DIVIDENDS AND OTHER DISTRIBUTIONS**

#### Procedure for declaring dividends

31

- (1) The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends
- (2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it
- (5) If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear

- (7) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment
- (8) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights
- (9) The directors may deduct from a dividend or other amounts payable to a person in respect of a share any amounts due from him to the Company on account of a call or otherwise in relation to a share

#### Payment of dividends and other distributions

32

- (1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means
  - (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
  - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,
  - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or
  - (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide
- (2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable
  - (a) the holder of the share,
  - (b) if the share has two or more joint holders, whichever of them is named first in the register of members, or
  - (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee

#### No interest on distributions

- 33 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by
  - (a) the terms on which the share was issued, or

- (b) the provisions of another agreement between the holder of that share and the Company

#### Unclaimed distributions

34

- (1) All dividends or other sums which are
  - (a) payable in respect of shares, and
  - (b) unclaimed after having been declared or become payable,may be invested or otherwise made use of by the directors for the benefit of the Company until claimed
- (2) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it
- (3) If
  - (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
  - (b) the distribution recipient has not claimed it,the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

#### Non-cash distributions

35

- (1) Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)
- (2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution
  - (a) fixing the value of any assets,
  - (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
  - (c) vesting any assets in trustees

#### Waiver of distributions

- 36 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if



- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share

### **CAPITALISATION OF PROFITS**

#### **Authority to capitalise and appropriation of capitalised sums**

37

- (1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution
  - (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
  - (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions
- (2) Capitalised sums must be applied
  - (a) on behalf of the persons entitled, and
  - (b) in the same proportions as a dividend would have been distributed to them
- (3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct
- (4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct
- (5) Subject to the articles the directors may
  - (a) apply capitalised sums in accordance with article 37(3) and 37(4) partly in one way and partly in another,
  - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
  - (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article

### **PART 4 DECISION-MAKING BY SHAREHOLDERS**

## ORGANISATION OF GENERAL MEETINGS

### Attendance and speaking at general meetings

38

- (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting
- (2) A person is able to exercise the right to vote at a general meeting when
  - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

### Quorum for general meetings

- 39 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

### Chairing general meetings

40

- (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start
  - (a) the directors present, or
  - (b) (if no directors are present), the meeting,must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting
- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

#### Attendance and speaking by directors and non-shareholders

41

- (1) Directors may attend and speak at general meetings, whether or not they are shareholders
- (2) The chairman of the meeting may permit other persons who are not
  - (a) shareholders of the Company, or
  - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting

#### Adjournment

42

- (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if
  - (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- (4) When adjourning a general meeting, the chairman of the meeting must
  - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- (5) If the continuation of an adjourned meeting is to take place more than fourteen (14) days after it was adjourned, the Company must give at least seven (7) clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
  - (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain

- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

## VOTING AT GENERAL MEETINGS

### Voting general

43

- (1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles
- (2) No member shall, unless the directors otherwise determine, vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid
- (3) Subject to these articles including article 45 (suspension of voting rights), a member entitled to vote may appoint a proxy (or where that is permitted by these articles or if the Company is a public company, one or more proxies)
- (4) Notwithstanding any other provision of these articles to the contrary
- (a) if and for so long as the voting rights of any shares of the Company's ultimate parent company, Omega Insurance Holdings Limited ("OIHL"), are adjusted pursuant to OIHL Bye-laws 38-42 (inclusive) as set out in Appendix 1 hereto, and
- (b) if the Company is required or entitled to vote at a general meeting of any direct non-U S subsidiary of the Company,

then the Directors of the Company shall refer the subject matter of the vote to the Company's member(s), on a poll (subject to OIHL Bye-laws 38-42 (inclusive)) and seek authority from such member(s) for the Company's corporate representative or proxy to vote for or against (as the case may be) the resolution proposed by such subsidiary of the Company. The Directors shall cause the Company's corporate representative or proxy to vote the Company's shares in the subsidiary pro rata to the votes received at the general meeting of the Company, with votes for or against the directing resolution being taken, respectively, as an instruction for the Company's corporate representative or proxy to vote the appropriate proportion of its shares for and the appropriate proportion of its shares against the resolution proposed by the subsidiary. The Directors shall have authority to resolve any ambiguity

- (5) The directors in their discretion shall require that the bye-laws or articles of association or similar organisational documents of each subsidiary of the Company, organised under the laws of a jurisdiction outside the United States of America, other than any non-U S subsidiary that is a direct or indirect subsidiary of a U S Person (as defined in the Internal Revenue Code of 1986, as amended, of the United States of America), shall contain provisions substantially similar to article 43(4) and this article 43(5). The Company shall enter into agreements, as and when determined by the directors, with each such subsidiary, only if and to the extent reasonably necessary and permitted under applicable law, to effectuate or implement this article 43(5)

### Errors and disputes

44

- (1) Subject to article 45, No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final

Suspension of voting rights

45

- (1) In these articles, the expression "default notice" means a notice stating that the holder of shares on whom it is served (the "relevant holder") is not entitled to attend or vote at any general or class meeting of the Company, either personally or by proxy, or to be reckoned in a quorum in relation to any such meeting in respect of any share specified in such notice. Upon service of a default notice in accordance with this article, the relevant holder ceases to be so entitled. If a default notice is withdrawn in accordance with this article 45(1), the relevant holder becomes entitled in respect of the shares specified in such notice to exercise such right as he had immediately before the service of the default notice to attend and vote (either in person or by proxy) at any general or class meeting of the Company either personally or by proxy and to be reckoned in a quorum in relation to any such meeting with effect from the date on which notice of such withdrawal is served upon him.
- (2) The directors may at any time, and at the request of Lloyd's or the FSA, by written notice require any holder of a share to give them such information or evidence, supported (if the directors or Lloyd's or the FSA so require) by a statutory declaration, as the directors, Lloyd's or the FSA may consider necessary or desirable for determining whether or not there is, or is to be, an infringement by any person with respect to such share of article 24 (Substantial Shareholdings) or of any condition imposed by, or undertaking given to, Lloyd's or the FSA pursuant to any of the articles.
- (3) If
  - (a) at any time, the directors have reasonable grounds for believing that any holder has failed within fourteen days of the service of such notice to comply with the notice given to him pursuant to this article, or
  - (b) if any holder, having responded within such period to such notice, has failed to satisfy the directors, or (where the notice was given at the request of Lloyd's or the FSA) Lloyd's or the FSA that there is, or is to be, no infringement with respect to any shares held by him of article 24 (Substantial Shareholdings) or of any condition imposed by, or undertaking given to, Lloyd's and/or the FSA,the directors may and, at the direction of Lloyd's and/or the FSA must, as soon as practicable, serve a default notice on the holder concerned specifying the shares to which such notice relates.
- (4) The directors must cause the register to have noted against the holder upon whom such a default notice has been served, details of such notice and the shares specified therein.

- (5) A default notice is conclusive evidence against the member concerned that circumstances had arisen entitling the directors to serve such notice
- (6) A share specified in a default notice which has not been withdrawn by a further notice in writing may not be transferred except in accordance with article 29 (Special provisions relating to the transfer of shares) Upon registration of the transfer in accordance with article 29 of any such share, the relative default notice is to be treated as withdrawn
- (7) A default notice once served may not be withdrawn unless
  - (a) served pursuant to article 45(2) and the default to which it relates is capable of being remedied and is remedied to the satisfaction of the directors (if the default notice was given at the direction of Lloyd's or the FSA), Lloyd's or the FSA within seven (7) days of the service thereof, or
  - (b) Lloyd's and/or the FSA agree

#### Poll votes

46

- (1) A poll on a resolution may be demanded
  - (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared
- (2) A poll may be demanded by
  - (a) the chairman of the meeting,
  - (b) the directors,
  - (c) two or more persons having the right to vote on the resolution, or
  - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution
- (3) A demand for a poll may be withdrawn if
  - (a) the poll has not yet been taken, and
  - (b) the chairman of the meeting consents to the withdrawal
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs

#### Content of proxy notices

47

- (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which

- (a) states the name and address of the shareholder appointing the proxy,
  - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,
  - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and
  - (d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate
- (2) The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
  - (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
  - (4) Unless a proxy notice indicates otherwise, it must be treated as
    - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
    - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

#### Delivery of proxy notices

48

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person
- (2) An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

#### Amendments to resolutions

49

- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
  - (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not

less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

## **PART 5 ADMINISTRATIVE ARRANGEMENTS**

### **Means of communication to be used**

50

- (1) Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Companies Acts provide for documents or information which are authorised or required by any provision of the Companies Acts to be sent or supplied by or to the Company
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being
- (3) A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

### **Company seals**

51

- (1) Any common seal may only be used by the authority of the directors
- (2) The directors may decide by what means and in what form any common seal is to be used
- (3) Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- (4) For the purposes of this article, an authorised person is
  - (a) any director of the Company,



- (b) the Company secretary (if any), or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied

No right to inspect accounts and other records

- 52 Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder

Provision for employees on cessation of business

- 53 The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

**DIRECTORS' INDEMNITY AND INSURANCE**

Indemnity

54

- (1) Subject to article 54(2), a relevant director of the Company or an associated company may be indemnified out of the Company's assets against
- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
  - (b) any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006), and
  - (c) any other liability incurred by that director as an officer of the Company or an associated company
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law
- (3) In this article
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - (b) a "relevant director" means any director or former director of the Company or an associated company

Insurance

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- (1) The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss

(2) In this article

- (a) a "relevant director" means any director or former director of the Company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, other than any sum payable by a director to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising), and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

## **OBJECTS OF THE COMPANY**

### Objects of the Company

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(1) The Company's objects are

- (a) To act either alone or with others as agents or subagents for underwriting members of Lloyd's and Lloyd's syndicates and as agents and as managers for any insurance company, syndicate, club, company or person or any individual underwriter in connection with its or their business or any branch thereof (in any part of the world) in or in connection with all classes of insurance, assurance, guarantee, mortgage, stop loss, indemnity or reinsurance (including the provision or underwriting of policies or contracts for life, other annuity or endowment business) or any contracts which the directors of the Company think fit
- (b) To carry on business as manufacturers, builders and suppliers of and dealers in goods of all kinds, and as mechanical, general, electrical, marine, radio, electronic, aeronautical, chemical, petroleum, gas civil and constructional engineers, and manufacturers, importers and exporters of, dealers in machinery, plant and equipment of all descriptions and component parts thereof, forgings, castings, tools, implements, apparatus and all other articles and things
- (c) To act as an investment holding company and to co-ordinate the business of any companies in which the Company is for the time being interested, and to acquire (whether by original subscription, tender, purchase exchange or otherwise) the whole of or any part of the stock, shares, debentures, debenture stocks, bonds and other securities issued or guaranteed by a body corporate constituted or carrying on business in any part of the world or by any government, sovereign ruler, commissioners, public body or authority and to hold the same as investments, and to sell, exchange, carry and dispose of the same
- (d) To carry on the businesses in any part of the world as importers, exporters, buyers, sellers, distributors and dealers and to win, process and work produce of all kinds
- (e) To carry on the following businesses, namely, contractors, garage proprietors, filling station proprietors, owners and charterers of road vehicles, aircraft and ships and boats of every description, lightermen and carriers of goods and

passengers by road, rail, water or air, forwarding, transport and commission agents, customs agents, stevedores, wharfingers, cargo superintendents, packers, warehouse storekeepers, cold store keepers, hotel proprietors, caterers, publicans, consultants, advisers, financiers, bankers, advertising agents, insurance brokers, travel agents, ticket agents and agency business of all kinds and generally to provide entertainment for and render services of all kinds to others and to carry on any other trade or business which can in the opinion of the directors be advantageously carried on by the Company in connection with or ancillary to any of the businesses of the Company

- (f) To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire, and generally deal in all kinds of plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any of the businesses specified in this article, or which may be required by persons having, or about to have, dealings with the Company
- (g) To build, construct, maintain, alter, enlarge, pull down, remove and replace any buildings, shops, factories, offices, works, machinery and engines, and to work, manage and control these things
- (h) To enter into contracts, agreements and arrangements with any person for the carrying out by that person on behalf of the Company of any object for which the Company is formed
- (i) To acquire, undertake and carry on the whole or any part of the business, property and liabilities of any person carrying on any business which may in the opinion of the directors be capable of being conveniently carried on, or calculated directly or indirectly to enhance the value of or make profitable any of the Company's property or rights, or any property suitable for the purposes of the Company
- (j) To enter into any arrangement with a government or authority, whether national, international, supreme, municipal, local or otherwise, that may in the opinion of the directors be conducive to any object of the Company, and to obtain from that government or authority any right, privilege or concession which in the opinion of the directors is desirable, and to carry out, exercise and comply with that arrangement, right, privilege or concession
- (k) To apply for, purchase and by other means acquire, protect, prolong and renew any patent, patent right, brevet d'invention, licence, secret process, invention, trade mark, service mark, copyright, registered design, protection, concession and right of the same or similar effect or nature, and to use, turn to account, manufacture under and grant licences and privileges in respect of those things, and to spend money in experimenting with, testing, researching, improving and seeking to improve any of those things
- (l) To acquire an interest in, amalgamate with and enter into partnership or any arrangement for the sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person, or with any employees of the Company To lend money to, guarantee the contracts of, and otherwise assist that person or those employees, and to take and otherwise acquire an interest in that person's shares or other securities and to sell, hold, re-issue, with or without guarantee, and otherwise deal with those shares or other securities

- (m) To lend money to, subsidise and assist any person, to act as agents for the collection, receipt and payment of money and generally to act as agents and brokers for and perform services for any person, and to undertake and perform sub-contracts
- (n) To enter into any guarantee or contract of indemnity or suretyship, and to provide security, including, without limitation, the guarantee and provision of security for the performance of the obligations of and the payment of any money (including, without limitation, capital, principal, premiums, dividends, interest, commissions, charges, discount and any related costs or expenses whether on shares or other securities) by any person including, without limitation, any body corporate which is for the time being the Company's holding company, the Company's subsidiary, a subsidiary of the Company's holding company or any person which is for the time being a member or otherwise has an interest in the Company or is associated with the Company in any business or venture, with or without the Company receiving any consideration or advantage (whether direct or indirect), and whether by personal covenant or mortgage, charge or lien over all or part of the Company's undertaking, property, assets or uncalled capital (present and future) or by other means. For the purposes of this paragraph "guarantee" includes any obligation, however described, to pay, satisfy, provide funds for the payment or satisfaction of (including, without limitation, by advance of money, purchase of or subscription for shares or other securities and purchase of assets or services), indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person
- (o) To promote, finance and assist any person for the purpose of acquiring all or any of the property, rights and undertaking or assuming the liabilities of the Company, and for any other purpose which may in the opinion of the directors directly or indirectly benefit the Company, and in that connection to place, guarantee the placing of, underwrite, subscribe for, and otherwise acquire all or any part of the shares or other securities of a body corporate
- (p) To pay out of the funds of the Company all or any expenses which the Company may lawfully pay of or incidental to the formation, registration, promotion and advertising of and raising money for the Company and the issue of its shares or other securities, including, without limitation, those incurred in connection with the advertising and offering of its shares or other securities for sale or subscription, brokerage and commissions for obtaining applications for and taking, placing, underwriting or procuring the underwriting of its shares or other securities
- (q) To remunerate any person for services rendered or to be rendered to the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part
- (r) To purchase, take on lease, exchange, hire and otherwise acquire any real or personal property and any right or privilege over or in respect of it
- (s) To receive money on deposit on any terms the directors think fit
- (t) To invest and deal with the Company's money and funds in any way the directors think fit
- (u) To lend money and give credit with or without security

- (v) To borrow, raise and secure the payment of money in any way the directors think fit, including, without limitation, by the issue of debentures and other securities, perpetual or otherwise, charged on all or any of the Company's property (present and future) or its uncalled capital, and to purchase, redeem and pay off those securities
- (w) To remunerate any person for services rendered or to be rendered in placing, assisting and guaranteeing the placing and procuring the underwriting of any share or other security of the Company or of any person in which the Company may be interested or proposes to be interested, or in connection with the conduct of the business of the Company, including, without limitation, by cash payment or by the allotment of shares or other securities of the Company, credited as paid up in full or in part
- (x) To acquire, hold, dispose of, subscribe for, issue, underwrite, place or manage assets belonging to others which includes advising on, entering into contracts or transactions in relation to or involving and in any other way dealing with or arranging dealings with or performing any service or function in relation to (as applicable) shares, stocks, debentures, loans, bonds, certificates of deposit and other instruments creating or acknowledging indebtedness, government, public or other securities, warrants, certificates representing securities or other obligations, units in collective investment schemes, options, futures, spot or forward contracts, contracts for differences or other investments or obligations, currencies, interest rates, precious metals or other commodities, any index (whether related in any way to any of the foregoing or otherwise), any right to, any right conferred by or any interest or any obligation in relation to any of the foregoing and any financial instrument or product deriving from or in any other way relating to any of the foregoing or of any nature whatsoever, and any transaction which may seem to be convenient for hedging the risks associated with any of the foregoing
- (y) To co-ordinate, finance and manage the business and operation of any person in which the Company has an interest
- (z) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments
- (aa) To sell, lease, exchange, let on hire and dispose of any real or personal property and the whole or part of the undertaking of the Company, for such consideration as the directors think fit, including, without limitation, for shares, debentures or other securities, whether fully or partly paid up, of any person, whether or not having objects (altogether or in part) similar to those of the Company To hold any shares, debentures and other securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over, turn to account and otherwise deal with all or any part of the property and rights of the Company
- (bb) To adopt any means of publicising and making known the businesses, services and products of the Company as the directors think fit, including, without limitation, advertisement, publication and distribution of notices, circulars, books and periodicals, purchase and exhibition of works of art and interest and granting and making of prizes, rewards and donations
- (cc) To support, subscribe to and contribute to any charitable or public object and any institution, society and club which may be for the benefit of the Company or

persons who are or were directors, officers or employees of the Company, its predecessor in business, any subsidiary of the Company or any person allied to or associated with the Company, or which may be connected with any town or place where the Company carries on business To subsidise and assist any association of employers or employees and any trade association To grant pensions, gratuities, annuities and charitable aid and to provide advantages, facilities and services to any person (including any director or former director) who may have been employed by or provided services to the Company, its predecessor in business, any subsidiary of the Company or any person allied to or associated with the Company and to the spouses, children, dependants and relatives of those persons and to make advance provision for the payment of those pensions, gratuities and annuities by establishing or acceding to any trust, scheme or arrangement (whether or not capable of approval by the Commissioners of Inland Revenue under any relevant legislation) the directors think fit, to appoint trustees and to act as trustee of any trust, scheme or arrangement, and to make payments towards insurance for the benefit of those persons and their spouses, children, dependants and relatives

- (dd) To establish and contribute to any scheme for the purchase or subscription by trustees of shares or other securities of the Company to be held for the benefit of the employees of the Company, any subsidiary of the Company or any person allied to or associated with the Company, to lend money to those employees or to trustees on their behalf to enable them to purchase or subscribe for shares or other securities of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees
- (ee) To apply for, promote and obtain any Act of Parliament and any order or licence of any government department or authority (including, without limitation, the Department of Trade and Industry) to enable the Company to carry any of its objects into effect, to effect any modification of the Company's constitution and for any other purpose which the directors think fit, and to oppose any proceeding or application which may in the opinion of the directors directly or indirectly prejudice the Company's interests
- (ff) To establish, grant and take up agencies, and to do all other things the directors may deem conducive to the carrying on of the Company's business as principal or agent, and to remunerate any person in connection with the establishment or granting of an agency on the terms and conditions the directors think fit
- (gg) To distribute among the shareholders in specie any of the Company's property and any proceeds of sale or disposal of any of the Company's property and for that purpose to distinguish and separate capital from profits, but no distribution amounting to a reduction of capital may be made without any sanction required by law
- (hh) To purchase and maintain insurance for the benefit of any person who is or was an officer or employee of the Company, a subsidiary of the Company or a company in which the Company has or had an interest (whether direct or indirect) or who is or was trustee of any retirement benefits scheme or any other trust in which any officer or employee or former officer or employee is or has been interested, indemnifying that person against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against

- (ii) To amalgamate with any other person and to procure the Company to be registered or recognised in any part of the world
- (jj) To do all or any of the things provided in any paragraph of this article
  - (i) in any part of the world,
  - (ii) as principal, agent, contractor, trustee or otherwise,
  - (iii) by or through trustees, agents, subcontractors or otherwise, and
  - (iv) alone or with another person or persons
- (kk) To do all things that are in the opinion of the directors incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers
- (ll) The objects specified in each paragraph of this article shall, except where otherwise provided in that paragraph, be regarded as independent objects, and are not limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company. None of the paragraphs of this article or the objects or powers specified or conferred in or by them is deemed subsidiary or ancillary to the objects or powers mentioned in any other paragraph. The Company has as full a power to exercise all or any of the objects and powers provided in each paragraph as if each paragraph contained the objects of a separate company.

## **APPENDIX 1**

### **OIHL Bye-laws 1 and 38-42 (inclusive)**

#### **OIHL Bye-law 1**

##### **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 Bermuda Companies Act 1981, as amended from time to time,
Admission	the first occurring admission of any class of share in the capital of the Company to trading on AIM becoming effective pursuant to the AIM Rules or to the Official List of the UK Listing Authority and to trading on London Stock Exchange plc's market for listed securities,
AIM	AIM, a market operated by the London Stock Exchange plc,
AIM Rules	rules of the London Stock Exchange plc governing the admission to and the operation of AIM,
Alternate Director	an alternate director appointed in accordance with these Bye-laws,
Attribution Percentage	with respect to a Member, the percentage of the Member's shares that are treated as Controlled Shares of a Tentative 9.5% U.S. Shareholder,
Auditor	includes an individual or partnership,
Board	the board of directors 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,
City Code	The City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel or any successor to or replacement thereof from time to time issued by or on behalf of the Panel or, for the avoidance of doubt, any successor thereto or replacement body thereof,



Code	the Internal Revenue Code of 1986, as amended, of the United States of America,
Company	the company for which these Bye-laws are approved and confirmed,
Controlled Shares	all shares of the Company directly, indirectly or constructively owned by a person as determined pursuant to section 958 of the Code and Treasury Regulations promulgated thereunder and under section 957 of the Code,
Depository	any person who is a member in the Company by virtue of holding shares in the Company as trustee for those individuals who have elected to hold shares in the Company in dematerialised form though depository interests,
Employee Share Schemes	any employees' share scheme which the Company shall from time to time adopt including, without limitation, the Omega Insurance Holdings Limited Long Term Incentive Plan and the Omega Insurance Holdings Limited Executive Share Option Plan,
Director	a director of the Company and shall include an Alternate Director,
Group	the Company and every company and other entity which is for the time being controlled by or under common control with the Company (for these purposes, "control" means the power to direct management or policies of the person in question, whether by means of an ownership interest or otherwise),
Indirect	when referring to a holder or owner of shares, ownership of shares within the meaning of section 958(a)(2) of the Code,
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,
9 5% U S Shareholder	a "United States person" as defined in the Code (a "U S Person") whose Controlled

Shares constitute nine and one-half percent (9 5%) or more of the voting power of all issued shares of the Company and who generally would be required to recognize income with respect to the Company under section 951(a)(1) of the Code, if the Company were a controlled foreign corporation as defined in section 957 of the Code and if the ownership threshold under section 951(b) of the Code were 9 5%,

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,
Panel	means the Panel on Takeovers and Mergers in the United Kingdom, and any successor thereof or replacement body thereto,
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,
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 of the duties of the Secretary,
Special Resolution	a resolution passed by a majority of not less than three-fourths of such Members as (being entitled to do so) vote in person or by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a special resolution has been duly given,
Tentative 9 5% U S Shareholder	a U S Person that, but for adjustments or restrictions on exercise of the voting power of shares pursuant to Bye-laws 38-42 (inclusive), would be a 9 5% U S Shareholder, and

- 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, and
  - (e) 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

#### **OIHL Bye-laws 38-42**

##### **Votes of Members**

#### **38 Adjustment of Voting Power**

- 38 1 The voting power of all shares is hereby adjusted (and shall be automatically adjusted in the future) to the extent necessary so that there is no 9 5% U S Shareholder The Board shall implement the foregoing in the manner provided herein, provided however, that the foregoing provision and the remainder of this Bye-law 38 shall not apply in the event that one Member owns greater than 75% of the voting power of the issued shares of the Company determined without applying the voting power adjustments or eliminations under Bye-laws 38-42 (inclusive)
- 38 2 The Board shall from time to time, including prior to any time at which a vote of Members is taken, take all reasonable steps necessary to ascertain, including those specified in Bye-law 42, through communications with Members or otherwise, whether there exists, or will exist at the time any vote of Members is taken, a Tentative 9 5% U S Shareholder
- 38 3 In the event that a Tentative 9 5% U S Shareholder exists, the aggregate votes conferred by shares held by a Member and treated as Controlled Shares of that Tentative 9 5% U S Shareholder shall be reduced to the extent necessary such that the Controlled Shares of the Tentative 9 5% U S Shareholder will constitute less than 9 5% of the voting power of all issued and outstanding shares In applying the previous sentence where shares held

by more than one Member are treated as Controlled Shares of such Tentative 9.5% U.S. Shareholder, the reduction in votes shall apply to such Members in descending order according to their respective Attribution Percentages, provided that, in the event of a tie, the reduction shall apply pro rata to such Members. The votes of Members owning no shares treated as Controlled Shares of any Tentative 9.5% U.S. Shareholder shall, in the aggregate, be increased by the same number of votes subject to reduction as described above provided however that no shares shall be conferred votes to the extent that doing so will cause any person to be treated as a 9.5% U.S. Shareholder. Such increase shall be apportioned to all such Members in proportion to their voting power at that time, provided that such increase shall be limited to the extent necessary to avoid causing any person to be a 9.5% U.S. Shareholder. The adjustments of voting power described in this Bye-law shall apply repeatedly until there is no 9.5% U.S. Shareholder. The Board of Directors may deviate from any of the principles described in this Bye-law and determine that shares held by a Member shall carry different voting rights as it determines appropriate (1) to avoid the existence of any 9.5% U.S. Shareholder or (2) to avoid adverse tax, legal or regulatory consequences to the Company, any subsidiary of the Company, or any direct or indirect holder of shares or its affiliates. For the avoidance of doubt, in applying the provisions of Bye-laws 38-42 (inclusive), a share may carry a fraction of a vote.

39 Other Adjustments of Voting Power

In addition to the provisions of Bye-law 38, any shares shall not carry any right to vote to the extent that the Board of Directors determines that it is necessary that such shares should not carry the right to vote in order to avoid adverse tax, legal or regulatory consequences to the Company, any subsidiary of the Company, or any other direct or indirect holder of shares or its affiliates, provided that no adjustment pursuant to this sentence shall cause any person to become a 9.5% U.S. Shareholder.

40 Notice

Prior to the meeting on which Members shall vote on any matter (or prior to any vote in the case of notification to Members specified in item (3) of this Bye-law), the Board may, in its sole discretion, (1) retain the services of an internationally recognized accounting firm or organization with comparable professional capabilities in order to assist the Company in applying the principles of Bye-laws 38 and 39 and (2) obtain from such firm or organization a statement describing the information obtained and procedures followed and setting forth the determinations made with respect to Bye-laws 38 and 39, and (3) notify in writing or orally each Member of the voting power conferred by its shares determined in accordance with Bye-laws 38 and 39. For the avoidance of doubt, any failure by the Board to take any of the actions described in this Bye-law 40 shall not invalidate any votes cast or the proceedings at the meeting.

41 Board Determination Binding

Any determination by the Board as to any adjustments or eliminations of voting power of any shares made pursuant to Bye-laws 38-42 (inclusive) shall be final and binding and any vote taken based on such determination shall not be capable of being challenged solely on the basis of such determination.

42      Requirement to Provide Information and Notice

- 42 1      The Board shall have the authority to request from any direct or indirect holder of shares, and such holder of shares shall provide, such information as the Board may reasonably request for the purpose of determining whether any holder's voting rights are to be adjusted. If such holder fails to respond to such a request, or submits incomplete or inaccurate information in response to such a request, the Board may determine in its sole discretion that such holder's shares shall carry no voting rights in which case such holder shall not exercise any voting rights in respect of such shares until otherwise determined by the Board.
- 42 2      Any direct or indirect holder of shares shall give notice to the Company within ten days following the date that such holder acquires actual knowledge that it is the direct or indirect holder of Controlled Shares of 9.5% or more of the voting power of all issued shares of the Company (without giving effect to voting power adjustments or eliminations under Bye-laws 38-42 (inclusive)).
- 42 3      Notwithstanding the foregoing, no Member shall be liable to any other Member or the Company for any losses or damages resulting from such Member's failure to respond to, or submission of incomplete or inaccurate information in response to, a request under Bye-law 42 1 or from such Member's failure to give notice under Bye-law 42 2.
- 42 4      Any information provided by any Member to the Company pursuant to this Bye-law 42 or for purposes of making the analysis required by Bye-laws 38 and 39, shall be deemed "confidential information" (the "Confidential Information") and shall be used by the Company solely for the purposes contemplated by such Bye-laws (except as may be required otherwise by applicable law or regulation). The Company shall hold such Confidential Information in strict confidence and shall not disclose any Confidential Information that it receives, except (i) to the U.S. Internal Revenue Service (the "Service") if and to the extent the Confidential Information is required by the Service, (ii) to any outside legal counsel or accounting firm engaged by the Company to make determinations regarding the relevant Bye-laws or (iii) as otherwise required by applicable law or regulation.
- 42 5      For the avoidance of doubt, the Company shall be permitted to disclose to the Members and others the relative voting percentages of all Members after application of Bye-laws 38-42 (inclusive). At the written request of a Member, the Confidential Information of such Member shall be destroyed or returned to such Member after the later to occur of (i) such Member no longer being a Member or (ii) the expiration of the applicable statute of limitations with respect to any Confidential Information obtained for purposes of engaging in any tax-related analysis.

**ARTICLES OF ASSOCIATION**

**of**

**OMEGA DEDICATED LIMITED**

**Adopted on 20 May 2010**

**Incorporated 24 August 1998**

**Registered Number: 03622957**

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## ARTICLES OF ASSOCIATION

of

OMEGA DEDICATED LIMITED (the "Company")

Adopted on \_\_\_\_\_ 2009

### Part I – Standard Articles

#### 1 Interpretation

1 1 The Regulations set out in Table A in the Schedule to The Companies (Tables A-F) Regulations 1985 (as amended) (hereinafter call "Table A") shall apply to the Company in the same manner as if they were expressly set out herein, save in so far as they are excluded or varied hereby and provided that references therein to

(a) "the Act" shall mean the Companies Act 1985 (the "1985 Act") and/or the Companies Act 2006 (the "2006 Act") (as applicable) including any statutory modification or re-enactment thereof for the time being in force,

(b) "memorandum" shall, with effect from 1 October 2009, mean such provisions of the Company's memorandum of association which are to be treated in accordance with Section 28 of the 2006 Act as provisions of the Company's articles of association, and

(c) an "extraordinary resolution" shall mean a special resolution

1 2 Regulations 3, 25, 32, 34, 36, 37, 38, 47, 53, 54, 59, 60, 61, 64, 73 to 82 inclusive, 85, 86, 88, 89, 91, 93 to 99 inclusive, 101, 104 and 118 of Table A and, with effect from 1 October 2009, Regulation 26 of Table A shall not apply to the Company and in lieu thereof and in addition to the remaining Clauses of Table A the following shall be the Regulations of the Company

1 3 In these Articles

(a) headings are used for convenience only and shall not affect the construction hereof,

(b) unless the context otherwise requires or does not so admit or, save as otherwise provided herein, words and expressions contained herein shall bear the same meaning as in the Act, as applicable (but excluding any statutory modification or re-enactment thereof not in force on the date on which these Articles become binding on the Company), and

(c) the following words and expressions shall have the following meanings

the "1985 Act" means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force,

the "2006 Act" means the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force,

"Adoption Date" means the date of adoption of these Articles, being \_\_\_\_\_ 2009,

"these Articles" means these articles of association (including the schedule) as amended from time to time,

"Clear Days" means in relation to the period of a notice means that period excluding 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,



the "**Directors**" means the directors for the time being of the Company,

"**Holder**" means in relation to Shares means the person whose name is entered in the register of members as the holder of those shares,

"**Lloyd's**" means the Society and Corporation of Lloyd's incorporated by Lloyd's Act 1871,

"**Member**" means any Holder for the time being of shares in the capital of the Company of whatever class,

the "**Office**" means the registered office of the Company for the time being,

"**Secretary**" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary, and

"**Shares**" means (unless the context does not so admit) shares in the capital of the Company (of whatever class)

- 1 4     References to the requirements of the Council or Lloyd's are to any requirement imposed by any byelaw or regulation made under Lloyd's Acts 1871 to 1982, any condition or requirement imposed or direction given under any such byelaw or regulation, any direction given under Section 6 of the Lloyd's Act 1982, any requirement imposed by or under any undertaking given by the Company to Lloyd's or to the Council and any other requirement imposed or direction given by the Council under Lloyd's Acts 1871 to 1982, and the phrase "**required by the Council**" or "**required by Lloyd's**" and similar phrases shall be construed accordingly

2     Share Capital and Alteration of Share Capital

- 2 1     The authorised share capital of the Company at the Adoption Date is £50,000,000 divided into 200,000,000 Ordinary Shares of £0.25 each. With effect from 1 October 2009, the Company shall not have an authorised share capital nor shall its ability to allot shares of any class be restricted by any authorised share capital

- 2 2     With effect from 1 October 2009, for so long as the Company is a private company with only one class of shares, the Directors may unconditionally exercise any power of the Company to allot any number of shares of that class or to grant rights to subscribe for or to convert any security into such shares, deal with or otherwise dispose of the same to such persons (including the Directors themselves) on such terms and at such times as they may think proper and as if Section 561 (existing shareholders' right of pre-emption) of the 2006 Act did not apply to any such allotment or grant, provided that no shares shall be issued at a discount

- 2 3     The Company may by ordinary resolution or in any other way permitted by the Act

- 2 3 1     increase its share capital by new shares of such amount as the resolution prescribes,
- 2 3 2     consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- 2 3 3     subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others,
- 2 3 4     cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled, and
- 2 3 5     alter its share capital in any other way permitted by the Act

- 2 4 Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account and, with effect from 1 October 2009, any redenomination reserve in any way

3 Transfer of Shares

The Directors may, in their absolute discretion and without giving any reason, refuse to register a transfer of any share (whether or not fully paid) to any person

4 Calling and Notice of General Meetings

- 4 1 The Directors may call general meetings and, on the requisition of members pursuant to the provisions of the 2006 Act, shall forthwith proceed to convene a general meeting for a date not later than 28 days after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any member of the company may call a general meeting

- 4 2 A general meeting must be called by at least 14 Clear Days' notice. A general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 90 per cent in nominal value of the shares giving that right

The notice must specify the time and place of the meeting and the general nature of the business to be transacted

Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice must be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the Directors and auditors

5 Proceedings at general meetings

- 5 1 No business other than the appointment of a chairman shall be transacted at any meeting unless a quorum is present. Subject to any provision to the contrary contained in these Articles, two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum except that if there is only one Member who is entitled to vote upon the business to be transacted, the quorum shall be that Member

5 2 Votes of Members

- 5 2 1 Notwithstanding any other provision of these Articles to the contrary

- (a) if and for so long as the voting rights of any shares of the Company's ultimate parent company, Omega Insurance Holdings Limited ("OIHL"), are adjusted pursuant to OIHL Bye-laws 38-42 (inclusive) as set out in Appendix 1 hereto, and
- (b) if the Company is required or entitled to vote at a general meeting of any direct non-U S subsidiary of the Company,

then the Directors of the Company shall refer the subject matter of the vote to the Company's member(s), on a poll (subject to OIHL Bye-laws 38-42 (inclusive)) and seek authority from such member(s) for the Company's corporate representative or proxy to vote for or against (as the case may be) the resolution proposed by such subsidiary of the Company. The Directors shall cause the Company's corporate representative or proxy to vote the Company's shares in the subsidiary pro rata to the votes received at the general meeting of the Company, with votes for or against the directing resolution being taken, respectively, as an instruction for the Company's corporate representative or proxy to vote the appropriate proportion of its shares for

and the appropriate proportion of its shares against the resolution proposed by the subsidiary. The Directors shall have authority to resolve any ambiguity.

5.2.2 The Directors in their discretion shall require that the bye-laws or articles of association or similar organisational documents of each subsidiary of the Company, organised under the laws of a jurisdiction outside the United States of America, other than any non-U.S. subsidiary that is a direct or indirect subsidiary of a U.S. Person (as defined in the Internal Revenue Code of 1986, as amended, of the United States of America), shall contain provisions substantially similar to Standard Article 5.2.1 and this Standard Article 5.2.2. The Company shall enter into agreements, as and when determined by the Directors, with each such subsidiary, only if and to the extent reasonably necessary and permitted under applicable law, to effectuate or implement this Standard Article 5.2.2.

5.3 On a show of hands and on a poll:

5.3.1 every member who is present in person, by a duly authorised representative or by proxy (as the case may be) shall have one vote for every share of which he is the holder,

5.3.2 a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way, and

5.3.3 votes may be given either personally or by proxy and a member may appoint more than one proxy to attend on the same occasion. Deposit of an instrument of proxy does not preclude a member from attending and voting at the meeting or at any adjournment of it.

5.4 An instrument appointing a proxy must be in writing (a "**proxy notice**") in any usual form or in any other form which the directors may approve and must:

5.4.1 state the name and address of the member appointing the proxy (the "**appointor**"),

5.4.2 identify the person or persons appointed to be the appointor's proxy and the general meeting in relation to which that person is appointed,

5.4.3 in the case of the appointment of more than one proxy, state the whole number of shares in respect of which each proxy is to be appointed,

5.4.4 be executed by or on behalf of the appointor, and

5.4.5 be delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.

Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

Unless a proxy notice indicates otherwise, it must be treated as allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

5.5 A corporation (whether or not a company within the meaning of the Act) which is a member may by resolution of its directors or other governing body authorise such a person or persons as it thinks fit to act as its representative or, as the case may be, representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. The corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person

so authorised is present at it and all references to attendance and voting in person shall be construed accordingly. A Director, the Secretary or some person authorised for the purpose by the Secretary may require the representative to produce a certified copy of the resolution so authorising him before permitting him to exercise his powers.

5.6 Where the corporation authorises more than one person and more than one of them purport to exercise their power

5.6.1 if they purport to exercise their power in the same way, the power is treated as exercised in that way, or

5.6.2 if they do not purport to exercise their power in the same way, the power is treated as not exercised

5.7 Unless a poll is duly demanded (and such a demand is not subsequently withdrawn) a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution and, an entry to that effect in the minutes of the meeting, shall also be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

5.8 For resolutions in writing sent or circulated to any member whose signature is required under the Act

5.8.1 subject to these Articles and to the 2006 Act, 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 may, without a meeting be done by resolution in writing in accordance with this Standard Article,

5.8.2 notice of a resolution in writing shall be given, and a copy of the resolution shall be circulated, in accordance with Section 291 of the 2006 Act, to all members who would be entitled to attend a meeting and vote thereon on the circulation date of such resolution. The accidental omission to give notice to, or the non-receipt of a notice by, any member does not invalidate the passing of a resolution in writing,

5.8.3 a resolution in writing of the members is passed when it is signed by, or in the case of a member that is a corporation, on behalf of, the members who on the circulation date of the notice represent such majority of votes as would be required if the resolution was voted on at a meeting of members at which all members entitled to attend and vote thereat were present and voting, and

5.8.4 the effective date of the resolution is the date when the resolution is signed by, or in the case of a member that is a corporation, on behalf of, the last member whose signature results in the necessary voting majority being achieved and any reference in any Article to the date of passing of a resolution is, in relation to a resolution made in accordance with this Standard Article, a reference to such date

A resolution in writing made in accordance with this Standard Article 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, as the case may be, and any reference in any Article to a meeting of members at which a resolution is passed or to members voting in favour of a resolution shall be construed accordingly and such resolution in writing may consist of several instruments in the like form each executed by or on behalf of one or more members

## 6 Powers of Directors

Subject to the provisions of the Act, the Company's memorandum of association and these Articles and to any directions given by special resolution and to the provisions of any agreement between the Company and some or all of its Members (being an agreement

additional to these Articles), the Board of Directors of the Company has responsibility for the supervision and management of the Company and its business

7 Appointment, minimum age and retirement of Directors

7.1 There shall be a maximum of four Directors and a minimum of two Directors on the Board of the Company

7.2 The Directors are not subject to retirement by rotation. Regulations 73 to 77 inclusive of Table A do not apply and all references in Table A to retirement by rotation shall be disregarded

7.3 The minimum age for any Director of the Company shall be sixteen (16) years old but subject to this, any person may be appointed as a Director whatever may be his age. No Director shall be required to vacate his office as a Director, nor shall any person be ineligible for appointment as a Director, by reason of his having attained any particular age

7.4 Subject to Standard Article 8, the Member(s) removing a Director shall indemnify and keep indemnified the Company against any claim connected with the Director's removal from office

8 Disqualification and removal of Directors

8.1 The office of a Director shall be vacated if

- (i) he ceases to be a Director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director of a company, or
- (ii) he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
- (iii) he is, or may be, suffering from mental disorder and either
  - (A) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  - (B) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, or
- (iv) he resigns his office by notice in writing to the Company, or
- (v) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated, or
- (vi) in the case of a person who is also an employee of the Company or another Group Company, he ceases to be such an employee and the Directors resolve that his office be vacated, or
- (vii) he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated, or
- (viii) all the other Directors unanimously resolve that his office be vacated, or
- (ix) he shall be suspended or disqualified from being a director of any corporate member of Lloyd's or from any company associated with a corporate member of Lloyd's or is found guilty of misconduct under the Enforcement Byelaw (No 6 of 2005) as amended from time to time

9      Remuneration of Directors

The Directors shall not be entitled to any remuneration unless the Company by special resolution shall otherwise determine

10      Directors' Interests

10 1      Subject to Standard Article 10 4 and without prejudice to the obligation of any Director to disclose his interest in accordance with Sections 177 or 182 (as applicable) of the 2006 Act, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in respect of which he has, directly or indirectly, an interest or duty. The Director must be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote must be counted

10 2      Subject to the provisions of Part 10 of the 2006 Act (as applicable), and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with Sections 177 or 182 (as applicable) of the 2006 Act, a Director notwithstanding his office and notwithstanding such interest (whether or not such interest conflicts with that of the Company)

10 2 1      may be a party to, or otherwise interested in, any transaction or arrangement with the Company (whether proposed or already entered into by the Company) or in which the Company is otherwise interested,

10 2 2      may hold any other office or place of profit for the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Directors may arrange, either in addition to or in lieu of any remuneration provided for by any other Article,

10 2 3      may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment, or any other direct or indirect subsidiaries of OIHL,

10 2 4      shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement with or from any interest in any such body corporate, or any other direct or indirect subsidiaries of OIHL, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and

10 2 5      may retain for his own benefit all profits and advantages accruing to him from any such interest to the extent that such interest has been declared as aforesaid

10 3      For the purposes of Standard Articles 10 1 and 10 2

10 3 1      a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified body corporate or firm, or specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified, and

10 3 2      an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

10 4      A Director must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company unless

- 10 4 1 the conflict of interest arises in relation to a transaction or arrangement with the Company, which conflict of interest shall be governed by Standard Articles 10 1 to 10 3 inclusive, or
- 10 4 2 the situation cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- 10 4 3 the matter has been authorised by the "**Independent Directors**" (being the Directors of the Company other than the Director in question and any other interested Director) at a meeting where only the Independent Directors present shall be counted in the quorum present and where only the votes of such Independent Directors shall be counted at such meeting

11 Proceedings of Directors

- 11 1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors and a meeting shall not be properly convened unless notice of it has been given to each Director. It shall be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be prospective or retrospective. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.
- 11 2 The quorum for the transaction of the business of the Directors may be fixed by the Directors at any number (not being less than two) or, unless so fixed at any other number, shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.
- 11 3 The Directors may appoint one of their number to be the chairman of the Board of Directors and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present. If there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.
- 11 4 A resolution in writing signed or approved by letter, telex or facsimile transmission by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and, when signed or approved as aforesaid, may consist of several documents in the like form each signed by one or more Directors, but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.
- 11 5 The Board, or a committee of the Board, may (subject to any restrictions within these Articles) hold meetings by telephone either by conference telephone connection(s) or by a series of telephone conversations. The views of the Board, or a committee of the Board, as ascertained by such telephone conversations or facsimile transmissions and communicated to the chairman shall be treated as votes in favour of or against a particular resolution (as appropriate). A resolution passed at any meeting held in this manner and signed by the chairman shall be as valid and effectual as if it had been passed at a meeting of the Board or, as the case maybe, of that committee duly convened and held. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting is then present.

12 Secretary

The Company is not required to have a secretary, but the Directors may at their sole discretion appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them

13 Change of Name

With effect from 1 October 2009, the Company may change its name by ordinary resolution

14 Dividends

**Declaration of dividends**

- 14 1 Subject to the provisions of the Act and of these Articles, the Company may by ordinary resolution declare dividends to be paid to the members according to their respective rights and interests in the profits of the Company, but no such dividend shall exceed the amount recommended by the Directors

- 14 2 Except as otherwise provided by the rights attached to Shares, dividends may be declared or paid in any currency. The Directors may agree with any member that dividends which may at any time or from time to time be declared or become due on his Shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved

**Fixed and interim dividends**

- 14 3 Subject to the provisions of the Act, if and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit

**Profits available for distribution**

- 14 4 No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Act

**Dividends bear no interest**

- 14 5 No dividend or other moneys payable by the Company on or in respect of a Share shall bear interest as against the Company unless otherwise provided by the rights attached to the Shares

**Calls or debts may be deducted from dividends**

- 14 6 The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a Share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to Shares of the Company

**Unclaimed dividends**

- 14 7 All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a Share into a separate account shall not constitute the Company as a trustee in respect of such moneys. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company

**Retention of dividend**



- 14 8 The Directors may retain any dividend or other monies payable on or in respect of a Share on which the Company has a lien and may apply the same in or towards satisfaction of the debts or other liabilities in respect of which the lien exists

#### **Uncashed dividends**

- 14 9 If cheques, warrants or orders for dividends or other moneys payable in respect of a Share sent by the Company to the person entitled to it are returned to the Company or left uncashed on two consecutive occasions the Company shall not be obliged to send any dividends or other moneys payable in respect of that Share due to that person until he notifies the Company of an address to be used for the purpose

#### **Payment of dividends in specie**

- 14 10 The Company may, upon the recommendation of the Directors, by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other body corporate) and the Directors shall give effect to such resolution, and, where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates (or ignore fractions), may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors

#### **Method of payment of dividends**

- 14 11 Any dividend or other moneys payable in cash on or in respect of a Share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto (or, if two or more persons are registered as joint holders of the Share or are entitled thereto in consequence of the death or bankruptcy of the holder or otherwise by operation of law, to the registered address of the person whose name stands first in the Register) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to, or to the order of, the person to whom it is sent, or to such person as the holder or joint holders or person or persons entitled to the Share in consequence of the death or bankruptcy of the holder may direct, and payment of the cheque or warrant by the bank upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system, or such other means and to or through such person as the holder or joint holders may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions

#### **15 Company Seal**

- 15 1 If the Company has a common seal and it is affixed to a document, the document must also be signed by one authorised person in the presence of a witness who attests the signature

- 15 2 For the purposes of this Standard Article, an "authorised person" is

15 2 1 any Director of the company, or

15 2 2 the company secretary (if any), or

15 2 3 any other person authorised by the Directors for the purpose of signing documents to which a company seal is applied

- 15 3 If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the Directors
- 15 4 If the Company has a securities seal, it may only be affixed to securities by an authorised person
- 15 5 For the purposes of these Articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the Directors in relation to that document or documents of a class to which it belongs

16 Indemnity

So far as may be permitted by the 2006 Act and subject as mentioned below but without prejudice to any indemnity to which he may be otherwise entitled, every Director, alternate Director, Secretary or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as an auditor) shall be indemnified by the Company out of its own funds against (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company other than any liability of the kind referred to in sections 234(2), (3) and (4) and Section 235(3) of the 2006 Act, and (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Such indemnity shall not, however, extend to any liability incurred by or attaching to that person as a result of his own fraud or wilful default but shall extend to other liabilities arising after he ceased to be Director, alternate Director, Secretary or other officer in respect of acts or omissions when he was a Director, alternate Director, Secretary or other officer. Where a person is indemnified in accordance with this paragraph such indemnity shall extend to all reasonable costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

## Part II – Special Articles

Special Article 1 will come into effect on 1 October 2009

1 The Company's objects are -

- (a) To apply to the Council of Lloyd's for underwriting membership of Lloyd's, to employ funds and engage the services of a Members' Agent, Licenced Lloyd's Adviser, Sponsor, Legal Adviser and Auditor together with such other personnel, agents or advisers as the Council prescribes in connection with such application, upon admission to membership of Lloyd's to carry on insurance and reinsurance business as a member of Lloyd's and to invest any income or capital of the Company not immediately required in connection with the Company's underwriting at (or membership of) Lloyd's,
- (b) Before and after admission to membership of Lloyd's, to borrow or raise money in any manner for the purposes of the Company and (subject always to the Byelaws, regulations and directions of Lloyd's and to any other conditions and requirements prescribed by the Council of Lloyd's from time to time) to give security of whatsoever nature for there payment thereof, whether by the issue of debentures, debenture stock, mortgages, bonds or other instruments,
- (c) Subject always to the consent of the Council of Lloyd's, to undertake all such other things as are directly ancillary to the attainment of such objects subject to such limitations as the Council of Lloyd's may from time to time prescribe for as long as the Company remains a member of Lloyd's,
- (d) To invest and deal with the monies of the Company in such shares or upon such securities and in such manner as from time to time may be determined,
- (e) To purchase or otherwise acquire, take over and undertake all or any part of the business, property (including, without prejudice to the foregoing, underwriting capacity of another member of Lloyd's), liabilities and transactions of any person, firm or company carrying on any business the carrying on of which is calculated to benefit this Company or to advance its interests, or become possessed of property suitable for the purposes of the Company,
- (f) To sell, improve, manage, develop, turn to account, let on rent or royalty or share of profits or otherwise, grant licences or easements or other rights in or over, or in any other manner deal with or dispose of the undertaking and all or any of the property and assets (including its underwriting capacity at Lloyd's) for the time being of the Company for such consideration as the Company may think fit,
- (g) To subscribe for, take, purchase or otherwise acquire either for cash, shares or debentures in this Company or any other consideration any other company or business which, in the opinion of the Company, may be carried on so as directly or indirectly to benefit the Company,
- (h) To sell or otherwise dispose of the whole or any part of the business or property of the Company for any consideration, shares or debentures as the Company may think fit,
- (i) To lend and advance money or give credit on any terms and with or without security to any company, firm or person (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any company, firm or person (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid),
- (j) To borrow or raise money in any manner and to secure the repayment of any money borrowed raised, or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its

uncalled capital and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it,

- (k) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments,
- (l) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade, HM Treasury or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests,
- (m) To support and subscribe to any funds and to subscribe to or assist in the promotion of any charitable, benevolent or public purpose or object for the benefit of the Company or its employees, directors or other officers past or present and to grant pensions to such persons or their dependants,
- (n) To distribute among the members of the Company in kind any property of the Company of whatever nature,
- (o) To pay all or any expenses in connection with the promotion, formation and incorporation of the Company, or to contract with any company, firm or person to pay the same, and to pay commission to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company, and
- (p) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them

And it is hereby declared that, save as otherwise expressly provided, each of the paragraphs of this Special Article shall be regarded as specifying separate and independent objects and accordingly shall not be in any way limited by a reference to or inference from any other paragraph or the name of the Company and the provisions of each such paragraph shall, save as aforesaid, be carried out in as full and ample a manner and construed in as wide a sense as if each of the paragraphs defined the objects of a separate and distinct company

## APPENDIX 1

### OIHL Bye-laws 1 and 38-42 (inclusive)

#### OIHL Bye-law 1

#### 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 Bermuda Companies Act 1981, as amended from time to time,
Admission	the first occurring admission of any class of share in the capital of the Company to trading on AIM becoming effective pursuant to the AIM Rules or to the Official List of the UK Listing Authority and to trading on London Stock Exchange plc's market for listed securities,
AIM	AIM, a market operated by the London Stock Exchange plc,
AIM Rules	rules of the London Stock Exchange plc governing the admission to and the operation of AIM,
Alternate Director	an alternate director appointed in accordance with these Bye-laws,
Attribution Percentage	with respect to a Member, the percentage of the Member's shares that are treated as Controlled Shares of a Tentative 9.5% U.S. Shareholder,
Auditor	includes an individual or partnership,
Board	the board of directors 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,
City Code	The City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel or any successor to or replacement thereof from time to time issued by or on behalf of the Panel or, for the avoidance of doubt, any successor thereto or replacement body thereof,

Code	the Internal Revenue Code of 1986, as amended, of the United States of America,
Company	the company for which these Bye-laws are approved and confirmed,
Controlled Shares	all shares of the Company directly, indirectly or constructively owned by a person as determined pursuant to section 958 of the Code and Treasury Regulations promulgated thereunder and under section 957 of the Code,
Depository	any person who is a member in the Company by virtue of holding shares in the Company as trustee for those individuals who have elected to hold shares in the Company in dematerialised form though depository interests,
Employee Share Schemes	any employees' share scheme which the Company shall from time to time adopt including, without limitation, the Omega Insurance Holdings Limited Long Term Incentive Plan and the Omega Insurance Holdings Limited Executive Share Option Plan,
Director	a director of the Company and shall include an Alternate Director,
Group	the Company and every company and other entity which is for the time being controlled by or under common control with the Company (for these purposes, "control" means the power to direct management or policies of the person in question, whether by means of an ownership interest or otherwise),
Indirect	when referring to a holder or owner of shares, ownership of shares within the meaning of section 958(a)(2) of the Code,
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,
9 5% U S Shareholder	a "United States person" as defined in the Code (a "U S Person") whose Controlled Shares constitute nine and one-half percent (9 5%) or more of the voting power of all issued shares of the

	Company and who generally would be required to recognize income with respect to the Company under section 951(a)(1) of the Code, if the Company were a controlled foreign corporation as defined in section 957 of the Code and if the ownership threshold under section 951(b) of the Code were 9.5%,
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,
Panel	means the Panel on Takeovers and Mergers in the United Kingdom, and any successor thereof or replacement body thereto,
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,
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 of the duties of the Secretary,
Special Resolution	a resolution passed by a majority of not less than three-fourths of such Members as (being entitled to do so) vote in person or by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a special resolution has been duly given,
Tentative 9.5% U.S. Shareholder	a U.S. Person that, but for adjustments or restrictions on exercise of the voting power of shares pursuant to Bye-laws 38-42 (inclusive), would be a 9.5% U.S. Shareholder, and
12	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, and
  - (e) 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

#### **OIHL Bye-laws 38-42**

### **VOTES OF MEMBERS**

#### **38 Adjustment of Voting Power**

- 38 1 The voting power of all shares is hereby adjusted (and shall be automatically adjusted in the future) to the extent necessary so that there is no 9 5% U S Shareholder The Board shall implement the foregoing in the manner provided herein, provided however, that the foregoing provision and the remainder of this Bye-law 38 shall not apply in the event that one Member owns greater than 75% of the voting power of the issued shares of the Company determined without applying the voting power adjustments or eliminations under Bye-laws 38-42 (inclusive)
- 38 2 The Board shall from time to time, including prior to any time at which a vote of Members is taken, take all reasonable steps necessary to ascertain, including those specified in Bye-law 42, through communications with Members or otherwise, whether there exists, or will exist at the time any vote of Members is taken, a Tentative 9 5% U S Shareholder
- 38 3 In the event that a Tentative 9 5% U S Shareholder exists, the aggregate votes conferred by shares held by a Member and treated as Controlled Shares of that Tentative 9 5% U S Shareholder shall be reduced to the extent necessary such that the Controlled Shares of the Tentative 9 5% U S Shareholder will constitute less than 9 5% of the voting power of all issued and outstanding shares In applying the previous sentence where shares held by more than one Member are treated as Controlled Shares of such Tentative 9 5% U S Shareholder, the reduction in votes shall apply to such Members in descending order according to their respective Attribution Percentages, provided that, in the event of a tie, the reduction shall apply pro rata to such Members The votes of Members owning no shares treated as Controlled Shares of any Tentative 9 5% U S Shareholder shall, in the aggregate, be increased by the same number of votes subject to reduction as described above provided however that no shares shall be conferred votes to the extent that doing so will cause any person to be treated as a 9 5% U S Shareholder Such increase shall be apportioned to all such Members in proportion to their voting power at that time, provided that such increase shall be limited to the extent necessary to avoid causing any person to be a 9 5% U S Shareholder The adjustments of voting power described in this Bye-law shall apply repeatedly until there is no 9 5% U S Shareholder The Board of Directors may deviate from any of the principles described in this Bye-law and determine that shares held by a Member shall carry



different voting rights as it determines appropriate (1) to avoid the existence of any 9.5% U.S. Shareholder or (2) to avoid adverse tax, legal or regulatory consequences to the Company, any subsidiary of the Company, or any direct or indirect holder of shares or its affiliates. For the avoidance of doubt, in applying the provisions of Bye-laws 38-42 (inclusive), a share may carry a fraction of a vote.

39 Other Adjustments of Voting Power

In addition to the provisions of Bye-law 38, any shares shall not carry any right to vote to the extent that the Board of Directors determines that it is necessary that such shares should not carry the right to vote in order to avoid adverse tax, legal or regulatory consequences to the Company, any subsidiary of the Company, or any other direct or indirect holder of shares or its affiliates, provided that no adjustment pursuant to this sentence shall cause any person to become a 9.5% U.S. Shareholder.

40 Notice

Prior to the meeting on which Members shall vote on any matter (or prior to any vote in the case of notification to Members specified in item (3) of this Bye-law), the Board may, in its sole discretion, (1) retain the services of an internationally recognized accounting firm or organization with comparable professional capabilities in order to assist the Company in applying the principles of Bye-laws 38 and 39 and (2) obtain from such firm or organization a statement describing the information obtained and procedures followed and setting forth the determinations made with respect to Bye-laws 38 and 39, and (3) notify in writing or orally each Member of the voting power conferred by its shares determined in accordance with Bye-laws 38 and 39. For the avoidance of doubt, any failure by the Board to take any of the actions described in this Bye-law 40 shall not invalidate any votes cast or the proceedings at the meeting.

41 Board Determination Binding

Any determination by the Board as to any adjustments or eliminations of voting power of any shares made pursuant to Bye-laws 38-42 (inclusive) shall be final and binding and any vote taken based on such determination shall not be capable of being challenged solely on the basis of such determination.

42 Requirement to Provide Information and Notice

42.1 The Board shall have the authority to request from any direct or indirect holder of shares, and such holder of shares shall provide, such information as the Board may reasonably request for the purpose of determining whether any holder's voting rights are to be adjusted. If such holder fails to respond to such a request, or submits incomplete or inaccurate information in response to such a request, the Board may determine in its sole discretion that such holder's shares shall carry no voting rights in which case such holder shall not exercise any voting rights in respect of such shares until otherwise determined by the Board.

42.2 Any direct or indirect holder of shares shall give notice to the Company within ten days following the date that such holder acquires actual knowledge that it is the direct or indirect holder of Controlled Shares of 9.5% or more of the voting power of all issued shares of the Company (without giving effect to voting power adjustments or eliminations under Bye-laws 38-42 (inclusive)).

42.3 Notwithstanding the foregoing, no Member shall be liable to any other Member or the Company for any losses or damages resulting from such Member's failure to respond to, or submission of incomplete or inaccurate information in response to, a request under Bye-law 42.1 or from such Member's failure to give notice under Bye-law 42.2.

- 42.4 Any information provided by any Member to the Company pursuant to this Bye-law 42 or for purposes of making the analysis required by Bye-laws 38 and 39, shall be deemed "confidential information" (the "Confidential Information") and shall be used by the Company solely for the purposes contemplated by such Bye-laws (except as may be required otherwise by applicable law or regulation). The Company shall hold such Confidential Information in strict confidence and shall not disclose any Confidential Information that it receives, except (i) to the U.S. Internal Revenue Service (the "Service") if and to the extent the Confidential Information is required by the Service, (ii) to any outside legal counsel or accounting firm engaged by the Company to make determinations regarding the relevant Bye-laws or (iii) as otherwise required by applicable law or regulation.
- 42.5 For the avoidance of doubt, the Company shall be permitted to disclose to the Members and others the relative voting percentages of all Members after application of Bye-laws 38-42 (inclusive). At the written request of a Member, the Confidential Information of such Member shall be destroyed or returned to such Member after the later to occur of (i) such Member no longer being a Member or (ii) the expiration of the applicable statute of limitations with respect to any Confidential Information obtained for purposes of engaging in any tax-related analysis.

**THE COMPANIES ACT 1985 AS AMENDED**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**-OF-**

**OMEGA DEDICATED (NO. 2) LIMITED**  
**(the "Company")**

**Adopted on 20 May 2010**

**INTERPRETATION**

In these Articles -

- "the 1985 Act" means the Companies Act 1985 as amended,
- "the 2006 Act" means the Companies Act 2006 as amended,
- "Table A" means Table A as prescribed by regulations made under Section 8 of the 1985 Act in force as at the date of adoption of these Articles

**PART I – STANDARD ARTICLES**

**PRELIMINARY**

- 1 The Company is a private company and the regulations contained or incorporated in Table A shall apply to the Company except to the extent that they are varied by or are inconsistent with these Articles which together with the said regulations shall constitute the Articles of Association of the Company and provided that references therein to
- (1) "the Act" shall mean the 1985 Act and/or the 2006 Act (as applicable) including any statutory modification or re-enactment thereof for the time being in force,
- (2) "memorandum" shall, with effect from 1 October 2009, mean such provisions of the Company's memorandum of association which are to be treated in accordance with Section 28 of the 2006 Act as provisions of the Company's articles of association, and
- (3) an "extraordinary resolution" shall mean a special resolution
- 2 The following regulations of Table A shall not apply to the Company 8, 12, 23, 24, 25, 30, 31, 32, 34 to 38 inclusive, 40, 41, 45, 47, 53, 54, 59, 60, 61, 64, 65, 67, 68, 73 to 80 inclusive, 85, 86, 89, 93 to 99 inclusive, 101 and 118 Regulation 26 of Table A shall not apply to the Company with effect from 1 October 2009

## **SHARE CAPITAL**

- 3 The share capital of the Company at the date of adoption of these Articles is £30,000 divided into 30,000 Ordinary Shares of £1 00 each
- 4 (1) Subject to the provisions of Sub-Article (2) below and to any directions which may be given by the Company in general meeting, the directors may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of Section 80(2) of the 1985 Act) and without prejudice to the generality of the foregoing any authorised but unissued shares at the date of adoption of these Articles and any shares hereafter created shall be under the control of the directors, who may allot, grant options or create subscription or conversion rights over, deal with or otherwise dispose of the same to such persons (including the directors themselves) on such terms and at such times as they may think proper, provided that no shares shall be issued at a discount
- (2) The maximum nominal amount of share capital which the directors may allot, grant options or create subscription or conversion rights over, deal with or otherwise dispose of in accordance with this Article 4 shall be the amount of the authorised but as yet unissued share capital of the Company at the date of the adoption of these Articles or such other amount as shall be authorised by the Company in general meeting
- (3) The authority conferred on the directors by this Article 4 is given for an indefinite period pursuant to Section 80(A)(2)(a) of the 1985 Act

The provisions of Sections 89(1) and 90(1) to (6) of the 1985 Act shall not apply to the Company

- 5 With effect from 1 October 2009, as long as the Company remains a private company with only one class of shares, the directors may unconditionally exercise any power of the Company to allot shares of that class or to grant rights to subscribe for or to convert any security into such shares in the maximum amount of the authorised but as yet unissued share capital of the Company at the relevant time, deal with or otherwise dispose of the same to such persons (including the directors themselves) on such terms and at such times as they may think proper and as if Section 561 (existing shareholders' right of pre-emption) of the 2006 Act did not apply to any such allotment or grant, provided that no shares shall be issued at a discount

## **ALTERATION OF SHARE CAPITAL**

- 6 The Company may by ordinary resolution or in any other way permitted by the Act
- (1) increase its share capital by new shares of such amount as the resolution prescribes,
- (2) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- (3) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others,

- (4) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled, and
- (5) alter its share capital in any other way permitted by the Act

Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account and, with effect from 1 October 2009, any redenomination reserve in any way

#### **REDEMPTION OR PURCHASE BY THE COMPANY OF ITS OWN SHARES OUT OF CAPITAL**

- 7 Subject to Sections 171 to 181 inclusive of the 1985 Act and (with effect from 1 October 2009) to Sections 709 to 723 inclusive of the 2006 Act the Company shall be entitled to redeem or purchase the shares of the Company out of capital (within the meaning of Section 171(2) of the 1985 Act and (with effect from 1 October 2009) of Section 709(2) of the 2006 Act)

#### **LIEN, CALLS ON SHARES AND FORFEITURE**

- 8 (1) The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share or otherwise owing to the Company by the holder thereof. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.
- (2) Subject to the terms of allotment and except as agreed between the Company and any member in the case of the shares held by him, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

#### **TRANSFER OF SHARES**

- 9 The instrument of transfer of any share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor who shall be deemed to remain the holder of such share until the name of the transferee is entered in the register of members in respect thereof and the directors may refuse to register the transfer of a share (i) on which the Company has a lien or (ii) unless the certificate of such share and other evidence satisfactory to the directors of the right to make the transfer is produced to the directors. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal and, comply with Section 771 of the 2006 Act (Regulations 23 and 25 of Table A do not apply).

- 10
- (1) The directors shall register a transfer of a share in the Company if (and only if) it is a transfer to the Company or is made in accordance with this Article 10 or Article 11 below (Regulation 24 of Table A does not apply)
  - (2) A share may be transferred to any person approved in writing by the holders of the majority of the shares in the Company for the time being in issue (including the transferor of the share being transferred)
  - (3) Except as set out in Sub-Article (2) above any person wishing to transfer all or any shares in the Company held by him shall give the directors notice in writing of his wish to do so ("**Transfer Notice**") and shall specify the shares proposed to be transferred ("**Transfer Shares**")
  - (4) The Transfer Notice shall constitute irrevocable authority to the directors (except as this Article 10 provides otherwise) to offer the Transfer Shares for sale at their fair value on behalf of the person giving such notice ("**the Intending Transferor**")
  - (5) The fair value of the Transfer Shares shall be fixed by agreement between the Intending Transferor and the directors or, failing agreement, shall be such sum as a chartered accountant (who may be the auditor) appointed by the directors and the Intending Transferor (or failing whom a chartered accountant (who may be the auditor) nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales) may determine and certify to be the fair value thereof
  - (6) When a chartered accountant ("**the Valuer**") shall make a determination of fair-value for the purposes of this Article 10 he shall act as an expert and not as an arbitrator. The Valuer shall have regard to such matters relating to the affairs of the Company as he may in his discretion think fit and neither the Intending Transferor nor the directors shall be entitled to inquire into or challenge the basis on which the valuation was made. The Valuer's fees shall, to the extent permitted by law, be borne by the Company except as provided by Sub-Article (7) below
  - (7) As soon as practicable after issue of a Valuer's certificate the directors shall notify the Intending Transferor of the fair value thereby determined and the Intending Transferor shall then be entitled, by written notice given to the directors within 7 days of receipt of such notification, to withdraw his Transfer Notice (which withdrawal shall determine the directors' authority to offer the Transfer Shares for sale) in which case he shall be liable to pay (or to reimburse to the Company) the Valuer's fees
  - (8) Save where a Transfer Notice is validly withdrawn pursuant to Sub-Article (7) above the directors shall, within 21 days after the fair value of the Transfer Shares has been fixed by agreement or valuation, offer the Transfer Shares in writing to the members of the Company other than the Intending Transferor in proportion to the numbers of shares in the Company then held by them and shall enquire of each member whether he wishes to acquire any Transfer Shares not taken up by the persons to whom they are first being offered. Any Transfer Shares not accepted within 14 days (or such extended period not exceeding 28 days in all as the directors may fix) by the person to whom they were first offered shall then be offered to those members who have expressed an interest in acquiring the same to the intent that no Transfer Shares shall be available for transfer to any person who is not already a

member of the Company while any existing member is willing to take up and pay for them and to the further intent that as between the members competing for Transfer Shares on offer such Transfer Shares shall be allocated between the competing members in proportion to the numbers of shares in the Company already held by them

- (9) If the directors have not found purchasers among the members of the Company for all the Transfer Shares within 56 days after their fair value has been fixed by agreement or by valuation the directors shall immediately give notice of that fact to the Intending Transferor and shall advise him of the names and addresses of the members (if any) who have notified their willingness to purchase some of the Transfer Shares. Within 14 days of such notice the Intending Transferor shall be entitled at his election -
- (a) to revoke the Transfer Notice, in which event all previous offers and acceptances of the Transfer Shares shall be null and void and the directors' authority to offer the same shall be determined, or
  - (b) to affirm the sales (if any) of those Transfer Shares for which purchasers were found by the directors, in which event the Intending Transferor shall be entitled at any time within the ensuing six months to transfer the unsold balance of the Transfer Shares to any person whether a member of the Company or not at such price and on such terms as he may think fit, or
  - (c) to declare null and void the sales effected by the directors in which event the Intending Transferor shall be entitled at any time within the ensuing six months to sell all the Transfer Shares as a block (but not otherwise) to any person at any price (being not less than the fair value) he may think fit

If the Intending Transferor fails to give written notice of his election to the directors within the said 14 day period he shall be deemed to have elected in accordance with (b) above to affirm those sales which the directors have effected on his behalf

- (10) Where the directors have sold any Transfer Shares in accordance with the foregoing procedure (and unless such sales are properly nullified) the Intending Transferor shall transfer such shares to the purchaser thereof against payment of the fair value and if he neglects or refuses to do so the directors shall authorise some person as the attorney of the Intending Transferor to execute a transfer of the shares to the purchaser thereof and the directors may themselves receive and give a good receipt for the purchase price and register the purchaser as holder of the shares whereupon the said purchaser shall become indefeasibly entitled thereto. In such case the Intending Transferor shall be obliged to deliver up the certificate for the shares so sold against delivery whereof he shall be entitled to receive the purchase price without interest and a balance certificate for the unsold shares (if any) comprised within the certificate so surrendered

#### **TRANSMISSION OF SHARES**

- 11 (1) A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the directors and if the holders of

the majority of the shares in the Company for the time being in issue consent thereto in writing (the person so entitled being treated for this purpose as holder of the share registered in the name of the deceased or bankrupt member as the case may be), elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, subject in each case to Articles 9 and 10 above

- (2) If the person so becoming entitled does not transfer the share in accordance with Sub-Article (1) above, he shall be entitled to give a Transfer Notice in respect of such share and he shall be obliged to give a Transfer Notice in respect thereof if the directors require him to do so. If the said person has not given a Transfer Notice within 30 days of being required by the directors to do so the directors shall be authorised to appoint one of their number to give such Transfer Notice on his behalf. Upon the giving (or deemed giving) of a Transfer Notice in accordance with this Sub-Article (2) the procedure for the transfer of shares set out in Article 10 above shall apply but if upon completion of the transfer procedure such share shall remain unsold the said person may elect to register himself as holder thereof
- (3) Until such time as the share shall have been transferred under Sub-Articles (1) or (2) above a person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company (Regulations 30 and 31 of Table A do not apply)

#### **CALLING AND NOTICE OF GENERAL MEETINGS**

- 12 (1) The Directors may call general meetings and, on the requisition of members pursuant to the provisions of the 2006 Act, shall forthwith proceed to convene a general meeting for a date not later than 28 days after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any member of the company may call a general meeting
- (2) A general meeting must be called by at least 14 clear days' notice. A general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 90 per cent in nominal value of the shares giving that right

The notice must specify the time and place of the meeting and the general nature of the business to be transacted

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice must be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 13 No business shall be transacted at any meeting unless a quorum is present. Two persons (or one person if and for so long as the Company has a sole shareholder) entitled to vote upon the business to be transacted, (each) being a member or a proxy



for a member or a duly authorised representative of a corporation, shall be a quorum. If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine. If a quorum is not present within half an hour from the time appointed for resumption of the meeting, such meeting shall be deemed dissolved.

- 14 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. It shall not be necessary to give any notice of adjournment or of any business to be transacted at an adjourned meeting notwithstanding the length of such adjournment (Regulation 45 of Table A does not apply).

#### **PROXIES & CORPORATE REPRESENTATIVES**

- 15 (1) An instrument appointing a proxy must be in writing (a "proxy notice") in any usual form or in any other form which the directors may approve and must
- (a) state the name and address of the member appointing the proxy (the "appointor"),
  - (b) identify the person or persons appointed to be the appointor's proxy and the general meeting in relation to which that person is appointed,
  - (c) in the case of the appointment of more than one proxy, state the whole number of shares in respect of which each proxy is to be appointed,
  - (d) be executed by or on behalf of the appointor, and
  - (e) be delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

Unless a proxy notice indicates otherwise, it must be treated as allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself (Regulations 60 and 61 of Table A do not apply).

- (2) An instrument of proxy which has not been deposited as required by Regulation 62 of Table A shall nonetheless be treated as valid if before the close of business of the meeting at which the person named in the instrument proposed to vote the instrument of proxy is produced to the chairman of such meeting (Regulation 62 of Table A shall be deemed modified accordingly).

- 16 A corporation (whether or not a company within the meaning of the Act) which is a member may by resolution of its directors or other governing body authorise such a person or persons as it thinks fit to act as its representative or, as the case may be, representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares. Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. The corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present at it and all references to attendance and voting in person shall be construed accordingly. A director, the secretary or some person authorised for the purpose by the secretary may require the representative to produce a certified copy of the resolution so authorising him before permitting him to exercise his powers.
- 17 Where the corporation authorises more than one person and more than one of them purport to exercise their power
- (1) if they purport to exercise their power in the same way, the power is treated as exercised in that way, or
  - (2) if they do not purport to exercise their power in the same way, the power is treated as not exercised

#### **VOTES OF MEMBERS**

- 18 On a show of hands and on a poll
- (1) every member who is present in person, by a duly authorised representative or by proxy (as the case may be) shall have one vote for every share of which he is the holder,
  - (2) a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way, and
  - (3) votes may be given either personally or by proxy and a member may appoint more than one proxy to attend on the same occasion. Deposit of an instrument of proxy does not preclude a member from attending and voting at the meeting or at any adjournment of it
- 19 Unless a poll is duly demanded (and such demand is not subsequently withdrawn) a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution and, an entry to that effect in the minutes of the meeting, shall also be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution
- 20 Notwithstanding any other provision of these Articles to the contrary
- (1) if and for so long as the voting rights of any shares of the Company's ultimate parent company, Omega Insurance Holdings Limited ("OIHL"), are adjusted pursuant to OIHL Bye-laws 38-42 (inclusive) as set out in Appendix 1 hereto, and

- (2) if the Company is required or entitled to vote at a general meeting of any direct non-U S subsidiary of the Company,

then the Directors of the Company shall refer the subject matter of the vote to the Company's member(s), on a poll (subject to OIHL Bye-laws 38-42 (inclusive)) and seek authority from such member(s) for the Company's corporate representative or proxy to vote for or against (as the case may be) the resolution proposed by such subsidiary of the Company. The Directors shall cause the Company's corporate representative or proxy to vote the Company's shares in the subsidiary pro rata to the votes received at the general meeting of the Company, with votes for or against the directing resolution being taken, respectively, as an instruction for the Company's corporate representative or proxy to vote the appropriate proportion of its shares for and the appropriate proportion of its shares against the resolution proposed by the subsidiary. The Directors shall have authority to resolve any ambiguity.

- 21 The directors in their discretion shall require that the bye-laws or articles of association or similar organisational documents of each subsidiary of the Company, organised under the laws of a jurisdiction outside the United States of America, other than any non-U S subsidiary that is a direct or indirect subsidiary of a U S Person (as defined in the Internal Revenue Code of 1986, as amended, of the United States of America), shall contain provisions substantially similar to Article 19 and this Article 0. The Company shall enter into agreements, as and when determined by the directors, with each such subsidiary, only if and to the extent reasonably necessary and permitted under applicable law, to effectuate or implement this Article 0.

- 22 For resolutions in writing sent or circulated to any member whose signature is required under the Act

- (1) subject to these Articles and to the 2006 Act, 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 may, without a meeting be done by resolution in writing in accordance with this Article,
- (2) notice of a resolution in writing shall be given, and a copy of the resolution shall be circulated, in accordance with Section 291 of the 2006 Act, to all members who would be entitled to attend a meeting and vote thereon on the circulation date of such resolution. The accidental omission to give notice to, or the non-receipt of a notice by, any member does not invalidate the passing of a resolution in writing,
- (3) a resolution in writing of the members is passed when it is signed by, or in the case of a member that is a corporation, on behalf of, the members who on the circulation date of the notice represent such majority of votes as would be required if the resolution was voted on at a meeting of members at which all members entitled to attend and vote thereat were present and voting, and
- (4) the effective date of the resolution is the date when the resolution is signed by, or in the case of a member that is a corporation, on behalf of, the last member whose signature results in the necessary voting majority being achieved and any reference in any Article to the date of passing of a resolution is, in relation to a resolution made in accordance with this Article, a reference to such date.

A resolution in writing made in accordance with this Article 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, as the case may be, and any reference in any Article to a meeting of members at which a resolution is passed or to members voting in favour of a resolution shall be construed accordingly and such resolution in writing may consist of several instruments in the like form each executed by or on behalf of one or more members

#### **NUMBER, MINIMUM AGE AND QUALIFICATION OF DIRECTORS**

- 23 The number of directors may be fixed by the Company in general meeting and until so fixed there shall be no minimum or maximum number of directors and a sole director shall be entitled to act
- 24 The minimum age for any director of the Company shall be sixteen (16) years old but subject to this, any person may be appointed as a director whatever may be his age No director shall be required to vacate his office as a director, nor shall any person be ineligible for appointment as a director, by reason of his having attained any particular age
- 25 The subscribers to the Memorandum of Association of the Company if still members of the Company shall have power to appoint directors to succeed the first directors of the Company if all such first directors shall cease to hold office without having appointed successors
- 26 No shareholding qualification for directors shall be required

#### **ALTERNATE DIRECTORS**

- 27 Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him An appointment of an alternate director shall be effected by notification (by any means) given to the Company by the director making such appointment and the alternate director shall vacate such office if his appointment is revoked in writing by the appointing director Furthermore, an alternate director shall cease to be an alternate director if his appointor ceases to be a director, but, if a director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment (Regulations 65, 67 and 68 of Table A do not apply)

#### **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 28 (1) The directors are not subject to retirement by rotation Regulations 73 to 77 inclusive of Table A do not apply and all references in Table A to retirement by rotation shall be disregarded
- (2) Without prejudice to Sub-Articles (3) and (4) below, the holders of the majority of the shares of the Company for the time being in issue may by notice in writing to the Company appoint any person to be a director either to fill a casual vacancy or as an additional director
- (3) The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director
- (4) The directors may appoint a person who is willing to act to be a director,

either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A person appointed by the directors to fill a vacancy or as an additional director is not required to retire from office at the annual general meeting next following his appointment.

#### **DISQUALIFICATION OF DIRECTORS**

- 29 Without prejudice to Regulation 81 of Table A, the office of director shall be vacated if
- (1) the director is removed from office by notice in writing to the Company given by the holders of the majority of the shares of the Company for the time being in issue, or
  - (2) he shall be suspended or disqualified from being a director of any corporate member of Lloyd's or from any company associated with a corporate member of Lloyd's or is found guilty of misconduct under the Enforcement Byelaw (No 6 of 2005) as amended from time to time

#### **DIRECTORS' REMUNERATION, APPOINTMENTS AND INTERESTS**

- 30 The right of an executive director to remuneration fixed by the directors under Regulation 84 of Table A shall be in addition to any remuneration fixed by the Company in general meeting under Regulation 82 of Table A
- 31 Subject to Article 34 and without prejudice to the obligation of any director to disclose his interest in accordance with Sections 177 or 182 (as applicable) of the 2006 Act, a director may vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in respect of which he has, directly or indirectly, an interest or duty. The director must be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote must be counted (Regulations 94 to 98 inclusive of Table A do not apply)
- 32 Subject to the provisions of Part 10 of the 2006 Act (as applicable), and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with Sections 177 or 182 (as applicable) of the 2006 Act, a director notwithstanding his office and notwithstanding such interest (whether or not such interest conflicts with that of the Company)
- (1) may be a party to, or otherwise interested in, any transaction or arrangement with the Company (whether proposed or already entered into by the Company) or in which the Company is otherwise interested,
  - (2) may hold any other office or place of profit of the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with the office of director and may act by himself or through his firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the directors may arrange, either in addition to or in lieu of any remuneration provided for by any other Article
  - (3) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise

interested or as regards which the Company has any powers of appointment, or including any other direct or indirect subsidiaries of OIHL,

- (4) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement with or from any interest in, any such body corporate, or any other direct or indirect subsidiaries of OIHL, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
- (5) may retain for his own benefit all profits and advantages accruing to him from any such interest to the extent that such interest has been declared as aforesaid (Regulations 85 and 86 of Table A do not apply)

33 For the purposes of Articles 31 and 32

- (1) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified body corporate or firm, or specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified, and
- (2) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

34 A director must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company unless

- (1) the conflict of interest arises in relation to a transaction or arrangement with the Company, which conflict of interest shall be governed by Articles 31 to 33 inclusive,
- (2) the situation cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (3) the matter has been authorised by the "**Independent Directors**" (being the directors of the Company other than the director in question and any other interested director) at a meeting where only the Independent Directors present shall be counted in the quorum present and where only the votes of such Independent Directors shall be counted at such meeting

#### **PROCEEDINGS OF DIRECTORS**

35 The quorum necessary for the transaction of the business of the directors may be fixed by the directors and until so fixed shall be (i) one if only one director shall be in office and (ii) two if there shall be more than one director in office A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

36 A resolution in writing signed or approved in writing by each director or his alternate shall be as valid and effective as if it had been passed at a meeting of the directors duly convened and held and when signed may consist of several documents in like

form each signed by one or more of the directors or their alternates in which event the resolution shall be deemed passed upon notification (by any means) of signature to the registered office or the secretary of the Company

- 37 It shall not be necessary for the purpose of a directors' meeting that all participants be present at the same place provided that the directors counted in the quorum are all in contact for the purpose of the meeting whether in person or by radio or telephone or other instantaneous means of communication

#### **SECRETARY**

- 38 The Company is not required to have a secretary, but the directors may at their sole discretion appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them

#### **CHANGE OF NAME**

- 39 With effect from 1 October 2009, the Company may change its name by ordinary resolution

#### **THE SEAL**

- 40 If the Company has a common seal and it is affixed to a document, the document must also be signed by one authorised person in the presence of a witness who attests the signature. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 of Table A shall not apply to the Company
- 41 For the purposes of this Article, an "authorised person" is
- (1) any director of the company,
  - (2) the company secretary (if any), or
  - (3) any other person authorised by the directors for the purpose of signing documents to which a company seal is applied
- 42 If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors
- 43 If the Company has a securities seal, it may only be affixed to securities by an authorised person
- 44 For the purposes of these Articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs

#### **SINGLE MEMBER COMPANY**

- 45 If at any time, and for as long as, the company has a single member all provisions of these Articles shall (in the absence of any expressed provision to the contrary) apply

with such modification as may be necessary in relation to a company with a single member

### **INDEMNITY**

- 46      So far as may be permitted by the 2006 Act and subject as mentioned below but without prejudice to any indemnity to which he may be otherwise entitled, every director, alternate director, secretary or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as an auditor) shall be indemnified by the Company out of its own funds against (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company other than any liability of the kind referred to in Sections 234(2), (3) and (4) and section 235(3) of the 2006 Act, and (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Such indemnity shall not, however, extend to any liability incurred by or attaching to that person as a result of his own fraud or wilful default but shall extend to other liabilities arising after he ceased to be director, alternate director, secretary or other officer in respect of acts or omissions when he was a director, alternate director, secretary or other officer. Where a person is indemnified in accordance with this paragraph such indemnity shall extend to all reasonable costs, charges, losses, expenses and liabilities incurred by him in relation thereto.



## **PART II – SPECIAL ARTICLES**

### **OBJECTS OF THE COMPANY**

Special Article 1 will come into effect on 1 October 2009

1 The Company's objects are -

(1) To carry on business as a general commercial company

(2) The Company has power to do all or any of the following things -

(a) To carry on for profit, directly or indirectly, whether by itself or through subsidiary, associated or allied companies or firms in the United Kingdom or elsewhere, in all or any part of its branches, business, undertakings, projects or enterprises of any description whether of a private or public character and all or any trades, processes and activities connected therewith or ancillary or complementary thereto

(b) (i) To carry on any other business which can, in the opinion of the directors, be advantageously or conveniently carried on by the Company by way of extension of, or in connection with, any business which the Company is authorised to carry on, or which may directly or indirectly develop any business which the Company is authorised to carry on

(ii) To acquire the whole or any part of the business, property, assets and liabilities of any company or person having property suitable for the purposes of the Company or carrying on or proposing to carry on any business which can be carried on in conjunction therewith, or which is capable of being conducted so as directly or indirectly to benefit the Company, and to undertake and carry on or to liquidate and wind up any such business

(iii) To acquire, hold and deal with shares, stocks, securities, certificates, rights, debentures or investments in any company or corporation carrying on business in any part of the world

(iv) To purchase, lease, license, exchange, hire or acquire in any other manner, for any estate or interest, any real or personal property and any rights or privileges, for any purpose in connection with any business for which the Company is authorised to carry on and to sell, lease, license, hire, create easements and other rights over, improve, manage or develop and in any other manner deal with such property of the Company or any part thereof as the directors may think fit

(v) To apply for, take out, purchase or otherwise acquire and maintain any designs, trade marks, patent rights, inventions, copyrights or secret processes and any other intangible property and to use, exercise, develop, license or otherwise turn to account any such property, knowledge and rights

(vi) To build, construct, maintain, alter, enlarge, demolish, remove or replace any buildings, works, plant or machinery, for any purpose, in

connection with any business which the Company is authorised to carry on

- (vii) To receive money on deposit or loan, whether at interest or not, and to borrow, raise or secure the payment of money by mortgage, charge or lien or by the issue of debentures or debenture stock, perpetual or otherwise, or in any other manner, either with or without security and to charge all or any of the property or assets of the Company whether present or future, including its uncalled capital, to support any obligations of the Company or of any other company or person, and collaterally or further to secure any securities or obligations of the Company by a trust deed or other assurance
- (viii) To invest and deal with the monies of the Company not immediately required for the purposes of its business in or upon such investments and securities and in such manner as may from time to time be considered expedient
- (ix) To draw, accept, endorse, negotiate, discount, execute and issue promissory notes, bills of exchange, scrip warrants and other transferable or negotiable instruments
- (x) To advance and lend money and give credit to any company or person with or without security and (with or without the Company receiving any consideration or advantage, direct or indirect, from giving any such guarantee) to guarantee either by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets, present and future (including uncalled capital), of the Company, or by one or more of such methods, the performance of the obligations, and the payment of the capital or principal (together with any premium), of, and dividends or interest on, any stocks, shares or securities, loans (whether secured or not), trading or current account of any company, firm or person, and in particular (but without limiting the generality of the foregoing) of any company which is for the time being the Company's holding company, or another subsidiary, as defined by the said Section, of the Company's holding company, or otherwise associated with the Company
- (xi) To pay for any rights or property acquired by the Company and to remunerate any person, firm or company rendering services to the Company either in cash, or in exchange for any stock, shares, securities or debentures of, or other investments in, any company, or in any other manner, and to accept any stock, shares, securities, debentures of, or other investments in, any company or otherwise in payment or part payment of any obligation of any company
- (xii) To pay all or any of the preliminary or formation expenses of the Company and of any company formed or promoted by the Company
- (xiii) To vest any real or personal property, rights or interests, belonging or accruing to the Company, in any company or person on behalf or for the benefit of the Company, and with or without any declared trust in favour of the Company

- (xiv) To sell, exchange, lease, dispose of, turn to account or otherwise deal with the undertaking of the Company or any part thereof as the directors may think fit
- (xv) To distribute among the members of the Company any property of the Company in specie or otherwise (but so that no such distribution amounting to a reduction of capital shall be made without the sanction required by law) and to permit and authorise any liquidator of the Company to distribute any of the property of the Company in specie among the members of the Company
- (xvi) To establish, promote, finance or otherwise assist or concur in the establishment or promotion of any company for the purpose of acquiring the whole or any part of the property, business or undertaking of the Company, or of furthering any of the objects of the Company, and to acquire and hold any shares, stock, securities or debentures of, or other investments in, any such company and to issue, place, underwrite or guarantee the subscription for, or concur in issuing, placing, underwriting, or guaranteeing the subscription for, any shares, stock, securities or debentures of, or other investments in, the Company
- (xvii) To enter into and implement any agreement or arrangement for the sharing of the profits or for the conduct of any business of the Company in association with or through the agency of any other company or person, or any joint venture, reciprocal, concession, or other such agreement with any company or person
- (xviii) To amalgamate with any other company the objects of which include the carrying on of any business which the Company is authorised to carry on and to reconstruct the Company in any manner authorised by the Companies Act for the time being in force
- (xix) To take all requisite steps in Parliament or with the national, local, municipal or other authorities of any place in which the Company may have interests and to negotiate or operate for the purpose of furthering the interest of the Company or its members or of effecting any modification in the constitution of the Company and to oppose any steps taken which may be considered likely directly or indirectly to prejudice the interests of the Company or its members
- (xx) To subscribe or guarantee money for any national, local, charitable, benevolent, political, public, general or useful purpose or for any purpose which in the opinion of the directors is likely directly or indirectly to further the objects of the Company or the interest of its members
- (xxi) To establish or support associations, institutions, clubs, funds, trusts and schemes which may be considered likely to benefit any persons who are or at any time have been employees, officers or directors of the Company or the families, relations, connections or dependants of such persons and to make payments towards insurances, institute or contribute to pension schemes, grant pensions or gratuities to and provide for the welfare of any such persons and to establish and contribute to any scheme for the purchase or acquisition by trustees

of shares in the Company to be held for the benefit of the Company's employees and to lend money to the Company's employees to enable them to purchase shares in the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with any of its employees

(xxii) To do all or any of the things and matters aforesaid in any part of the world and either as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise and either alone, or in conjunction with others, and to procure the Company to be registered or recognised in or under the laws of any country or place outside the United Kingdom

(xxiii) To do all such other things as the directors may think incidental or conducive to the above objects or any of them

The objects set out in any sub-Article shall not be restrictively construed but the widest interpretation shall be given to them and they shall not be in any way limited or restricted by reference to, or inference from, any other object or objects set out in such sub-Article or from the terms of any other sub-Article or by the name of the Company. None of such sub-Articles or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-Article but the Company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said sub-Article

Where the context so admits, the word "**company**" or the phrase "**company or person**" shall be deemed to include any body corporate or unincorporated association, firm, company or person

## **Appendix 1**

### **OIHL Bye-laws 1 and 38-42 (inclusive)**

#### **OIHL Bye-law 1**

#### **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 Bermuda Companies Act 1981, as amended from time to time,
Admission	the first occurring admission of any class of share in the capital of the Company to trading on AIM becoming effective pursuant to the AIM Rules or to the Official List of the UK Listing Authority and to trading on London Stock Exchange plc's market for listed securities,
AIM	AIM, a market operated by the London Stock Exchange plc,
AIM Rules	rules of the London Stock Exchange plc governing the admission to and the operation of AIM,
Alternate Director	an alternate director appointed in accordance with these Bye-laws,
Attribution Percentage	with respect to a Member, the percentage of the Member's shares that are treated as Controlled Shares of a Tentative 9.5% US Shareholder,
Auditor	includes an individual or partnership,
Board	the board of directors 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,
City Code	The City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel or any

	successor to or replacement thereof from time to time issued by or on behalf of the Panel or, for the avoidance of doubt, any successor thereto or replacement body thereof,
Code	the Internal Revenue Code of 1986, as amended, of the United States of America,
Company	the company for which these Bye-laws are approved and confirmed,
Controlled Shares	all shares of the Company directly, indirectly or constructively owned by a person as determined pursuant to section 958 of the Code and Treasury Regulations promulgated thereunder and under section 957 of the Code,
Depository	any person who is a member in the Company by virtue of holding shares in the Company as trustee for those individuals who have elected to hold shares in the Company in dematerialised form though depository interests,
Employee Share Schemes	any employees' share scheme which the Company shall from time to time adopt including, without limitation, the Omega Insurance Holdings Limited Long Term Incentive Plan and the Omega Insurance Holdings Limited Executive Share Option Plan,
Director	a director of the Company and shall include an Alternate Director;
Group	the Company and every company and other entity which is for the time being controlled by or under common control with the Company (for these purposes, "control" means the power to direct management or policies of the person in question, whether by means of an ownership interest or otherwise),
Indirect	when referring to a holder or owner of shares, ownership of shares within the meaning of section 958(a)(2) of the Code,

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,
9 5% U S Shareholder	a "United States person" as defined in the Code (a "U S Person") whose Controlled Shares constitute nine and one-half percent (9 5%) or more of the voting power of all issued shares of the Company and who generally would be required to recognize income with respect to the Company under section 951(a)(1) of the Code, if the Company were a controlled foreign corporation as defined in section 957 of the Code and if the ownership threshold under section 951(b) of the Code were 9 5%,
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,
Panel	means the Panel on Takeovers and Mergers in the United Kingdom, and any successor thereof or replacement body thereto,
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,
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 of the duties of the Secretary,

**Special Resolution**

a resolution passed by a majority of not less than three-fourths of such Members as (being entitled to do so) vote in person or by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a special resolution has been duly given,

**Tentative 9 5% U S Shareholder**

a U S Person that, but for adjustments or restrictions on exercise of the voting power of shares pursuant to Bye-laws 38-42 (inclusive), would be a 9 5% U S Shareholder, and

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, and
- (e) 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

**OIHL Bye-laws 38-42**

**VOTES OF MEMBERS**

**38 Adjustment of Voting Power**

38 1 The voting power of all shares is hereby adjusted (and shall be automatically adjusted in the future) to the extent necessary so that there is no 9 5% U S



Shareholder The Board shall implement the foregoing in the manner provided herein, provided however, that the foregoing provision and the remainder of this Bye-law 38 shall not apply in the event that one Member owns greater than 75% of the voting power of the issued shares of the Company determined without applying the voting power adjustments or eliminations under Bye-laws 38-42 (inclusive)

38 2 The Board shall from time to time, including prior to any time at which a vote of Members is taken, take all reasonable steps necessary to ascertain, including those specified in Bye-law 42, through communications with Members or otherwise, whether there exists, or will exist at the time any vote of Members is taken, a Tentative 9 5% U S Shareholder

38 3 In the event that a Tentative 9 5% U S Shareholder exists, the aggregate votes conferred by shares held by a Member and treated as Controlled Shares of that Tentative 9 5% U S Shareholder shall be reduced to the extent necessary such that the Controlled Shares of the Tentative 9 5% U S Shareholder will constitute less than 9 5% of the voting power of all issued and outstanding shares In applying the previous sentence where shares held by more than one Member are treated as Controlled Shares of such Tentative 9 5% U S Shareholder, the reduction in votes shall apply to such Members in descending order according to their respective Attribution Percentages, provided that, in the event of a tie, the reduction shall apply pro rata to such Members The votes of Members owning no shares treated as Controlled Shares of any Tentative 9 5% U S Shareholder shall, in the aggregate, be increased by the same number of votes subject to reduction as described above provided however that no shares shall be conferred votes to the extent that doing so will cause any person to be treated as a 9 5% U S Shareholder Such increase shall be apportioned to all such Members in proportion to their voting power at that time, provided that such increase shall be limited to the extent necessary to avoid causing any person to be a 9 5% U S Shareholder The adjustments of voting power described in this Bye-law shall apply repeatedly until there is no 9 5% U S Shareholder The Board of Directors may deviate from any of the principles described in this Bye-law and determine that shares held by a Member shall carry different voting rights as it determines appropriate (1) to avoid the existence of any 9 5% U S Shareholder or (2) to avoid adverse tax, legal or regulatory consequences to the Company, any subsidiary of the Company, or any direct or indirect holder of shares or its affiliates For the avoidance of doubt, in applying the provisions of Bye-laws 38-42 (inclusive), a share may carry a fraction of a vote

#### 39 Other Adjustments of Voting Power

In addition to the provisions of Bye-law 38, any shares shall not carry any right to vote to the extent that the Board of Directors determines that it is necessary that such shares should not carry the right to vote in order to avoid adverse tax, legal or regulatory consequences to the Company, any subsidiary of the Company, or any other direct or indirect holder of shares or its affiliates, provided that no adjustment pursuant to this sentence shall cause any person to become a 9 5% U S Shareholder

#### 40 Notice

Prior to the meeting on which Members shall vote on any matter (or prior to any vote in the case of notification to Members specified in item (3) of this Bye-law), the

Board may, in its sole discretion, (1) retain the services of an internationally recognized accounting firm or organization with comparable professional capabilities in order to assist the Company in applying the principles of Bye-laws 38 and 39 and (2) obtain from such firm or organization a statement describing the information obtained and procedures followed and setting forth the determinations made with respect to Bye-laws 38 and 39, and (3) notify in writing or orally each Member of the voting power conferred by its shares determined in accordance with Bye-laws 38 and 39. For the avoidance of doubt, any failure by the Board to take any of the actions described in this Bye-law 40 shall not invalidate any votes cast or the proceedings at the meeting.

41 Board Determination Binding

Any determination by the Board as to any adjustments or eliminations of voting power of any shares made pursuant to Bye-laws 38-42 (inclusive) shall be final and binding and any vote taken based on such determination shall not be capable of being challenged solely on the basis of such determination.

42 Requirement to Provide Information and Notice

42.1 The Board shall have the authority to request from any direct or indirect holder of shares, and such holder of shares shall provide, such information as the Board may reasonably request for the purpose of determining whether any holder's voting rights are to be adjusted. If such holder fails to respond to such a request, or submits incomplete or inaccurate information in response to such a request, the Board may determine in its sole discretion that such holder's shares shall carry no voting rights in which case such holder shall not exercise any voting rights in respect of such shares until otherwise determined by the Board.

42.2 Any direct or indirect holder of shares shall give notice to the Company within ten days following the date that such holder acquires actual knowledge that it is the direct or indirect holder of Controlled Shares of 9.5% or more of the voting power of all issued shares of the Company (without giving effect to voting power adjustments or eliminations under Bye-laws 38-42 (inclusive)).

42.3 Notwithstanding the foregoing, no Member shall be liable to any other Member or the Company for any losses or damages resulting from such Member's failure to respond to, or submission of incomplete or inaccurate information in response to, a request under Bye-law 42.1 or from such Member's failure to give notice under Bye-law 42.2.

42.4 Any information provided by any Member to the Company pursuant to this Bye-law 42 or for purposes of making the analysis required by Bye-laws 38 and 39, shall be deemed "confidential information" (the "Confidential Information") and shall be used by the Company solely for the purposes contemplated by such Bye-laws (except as may be required otherwise by applicable law or regulation). The Company shall hold such Confidential Information in strict confidence and shall not disclose any Confidential Information that it receives, except (i) to the U.S. Internal Revenue Service (the "Service") if and to the extent the Confidential Information is required by the Service, (ii) to any outside legal counsel or accounting firm engaged by the Company to make determinations regarding the relevant Bye-laws or (iii) as otherwise required by applicable law or regulation.

- 42 5 For the avoidance of doubt, the Company shall be permitted to disclose to the Members and others the relative voting percentages of all Members after application of Bye-laws 38-42 (inclusive) At the written request of a Member, the Confidential Information of such Member shall be destroyed or returned to such Member after the later to occur of (i) such Member no longer being a Member or (ii) the expiration of the applicable statute of limitations with respect to any Confidential Information obtained for purposes of engaging in any tax-related analysis