

**BYE-LAWS**  
of  
**UIL Finance Limited**

As adopted by written resolution on 18 May 2016



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**BYE-LAWS**  
**of**  
**UIL Finance Limited**  
**INTERPRETATION**

**1. Interpretation**

1.1. In these Bye-Laws, unless the context otherwise requires:

**address:** in relation to any electronic communication includes any number or address used for the purposes of such communication;

**Auditors:** the auditors for the time being of the Company or, in the case of joint auditors, any one of them;

**Bermuda:** the Islands of Bermuda;

**Board:** the Board of Directors of the Company or the Directors present at a meeting of Directors at which there is a quorum;

**business day:** a day which is not a Saturday, Sunday or a public holiday in England;

**Calculation Date:** the close of business on a date which is not earlier than 60 days prior to (and excluding) the date of the proposed issue or reclassification or, at the discretion of the UIL Directors, the close of business on a date which is not earlier than 60 days prior to (and excluding) the date of the announcement of such proposed issue or reclassification or, if applicable and earlier, the date of any announcement of the intention to make such proposed issue or reclassification;

**Chairman:** the Chairman (if any) of the Board or, where the context requires, the Chairman of a general meeting of the Company;

**clear days:** in relation to the period of a notice, that period excluding the day on which the notice is given or served, or deemed to be given or served, and the day for which it is given or on which it is to take effect;

**Companies Acts:** every Bermuda statute from time to time in force concerning companies insofar as the same applies to the Company;

**Company:** the company incorporated in Bermuda under the name of Utilico Finance Limited on 17 January 2007, which changed its name to UIL Finance Limited on 16 November 2015;

**Depository:** a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board whereby such custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder thereof to or to receive such shares, rights or interests, provided and to the extent that such arrangements have been approved by the Board for the purpose of these Bye-Laws;

**Director:** such person or persons as shall be appointed to the Board from time to time

pursuant to these Bye-Laws;

**Gross Assets:** the unaudited aggregate value of the gross assets of the Group, including assets represented by principal monies borrowed by any member of the Group, less current liabilities (not including contingent liabilities) of the Group (other than principal monies borrowed), each as determined by the UIL Directors;

**Group:** UIL, the Company and any of their subsidiaries from time to time;

**Indemnified Person:** any Director, Officer, Resident Representative, member of a committee duly constituted under these Bye- Laws and any liquidator, manager or trustee for the time being acting in relation to the affairs of the Company, and his heirs, executors and administrators;

**Liquidation Resolutions:** is defined in Bye-law 5.5.1;

**London Stock Exchange:** the London Stock Exchange PLC or other principal stock exchange in the United Kingdom for the time being;

**Net Asset Value:** the total value of all of the assets of the Company, less its liabilities, determined in accordance with the Company's usual accounting policies;

**Non-Qualified Holder** means any person: (i) whose ownership of shares may cause the Company's assets to be deemed "plan assets" for the purposes of the regulations adopted under the United States Employee Retirement Income Security Act 1974 ("ERISA") or the United States Internal Revenue Code of 1986, as amended (the "**US Internal Revenue Code**"); (ii) whose ownership of shares may cause the Company to be required to register as an "investment company" under the United States Investment Company Act of 1940, as amended (the "**US Investment Company Act**") (including because the holder of the shares is not a "qualified purchaser" as defined in the US Investment Company Act); (iii) whose ownership of shares may cause the Company to register under the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the US Securities Exchange Commission promulgated pursuant to it (the "**US Exchange Act**"), the United States Securities Act of 1933, as amended or any similar legislation; (iv) whose ownership of shares may cause the Company not being considered a "foreign private issuer" as such term is defined in rule 3b4(c) under the US Exchange Act; or (v) whose ownership of shares may cause the Company to be a "controlled foreign corporation" for the purposes of the US Internal Revenue Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the US Internal Revenue Code);

**Officer:** a person appointed by the Board pursuant to these Bye- Laws and shall not include an auditor of the Company;

**Official List:** the daily official list of the UK Listing Authority;

**Ordinary Share:** is defined in Bye-Law 4.1;

**paid up:** paid up or credited as paid up;

**recognised person:** a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange who is designated as mentioned in Section 185(4) of the United Kingdom Companies Act 1985;

**Recommended Resolution:** is defined in Bye-law 5.5.2;

**Reconstruction Resolution:** is defined in Bye-law 5.5.3;

**Register:** the Register of Shareholders of the Company and, except in Bye-Law 13, includes any branch register;

**Registered Office:** the registered office for the time being of the Company;

**Regulations:** such regulations as may be applicable to the holding of securities in dematerialised form including the United Kingdom Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended from time to time;

**Resident Representative:** (if any) the individual (or, if permitted in accordance with the Companies Acts, the company) appointed to perform the duties of resident representative set out in the Companies Acts and includes any assistant or deputy Resident Representative appointed by the Board to perform any of the duties of the Resident Representative;

**Resolution:** a resolution of the Shareholders or, where required, of a separate class or separate classes of Shareholders adopted either in general meeting or by written resolution in accordance with the provisions of these Bye-Laws;

**Seal:** the common seal of the Company, if any, and includes any authorised duplicate thereof;

**Secretary:** includes a joint, temporary, assistant or deputy Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

**Share:** a share in the capital of the Company and includes a fraction of a share;

**Shareholder:** a shareholder or member of the Company, provided that for the purposes of Bye-Law 48 it shall also include any holder of notes, debentures or bonds issued by the Company;

**Specified Place:** the place, if any, specified in the notice of any meeting of the shareholders, or adjourned meeting of the shareholders, at which the Chairman of the meeting shall preside;

**Subsidiary and Holding Company:** have the same meanings as in section 86 of the Companies Act 1981, except that references in that section to a company shall include any body corporate or other legal entity, whether incorporated or established in Bermuda or elsewhere;

**Subscription Agreement:** the agreement entered into between UIL and the Company pursuant to which UIL agrees to put the Company in sufficient funds (whether by way of gift, capital contribution or otherwise) to enable the Company to pay the final capital entitlement of each ZDP Share when it falls due for payment in accordance with these Bye-laws, as supplemented and/or amended and restated from time, and any other subscription agreement entered into between the Company and UIL from time to time, in each case in respect of any new class of redeemable zero dividend preference shares;

**these Bye-Laws:** these Bye-Laws in their present form or as from time to time amended;

**UK Listing Authority:** the Financial Conduct Authority, as the competent authority for the purposes of the Financial Services and Markets Act 2000;

**Undesignated Shares:** the authorised but unissued shares of the Company;

**United Kingdom:** Great Britain and Northern Ireland;

**UIL:** the company incorporated in Bermuda under the name of Utilico Limited on 17 January

2007 (now named UIL Limited);

**UIL Directors:** such person or persons as shall be appointed to the Board of Directors of UIL from time to time pursuant to the bye-laws of UIL;

**ZDP Cover:** shall represent a fraction where the numerator is equal to the Gross Assets of the Group on the Calculation Date and the denominator is equal to the aggregate on the Calculation Date of (i) the aggregate capital entitlement on the ZDP Repayment Dates of the ZDP Shares in issue on the Calculation Date and (ii) the outstanding amounts payable by the Group under bank facilities and any borrowings ranking in priority to UIL's payment obligations under the Subscription Agreement. In calculating such ZDP Cover, the UIL Directors shall where available;

- (i) use the Gross Assets of the Group at the most recent practicable date before the Calculation Date;
- (ii) assume that the share capital or rights proposed to be issued or arising on reclassification had been issued and/or exercised and/or reclassified at the end of the month prior to the Calculation Date;
- (iii) adjust the Gross Assets of the Group by adding the minimum net consideration (if any) which would be received upon such issue, reclassification or exercise;
- (iv) take account of the entitlements to be attached to the new shares or securities or rights to be issued;
- (v) aggregate the final capital entitlement of all the existing ZDP Shares and the capital entitlements of the new shares or securities or rights to be issued as aforesaid in each case as at the relevant ZDP Repayment Date;
- (vi) make appropriate adjustments for any other issues or reclassifications or purchases of own share capital which have been made by the Company or UIL since the end of the preceding month or will have been made by or at the time of the proposed issue of shares or rights of subscription or conversion into shares or reclassification; and
- (vii) make such other adjustments as they consider appropriate.

The UIL Directors shall have absolute discretion to determine whether the conditions set out above are satisfied in any case and no independent valuation need be carried out;

**ZDP Repayment Date:** the date by which a class of ZDP Shares is to be redeemed being 31 October 2016 in the case of the 2016 ZDP Shares, 31 October 2018 in the case of the 2018 ZDP Shares, 31 October 2020 in the case of the 2020 ZDP Shares and 31 October 2022 in the case of the 2022 ZDP Shares;

**ZDP Shareholders:** the holders of ZDP Shares in the Company;

**ZDP Shares:** the 2016 ZDP Shares, the 2018 ZDP Shares, the 2020 ZDP Shares and/or the 2022 ZDP Shares or any of them as the context may require;

**2016 ZDP Shares:** is defined in Bye-law 4;

**2018 ZDP Shares:** is defined in Bye-law 4;

**2020 ZDP Shares:** is defined in Bye-law 4; and

**2022 ZDP Shares:** is defined in Bye-law 4.

- 1.2. For the purposes of these Bye-Laws, a corporation shall be deemed to be present in person if its representative duly authorised pursuant to the Companies Acts is present.
- 1.3. Words importing only the singular number include the plural number and vice versa.
- 1.4. Words importing only the masculine gender include the feminine and neuter genders respectively.
- 1.5. Words importing persons include companies or associations or bodies of persons, whether corporate or un-incorporate.
- 1.6. A reference to writing shall include typewriting, printing, lithography, photography and any other mode or modes of representing or reproducing words in a legible and non-transitory form and, if the Board shall in its absolute discretion determine for any purpose or purposes under these Bye-Laws, subject to such terms and conditions as the Board may determine, electronic communications.
- 1.7. Any words or expressions defined in the Companies Acts in force at the date when these Bye-Laws or any part thereof are adopted shall bear the same meaning in these Bye-Laws or such part (as the case may be).
- 1.8. A reference to anything being done by electronic means includes its being done by means of any electronic or other communications equipment or facilities and reference to any communication being delivered or received, or being delivered or received at a particular place, includes the transmission of an electronic record to a recipient identified in such manner or by such means as the Board may from time to time approve or prescribe, either generally or for a particular purpose.
- 1.9. A reference to a signature or to anything being signed or executed include such forms of electronic signature or other means of verifying the authenticity of an electronic record as the Board may from time to time approve or prescribe, either generally or for a particular purpose.
- 1.10. A reference to any statute or statutory provision (whether in Bermuda or elsewhere) includes a reference to any modification or re-enactment of it for the time being in force and to every rule, regulation or order made under it (or under any such modification or re-enactment) and for the time being in force and any reference to any rule, regulation or order made under any such statute or statutory provision includes a reference to any modification or replacement of such rule, regulation or order for the time being in force.
- 1.11. In these Bye-Laws:
  - 1.11.1. powers of delegation shall not be restrictively construed but the widest interpretation shall be given thereto;
  - 1.11.2. the word Board in the context of the exercise of any power contained in these Bye-Laws includes any committee consisting of one or more Directors, any Director holding executive office and any local or divisional Board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated;
  - 1.11.3. no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of any other power of delegation; and

- 1.11.4. except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Bye-Laws or under another delegation of the powers.
- 1.12. The headings are inserted for convenience only and shall not affect the construction of these Bye-Laws.

## **REGISTERED OFFICE**

### **2. Registered Office**

The Registered Office shall be at such place in Bermuda as the Board shall from time to time appoint.

## **UNCERTIFICATED SHARES**

### **3. Uncertificated Shares**

- 3.1. Notwithstanding anything in these Bye-Laws to the contrary, any shares in the Company may be issued, held, registered, converted, transferred or otherwise dealt with in uncertificated form and converted from uncertificated form to certificated form in accordance with the Regulations and the practices instituted by the operator of the relevant system. Any provisions of these Bye-Laws shall not apply to any uncertificated shares to the extent that such provisions are inconsistent with:
  - 3.1.1. the holding of shares in uncertificated form;
  - 3.1.2. the transfer of title to shares by means of a relevant system; or
  - 3.1.3. any provision of the Regulations.
- 3.2. Without prejudice to the generality and effectiveness of the foregoing:
  - 3.2.1. conversion of certificated shares into uncertificated shares, and vice versa, may be made in such manner as the Board may, in its absolute discretion, think fit (subject always to the Regulations and the facilities and requirements of the relevant system);
  - 3.2.2. Bye-Laws 8, 9 and 15 and the last sentence of Bye-Law 15.6 shall not apply to uncertificated shares and the remainder of Bye-Law 15.6 shall apply in relation to such shares as if the reference therein to the date on which the transfer was lodged with the Company were a reference to the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the facilities and requirements of the relevant system;
  - 3.2.3. without prejudice to Bye-Law 15 in relation to uncertificated shares, the Board may also refuse to register a transfer of uncertificated shares in such other circumstances as may be permitted or required by the Regulations and the relevant system;
  - 3.2.4. references in these Bye-Laws to a requirement on any person to execute or deliver an instrument of transfer or certificate or other document which shall not be appropriate in the case of uncertificated shares shall, in the case of uncertificated shares, be treated as references to a requirement to comply with any relevant requirements of the relevant system and any relevant arrangements or regulations which the Board may make from time to time pursuant to Bye-Law 3.2.12 below;

- 3.2.5. for the purposes referred to in Bye-Law 16, a person entitled by transmission to a share in uncertificated form who elects to have some other person registered shall either:
  - 3.2.5.1. procure that instructions are given by means of the relevant system to effect transfer of such uncertificated share to that person; or
  - 3.2.5.2. change the uncertificated share to certificated form and execute an instrument of transfer of that certificated share to that person;
- 3.2.6. the Company shall enter on the Register the number of shares which are held by each Shareholder in uncertificated form and in certificated form and shall maintain the Register in each case as is required by the Regulations, the Companies Acts and the relevant system and, unless the Board otherwise determines, holdings of the same holder or joint holders in certificated form and uncertificated form shall be treated as separate holdings;
- 3.2.7. a class of share shall not be treated as two classes by virtue only of that class comprising both certificated shares and uncertificated shares or as a result of any provision of these Bye-Laws or the Regulations which applies only in respect of certificated shares or uncertificated shares;
- 3.2.8. references in Bye-Law 45 to instruments of transfer shall include, in relation to uncertificated shares, instructions and/or notifications made in accordance with the relevant system relating to the transfer of such shares;
- 3.2.9. for the purposes referred to in Bye-Law 18.3, the Board may, in respect of uncertificated shares, authorise some person to transfer and/or require the holder to transfer the relevant shares in accordance with the facilities and requirements of the relevant system;
- 3.2.10. for the purposes of Bye-Law 38, any payment in the case of uncertificated shares may be made by means of the relevant system (subject always to the facilities and requirements of the relevant system) and, without prejudice to the generality of the foregoing, such payment may be made by the sending by the Company or any person on its behalf of an instruction to the operator of the relevant system to credit the cash memorandum account of the holder or joint holders of such shares or, if permitted by the Company, of such person as the holder or joint holders may in writing direct and for the purposes of Bye-Law 38 the making of a payment in accordance with the facilities and requirements of the relevant system concerned shall be a good discharge to the Company;
- 3.2.11. subject to the Companies Acts, the Board may issue shares as certificated shares or as uncertificated shares in its absolute discretion and Bye-Laws 7 and 140 shall be construed accordingly;
- 3.2.12. the Board may make such arrangements or regulations (if any) as it may from time to time in its absolute discretion think fit in relation to the evidencing and transfer of uncertificated shares and otherwise for the purpose of implementing and /or supplementing the provisions of this Bye-Law 3 and the Regulations and the facilities and requirements of the relevant system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Bye-Law 3;
- 3.2.13. the Board may utilise the relevant system to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Companies Acts or these Bye-Laws or otherwise in effecting any actions; and
- 3.2.14. the Board may resolve that a class of shares is to become a participating security and

may at any time determine that a class of shares shall cease to be a participating security.

- 3.3. Where any class of shares in the capital of the Company is a participating security and the Company is entitled under any provisions of the Companies Acts or the rules made and practices instituted by the operator of any relevant system or under these Bye-Laws to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any shares which are held in uncertificated form, such entitlement (to the extent permitted by the Regulations and the rules made and practices instituted by the operator of the relevant system) shall include the right to:
- 3.3.1. request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in uncertificated form; and /or
  - 3.3.2. require any holder of any uncertificated shares which are the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps, by instructions given by means of a relevant system or otherwise, as may be necessary to sell or transfer such shares; and/or
  - 3.3.3. appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such shares as may be required to effect a transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned; and/or
  - 3.3.4. transfer any uncertificated shares which are the subject of any exercise by the Company of any such entitlement by entering the name of the transferee in the Register in respect of that share as a transferred share; and/or
  - 3.3.5. otherwise rectify or change the Register in respect of that share in such manner as may be appropriate and in accordance with the Companies Acts; and/or
  - 3.3.6. take such other action as may be necessary to enable those shares to be registered in the name of the person to whom the shares have been sold or disposed of or as directed by him.
- 3.4. For the purposes of this Bye-Law 3:
- 3.4.1. words and expressions shall have the same respective meanings as in the Regulations;
  - 3.4.2. references to an uncertificated share or to a share (or to a holding of shares) being in uncertificated form are references to that share being an uncertificated unit of a security, and references to a certificated share or to a share being in certificated form are references to that share being a unit of a security which is not an uncertificated unit;
  - 3.4.3. cash memorandum account means an account so designated by the operator of the relevant system;
  - 3.4.4. a dematerialised instruction is properly authenticated if it complies with the specifications referred to in paragraph 5(b) of Schedule 1 to the Regulations.

## **SHARES AND SHARE RIGHTS**

### **4. Share capital**

- 4.1 The authorised share capital of the Company at the date of adoption of these Bye-laws is £15,848,832.19 divided into:
- (a) 10 ordinary shares of par value £0.10 each (**Ordinary Shares**);
  - (b) 60,000,000 redeemable zero dividend preference shares of £0.10 each (**2016 ZDP Shares**);
  - (c) 70,198,945 redeemable zero dividend preference shares of £0.059319 each (**2018 ZDP Shares**);
  - (d) 50,000,000 redeemable zero preference shares of £0.060514 each (**2020 ZDP Shares**); and
  - (e) 50,000,000 redeemable zero preference shares of £0.05318 each (**2022 ZDP Shares**).

#### 4.2 Conversion of 2016 ZDP Shares into 2022 ZDP Shares

4.2.1 In this Bye-law 4.2 unless the context otherwise requires:

**Admission** means the admission of the 2022 ZDP Shares arising upon conversion of 2016 ZDP Shares pursuant to the Rollover Offer to a standard listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities;

**Eligible Shareholders** means Qualifying Shareholders on the Record Date;

**Form of Election** means the form of election for use by Eligible Shareholders in connection with the Rollover Offer;

**Overseas ZDP Shareholders** means, save as otherwise determined by the Directors, Qualifying Shareholders who are resident in, or citizens, residents or nationals of, jurisdictions outside the United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man;

**Prospectus** means the prospectus published by the Company on or around 18 May 2016 relating to the Rollover Offer;

**Qualifying Shareholders** means registered shareholders of 2016 ZDP Shares who are not Overseas ZDP Shareholders;

**Record Date** means 10 June 2016;

**Rollover Date** means the date on which the 2016 ZDP Shares validly elected and accepted to participate in the Rollover Offer will be converted into 2022 ZDP Shares, being immediately prior to Admission; and

**Rollover Offer** means the offer made to Eligible Shareholders to convert part or all of their holding of 2016 ZDP Shares into 2022 ZDP Shares on the terms and conditions set out in the Prospectus and the Form of Election.

4.2.2 Conditional on Admission, with immediate effect from the Rollover Date each 2016 ZDP Share validly elected to be rolled over pursuant to the Rollover Offer, which election has been accepted by the Directors of the Company, will automatically convert into 1.8804 2022 ZDP Shares on and subject to the terms and conditions of the Rollover Offer as set out in the Prospectus and the Form of Election.

#### 5. Rights attaching to classes of shares

The holders of the Ordinary Shares and the ZDP Shares shall have the following rights:

5.1. As regards dividend

- 5.1.1. The Ordinary Shares carry the right to receive the revenue profits of the Company available for distribution (excluding any sums paid to the Company by UIL under the Subscription Agreement) and determined to be distributed by way of dividend at such times as the Directors may determine.
- 5.1.2. The ZDP Shares carry no rights to receive dividends out of the revenue or any other profits of the Group.

5.2. As regards capital

- (a) On a return of assets, on a liquidation or otherwise, the surplus assets of the Company after payment of all debts and satisfaction of all liabilities of the Company (excluding for these purposes the payment of the capital entitlement of each class of ZDP Share) shall be applied as follows:
- (b) first, there shall be paid to the holders of the 2016 ZDP Shares pro rata to the number of 2016 ZDP Shares then held by them an amount equal to 100p per 2016 ZDP Share as increased with effect from and including a notional issue date of 15 June 2007 on a daily basis at such compounded rate as results in an entitlement of 192.78p per 2016 ZDP Share on 31 October 2016, and increasing thereafter (in the event that the 2016 ZDP Shares are not redeemed on or before 31 October 2016) on the same compounded basis;
- (c) second, there shall be paid to the holders of the 2018 ZDP Shares pro rata to the number of 2018 ZDP Shares then held by them an amount equal to 100p per 2018 ZDP Share as increased with effect from and including a notional issue date of 26 January 2012 on a daily basis at such compounded rate as results in an entitlement of 160.52p per 2018 ZDP Share on 31 October 2018, and increasing thereafter (in the event that the 2018 ZDP Shares are not redeemed on or before 31 October 2018) on the same compounded basis;
- (d) third, there shall be paid to the holders of the 2020 ZDP Shares pro rata to the number of 2020 ZDP Shares then held by them an amount equal to 100p per 2020 ZDP Share as increased with effect from and including a notional issue date of 31 July 2014 on a daily basis at such compounded rate as results in an entitlement of 154.90p per 2020 ZDP Share on 31 October 2020, and increasing thereafter (in the event that the 2020 ZDP Shares are not redeemed on or before 31 October 2020) on the same compounded basis;
- (e) fourth, there shall be paid to the holders of the 2022 ZDP Shares pro rata to the number of 2022 ZDP Shares then held by them an amount equal to 100p per 2022 ZDP Share as increased with effect from and including a notional issue date of 23 June 2016 on a daily basis at such compounded rate as results in an entitlement of 146.99p per 2022 ZDP Share on 31 October 2022, and increasing thereafter (in the event that the 2022 ZDP Shares are not redeemed on or before 31 October 2022) on the same compounded basis;
- (f) fifth, there shall be paid to the holders of the Ordinary Shares the surplus assets of the Company available for distribution pro rata to the number of Ordinary Shares then held by them;
- (g) on a liquidation of the Company, to the extent that the relevant classes of ZDP Shares have not already been redeemed, the shares shall rank in the following order of priority

in relation to the repayment of their accrued capital entitlement as at the date of liquidation:

- (i) the 2016 ZDP Shares shall rank in priority to the 2018 ZDP Shares, the 2020 ZDP Shares and the 2022 ZDP Shares;
- (ii) the 2018 ZDP Shares shall rank in priority to the 2020 ZDP Shares and the 2022 ZDP Shares; and
- (iii) the 2020 ZDP Shares shall rank in priority to the 2022 ZDP Shares.

The entitlement of ZDP Shareholders of a particular class shall be determined in proportion to their holdings of ZDP Shares of that class.

### 5.3. As regards voting

#### Ordinary Shares

- 5.3.1. The holders of the Ordinary Shares shall have the right to receive notice of and to attend and vote at general meetings of the Company. Each holder of an Ordinary Share being present at a meeting shall upon a show of hands have one vote and (subject as referred to in Bye-law 5.5.1 below) upon a poll every such holder present in person or by proxy shall have one vote in respect of every Ordinary Share held by him.

#### ZDP Shares

- 5.3.2. The holders of the ZDP Shares shall have the right to receive notice of, but shall not have the right as such to attend or vote at, any general meeting of the Company except (but save as provided in Bye-law 5.5.4 below):

- (a) upon any resolution to alter, modify or abrogate the special rights or privileges attached to the ZDP Shares; or
- (b) upon a Liquidation Resolution, Recommended Resolution and Reconstruction Resolution (as respectively defined in Bye-laws 5.5.1, 5.5.2 and 5.5.3 below).

- 5.3.3. Save as provided in Bye-laws 5.5.2 and 5.5.3 below), the Company may not, without the previous sanction of an extraordinary resolution passed at a separate general meeting of each class of ZDP Shareholders convened and held in accordance with the provision of these Bye-laws:

- (i) subject to Bye-law 5.3.4 below, issue, and it shall, so far as it is able, procure that UIL shall not, issue any further shares or rights to subscribe for further shares or convert any securities into shares in any member of the Group or reclassify any issued share capital into shares of a particular class where such shares rank, or would on issue, conversion or reclassification rank, as to capital, in priority to, or *pari passu* with, UIL's payment obligations under the Subscription Agreement in respect of any class of ZDP Shares;
- (ii) pass a resolution for the voluntary winding up of the Company, such winding up to take effect prior to the final ZDP Repayment Date (or, if that day is not a business day, the immediately preceding business day);
- (iii) pass a resolution to reduce the capital of the Company in any manner or to purchase shares in the capital of the Company other than as permitted below;
- (iv) pass a resolution amending the provisions of this Bye-law 5.3.3;

- (v) pass a resolution authorising the Directors to pay a dividend or other distribution out of the capital reserves of the Company; or
- (vi) make any material variation to the terms of the Subscription Agreement or any further subscription agreement entered into between UIL and the Company in respect of any further issues of ZDP Shares which, at the time of being made, could reasonably be considered to be materially prejudicial to the interests of the existing ZDP Shareholders,

provided that no such sanction will be required for the passing of any resolution authorising the Company to purchase any ZDP Shares where such shares may only be purchased at prices at or below their prevailing accrued capital entitlement (as determined by the Directors in accordance with these Bye-laws as at a date falling not more than 10 days before the date of the relevant repurchase) or at a higher price per ZDP Share if the Directors determine this to be in the interests of ZDP Shareholders, or for any purchase of such ZDP Shares in accordance with any such resolution.

5.3.4. Notwithstanding Bye-law 5.3.3 (i) above, any member of the Group may, subject as provided in the relevant company's bye-laws, issue any further shares or rights to subscribe for further shares or convert any securities into shares or reclassify any issued share capital into shares of a particular class where such shares rank, or would on issue, conversion or reclassification rank, as to capital, in priority to, or *pari passu* with, UIL's payment obligations under the Subscription Agreement in respect of any class of ZDP Shares provided that the Directors shall have calculated and UIL's and the Company's financial adviser shall have reported to the Directors on such calculations within 60 days prior to the Calculation Date that, were the further shares to be issued or the shares to be reclassified or rights of subscription or conversion to be issued and immediately exercised at the date of the report, the ZDP Shares in issue immediately thereafter would have a ZDP Cover of not less than 1.5 times in the case of the 2016 ZDP Shares and the 2018 ZDP Shares and of not less than 1.35 times in the case of the 2020 ZDP Shares and the 2022 ZDP Shares.

5.3.5. Where by virtue of the provisions of these Bye-laws, the holders of ZDP Shares are entitled to vote, every such holder present at a meeting shall upon a show of hands have one vote and (subject as referred to in Bye-law 5.5.4 below) upon a poll, every such holder present in person or by proxy shall have one vote in respect of each ZDP Share held by him.

#### 5.4. As regards redemption

5.4.1. The Company shall (subject to the provisions of the Companies Acts) redeem all the outstanding ZDP Shares in each class on or within 14 days before their respective ZDP Repayment Date.

5.4.2. On the redemption of ZDP Shares in accordance with Bye-law 5.4.1 above, there shall be paid to the holders of the relevant class of ZDP Shares an amount equal to the accrued capital entitlement per ZDP Share determined in accordance with Bye-law 5.2 above.

5.4.3. Any redemption notice shall specify the redemption amount and the address at which certificates for ZDP Shares are to be surrendered for redemption. A redemption notice may not be withdrawn without the prior class consent of the holders of the ZDP Shares concerned. No defect in the redemption notice or in the giving thereof shall affect the validity of the redemption proceedings.

5.4.4. Unless otherwise determined by the Board, payments in respect of the amount due on redemption of ZDP Shares shall be made by sterling cheque drawn on a bank in the City

of London or, upon the request of the holder or joint holders, by transfer to a sterling account maintained by the payee with a bank in the City of London. Such payment will be made against surrender of the relevant certificate in the case of certificated ZDP Shares or, if the relevant certificate has been lost or destroyed, the giving of an appropriate indemnity in a form satisfactory to the Board, provided that the Board may determine that surrender of certificates shall not be required, in which event each certificate shall be void and of no effect as from the date of payment of the amount due on the redemption of the ZDP Shares to which the certificate relates.

5.5. As regards voluntary redemption

- 5.5.1. If all of the relevant class of ZDP Shares are not redeemed on or before the relevant ZDP Repayment Date (except by reason of administrative error rectified within 7 days and disregarding any ZDP Shares which are not redeemed as a result of a failure by the holder to comply with a requirement relating to redemption imposed in accordance with these Bye-laws), the Directors shall (i) exercise the right of the Company under the Subscription Agreement to convene a special general meeting of UIL at which a resolution shall be proposed requiring that UIL shall be wound up voluntarily pursuant to the Companies Acts and (ii) convene a special general meeting of the Company to be held on the same date as the special general meeting to be convened by UIL in accordance with Subscription Agreement at which a resolution (the **Liquidation Resolution**) shall be proposed requiring that the Company be wound up voluntarily pursuant to the Companies Acts. At such special general meeting of the Company the vote of those Shareholders entitled to vote shall be taken by poll and those holders of ZDP Shares who (being individuals) are present in person or by proxy or (being corporations) are present by proxy or by duly authorised representative and entitled to vote and who vote in favour of the Liquidation Resolution shall, on a poll, have such number of votes in respect of each share held by them (including fractions of a vote) so that the aggregate number of votes cast in favour of the Liquidation Resolution is four times the aggregate number of votes cast against the Liquidation Resolution and each Shareholder present in person or by proxy and entitled to vote and who votes against the Liquidation Resolution shall on a poll have one vote for each share held.
- 5.5.2. If an offer is made to all holders of the ZDP Shares (other than the offeror and /or persons controlled by or acting in concert with the offeror) which becomes or is declared unconditional in all respects prior to the final ZDP Repayment Date, which offer entitles holders of the ZDP Shares to receive not later than the date falling 14 days after the relevant ZDP Repayment Date an amount in cash equal to or not less than that to which the Directors estimate (so far as practicable at that time) that such holders would otherwise have been entitled to receive on a winding-up of the Company and on the basis that UIL satisfies its payment obligations under the Subscription Agreement to the extent that it is able after payment of all other prior ranking indebtedness and liabilities, (ignoring any option for alternative consideration pursuant to such offer) and such offer is recommended by the Directors and it is stated to be, in the opinion of the financial adviser appointed by the Company and UIL, fair and reasonable then the provisions of Bye-law 5.5.1 above shall not apply and at any special general meeting of the Company or separate general meeting of the holders of the ZDP Shares held between the date of making such recommendation and the relevant ZDP Repayment Date (both dates inclusive) the provisions relating to voting in Bye-law 5.5.4 below shall apply to any resolution or resolutions recommended by the Directors (a **Recommended Resolution**) and stated to be, in the opinion of the financial adviser appointed by the Directors, fair and reasonable.
- 5.5.3. If at any special general meeting of the Company held on or prior to any ZDP Repayment Date there is proposed any resolution (a **Reconstruction Resolution**) to sanction any form of arrangement (whether involving the winding-up of the Company, the redemption of the ZDP Shares or otherwise) which would enable the holders of the ZDP Shares to receive not later than the date falling 14 days after the relevant ZDP Repayment Date an amount in cash equal to or not less than that to which the Directors

estimate (so far as practicable at that time) that such holders would otherwise have been entitled to receive on a winding-up of the Company and on the basis that UIL satisfies its payment obligations under the Subscription Agreement to the extent that it is able after payment of all other prior ranking indebtedness and liabilities, (ignoring any options ZDP Shareholders may be given to elect to receive any entitlement otherwise than in cash pursuant to the arrangement) then the provisions of Bye-law 5.5.1 above shall not apply and the provisions relating to voting in Bye-law 5.5.4 below shall apply in respect of any Reconstruction Resolution.

5.5.4. Where any resolution or resolutions are proposed pursuant to the provisions of Bye-law 5.5.2 or 5.5.3 above:

- (a) the holders of the Ordinary Shares present in person or by proxy and entitled to vote and who vote (whether for or against) on such resolution at any special general meeting of the Company shall, on a poll, have for each Ordinary Share such number of votes as is equal to four times the number of votes cast in aggregate by the holders of the ZDP Shares; and
- (b) those holders of ZDP Shares present in person or by proxy and entitled to vote and who vote in favour of such resolution at a separate general meeting of the holders of ZDP Shares shall, on a poll, have such number of votes in respect of the ZDP Shares held by them (including fractions of a vote) so that the aggregate number of votes cast in favour of the resolution is four times the aggregate number of such shares in respect of which votes are cast against the resolution and each holder of ZDP Shares present in person or by proxy and entitled to vote who votes against such resolution shall, on a poll, have one vote for each share held by him.

provided that, if any term of any offer or arrangement referred to in Bye-law 5.5.2 or 5.5.3 above (as regards any one or more holders of ZDP Shares) shall have been breached (other than by such holder(s)) in any material respect of which the chairman of the meeting has received written notice prior to the commencement of such meeting, each holder shall, at any such meeting at which such holder is present in person or by proxy and entitled to vote, on a poll, have one vote for each such share held by him.

#### 5.6. Undesignated Shares

The rights attaching to the Undesignated Shares, subject to these Bye-Laws generally and to Bye-Law 5.7 in particular, shall be as follows:

- 5.6.1. each Undesignated Share shall have attached to it such preferred, qualified or other special rights, privileges and conditions and be subject to such restrictions, whether in regard to dividend, return of capital, redemption, conversion into Ordinary Shares or voting or otherwise, as the Board may determine on or before its allotment;
- 5.6.2. the Board may allot the Undesignated Shares in more than one series and, if it does so, may name and designate each series in such manner as it deems appropriate to reflect the particular rights and restrictions attached to that series, which may differ in all or any respects from any other series of Undesignated Shares;
- 5.6.3. the particular rights and restrictions attached to any Undesignated Shares shall be recorded in a resolution of the Board. The Board may at any time before the allotment of any Undesignated Share by further resolution in any way amend such rights and restrictions or vary or revoke its designation. A copy of any such resolution or amending resolution for the time being in force shall be annexed as an appendix to (but shall not form part of) these Bye-Laws; and

- 5.6.4. the Board shall not attach to any Undesignated Share any rights or restrictions which would alter or abrogate any of the special rights attached to any other class of series of shares for the time being in issue without such sanction as is required for any alteration or abrogation of such rights, unless expressly authorised to do so by the rights attaching to or by the terms of issue of such shares.
- 5.7. Without limiting the foregoing and subject to the Companies Acts, the Company may issue preference shares (including any preference shares created pursuant to Bye-Law 5.6) which:
- 5.7.1. are liable to be redeemed on the happening of a specified event or events or on a given date or dates and/or;
- 5.7.2. are liable to be redeemed at the option of the Company.
- 5.8. The terms and manner of the redemption of any redeemable shares created pursuant to Bye-Law 5.6 shall be as the Board may by resolution determine before the allotment of such shares and the terms and manner of redemption of any other redeemable preference shares shall be either:
- 5.8.1 as the Shareholders may by Resolution determine; or
- 5.8.2 insofar as the Shareholders do not by any Resolution determine, as the Board may by resolution determine, in either case, before the allotment of such shares. A copy of any such Resolution or resolution of the Board for the time being in force shall be attached as an appendix to (but shall not form part of) these Bye-Laws.
- 5.9. The terms of any redeemable preference shares (including any redeemable preference shares created pursuant to Bye-Law 5.6) may provide for the whole or any part of the amount due on redemption to be paid or satisfied otherwise than in cash, to the extent permitted by the Companies Acts.
- 5.10. Subject to the foregoing and to any special rights conferred on the holders of any share or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
- 5.11. The Board may, at its discretion and without the sanction of a Resolution, authorise the purchase by the Company of its own shares, of any class, at any price (whether at par or above or below par), and any shares to be so purchased may be selected in any manner whatsoever, upon such terms as the Board may in its discretion determine, provided always that such purchase is effected in accordance with the provisions of the Companies Acts. The whole or any part of the amount payable on any such purchase may be paid or satisfied otherwise than in cash, to the extent permitted by the Companies Acts.
- 5.12. The Board may, at its discretion and without the sanction of a Resolution, authorise the acquisition by the Company of its own shares, of any class, at any price (whether at par or above or below par), and any shares to be so purchased may be selected in any manner whatsoever, to be held as treasury shares, upon such terms as the Board may in its discretion determine, provided always that such acquisition is effected in accordance with the provisions of the Companies Acts. The whole or any part of the amount payable on any such acquisition may be paid or satisfied otherwise than in cash, to the extent permitted by the Companies Acts.
- 5.13. The renewal of authority to make purchases of its own shares as set out in Bye-law 5.12 shall be sought from the Shareholders at each annual general meeting of the Company.

## 6. Modification Of Rights

- 6.1. Subject to the Companies Acts and as otherwise provided in these Bye-Laws, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of not less than seventy five percent (75%) of the issued shares of that class or with the sanction of a Resolution passed at a separate general meeting of the holders of such shares voting in person or by proxy. To any such separate general meeting, all the provisions of these Bye-Laws as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) or more persons holding or representing by proxy at least one third in number of the issued shares of the relevant class, that every holder of shares of the relevant class shall be entitled on a poll to one vote for every such share held by him and that any holder of shares of the relevant class present in person or by proxy may demand a poll; provided, however, that if the Company or a class of Shareholders shall have only one Shareholder, one Shareholder present in person or by proxy shall constitute the necessary quorum. If at any adjourned meeting of such holders of such quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.
- 6.2. For the purposes of this Bye-Law, unless otherwise expressly provided by the rights attached to any shares or class of shares, those rights attaching to any class of shares for the time being shall be deemed to be altered or abrogated by the reduction of the capital paid up on such shares or by the allotment of further shares ranking in priority thereto in any respect, but shall not be deemed to be altered or abrogated by:
- 6.2.1. the creation or issue of further shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued;
  - 6.2.2. the purchase or redemption by the Company of any of its own shares in accordance with these Bye-Laws;
  - 6.2.3. the passing of a Liquidation Resolution, a Recommended Resolution or a Reconstruction Resolution or a resolution to increase the authorised share capital of the Company;
  - 6.2.4. the exercise of any power under the disclosure provisions requiring Shareholders to disclose an interest in the Company's shares as set out in these Bye-laws.

## 7. Shares

- 7.1. Subject to the provisions of these Bye-Laws, the unissued shares of the Company (whether forming part of the original capital or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over, issue warrants in respect of, or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.
- 7.2. Subject to the provisions of these Bye-Laws, any shares of the Company held as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares.
- 7.3. The Board may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by law. Subject to the provisions of the Companies Acts, any such commission or brokerage may be satisfied by the payment of cash or by the allotment of fully or partly paid shares, the grant of an option to call for an allotment of shares or any combination of such methods.
- 7.4. Shares may be issued in fractional denominations and in such event the Company shall deal

with such fractions to the same extent as its whole shares, so that a share in a fractional denomination shall have, in proportion to the fraction of a whole share that it represents, all the rights of a whole share, including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

- 7.5. Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or in any fractional part of a share or (except only as otherwise provided in these Bye-Laws or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## **8. Certificates**

- 8.1. On becoming the holder of any share, a person (except a recognised person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled to have issued, without charge and within two months after an allotment or the lodgement of a transfer (unless the terms of issue of the shares provide otherwise), one certificate under the Seal for all the shares of each class registered in his name. Such certificate shall specify the number, class and distinguishing numbers (if any) of the shares in respect of which it is issued and the amount or respective amounts paid up thereon.
- 8.2. Nothing in these Bye-Laws shall prevent title to any shares or other securities of the Company from being evidenced and transferred without a written instrument. The Board shall have power to adopt and implement such procedures as it may think fit for recording and transferring title to shares or other securities and for the regulation of those procedures and the persons responsible for or involved in their operation and whether generally or in particular cases. References in these Bye-Laws to certificates for shares and instruments of transfer shall be construed accordingly.
- 8.3. If and so long as all the issued shares of the Company or all the issued shares of a particular class are fully paid up, then none of those shares shall bear a distinguishing number. In all other cases each share shall bear a distinguishing number.
- 8.4. The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to the person first named on the register shall be sufficient delivery to all joint holders.
- 8.5. Where a Shareholder (other than a recognised person) has transferred part only of the shares comprised in a certificate, he shall be entitled without charge to a certificate for the balance of such shares.
- 8.6. If a share certificate is defaced, worn out, lost or destroyed, it may be replaced on such terms (if any) as to evidence and indemnity (with or without security) and to payment of the costs and out of pocket expenses of the Company in investigating such evidence and preparing such indemnity and security as the Board may think fit, and on surrender of the original certificate (where it is defaced or worn out), but without any further charge.
- 8.7. All certificates for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall, except to the extent that the terms and conditions for the time being relating thereto otherwise provide, be in such form as the Board may determine and issued under the Seal or signed by a Director, the Secretary or any person authorised by the Board for that purpose. The Board may by resolution determine, either generally or in any particular case, that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any persons, or may determine that a representation of the Seal may be printed on any such certificates. If any person holding an office in the Company who has signed, or whose facsimile signature has been used on, any certificate ceases for any reason to hold his office, such certificate may nevertheless be issued

as though that person had not ceased to hold such office.

- 8.8. Nothing in these Bye-Laws shall prevent title to any securities of the Company from being evidenced and/ or transferred without a written instrument in accordance with regulations made from time to time in this regard under the Companies Acts, and the Board shall have power to implement any arrangements which it may think fit for such evidencing and/or transfer which accord with those regulations.
- 8.9. In the case of shares held jointly by several persons, any such request as is mentioned in this Bye-Law 8 may be made by any one of the joint holders.

## **9. Replacement Certificates**

- 9.1. Any two or more certificates representing shares of any one class held by any Shareholder may at his request be cancelled and a single new certificate for such shares issued in lieu (without charge) on surrender of the original certificates for cancellation.
- 9.2. If any Shareholder shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request.

## **10. Lien**

- 10.1. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies, whether presently payable or not, called or payable, at a date fixed by or in accordance with the terms of issue of such share in respect of such share, and the Company shall also have a first and paramount lien on every share (other than a fully paid share) standing registered in the name of a Shareholder, whether singly or jointly with any other person, for all the debts and liabilities of such Shareholder or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such Shareholder, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person, whether a Shareholder or not. The Company's lien on a share shall extend to all dividends payable thereon. The Board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Bye-Law.
- 10.2. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.
- 10.3. The net proceeds of sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person who was the holder of the share immediately before such sale. For giving effect to any such sale, the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 10.4. Whenever any law for the time being of any country, state or place imposes or purports to impose any immediate or future or possible liability upon the Company to make any payment or

empowers any government or taxing authority or government official to require the Company to make any payment in respect of any shares registered in any of the Company's registers as held either jointly or solely by any Shareholder or in respect of any dividends, bonuses or other monies due or payable or accruing due or which may become due or payable to such Shareholder by the Company on or in respect of any shares registered as aforesaid or for or on account or in respect of any Shareholder and whether in consequence of:

10.4.1. the death of such Shareholder;

10.4.2. the non-payment of any income tax or other tax by such Shareholder;

10.4.3. the non-payment of any estate, probate, succession, death, stamp, or other duty by the executor or administrator of such Shareholder or by or out of his estate; or

10.4.4. any other act or thing;

10.4.5. in every such case (except to the extent that the rights conferred upon holders of any class of shares render the Company liable to make additional payments in respect of sums withheld on account of the foregoing):

10.4.6. the Company shall be fully indemnified by such Shareholder or his executor or administrator from all liability;

10.4.7. the Company shall have a lien upon all dividends and other monies payable in respect of the shares registered in any of the Company's registers as held either jointly or solely by such Shareholder for all monies paid or payable by the Company in respect of such shares or in respect of any dividends or other monies as aforesaid thereon or for or on account or in respect of such Shareholder under or in consequence of any such law together with interest at the rate of fifteen percent (15%) per annum thereon from the date of payment to date of repayment and may deduct or set off against such dividends or other monies payable as aforesaid any monies paid or payable by the Company as aforesaid together with interest as aforesaid;

10.4.8. the Company may recover as a debt due from such Shareholder or his executor or administrator wherever constituted any monies paid by the Company under or in consequence of any such law and interest thereon at the rate and for the period aforesaid in excess of any dividends or other monies as aforesaid then due or payable by the Company;

10.4.9. the Company may, if any such money is paid or payable by it under any such law as aforesaid, refuse to register a transfer of any shares by any such Shareholder or his executor or administrator until such money and interest as aforesaid is set off or deducted as aforesaid, or in case the same exceeds the amount of any such dividends or other monies as aforesaid then due or payable by the Company, until such excess is paid to the Company.

10.5. Subject to the rights conferred upon the holders of any class of shares, nothing herein contained shall prejudice or affect any right or remedy which any law may confer or purport to confer on the Company and as between the Company and every such Shareholder as aforesaid, his estate representative, executor, administrator and estate wheresoever constituted or situate, any right or remedy which such law shall confer or purport to confer on the Company shall be enforceable by the Company.

## **11. Calls On Shares**

11.1. Subject to the terms of allotment of shares, the Board may from time to time make calls upon the Shareholders in respect of any monies unpaid on their shares (whether on account of the par value of the shares or by way of premium) and not by the terms of issue thereof made

payable at a date fixed by or in accordance with such terms of issue, and each Shareholder shall (subject to the Company serving upon him at least fourteen (14) clear days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine. A person on whom a call is made shall remain liable notwithstanding the subsequent transfer of the shares in respect of which the call was made.

- 11.2. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed or (as the case may require) any person to whom power has been delegated pursuant to these Bye-Laws serves notice of exercise of such power.
- 11.3. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof
- 11.4. If a sum called in respect of the share shall not be paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment, together with interest on the sum from the day appointed for the payment thereof to the time of actual payment at the rate fixed by the terms of the allotment of the share or in the notice of the call or, if no rate is so fixed, at such rate not exceeding 15 per cent per annum (compounded on a six monthly basis), as the Board may determine, but the Board shall be at liberty to waive payment of such costs, charges, expenses or interest wholly or in part.
- 11.5. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Bye-Laws be deemed to be a call duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Bye-Laws as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 11.6. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
- 11.7. Unless the Board otherwise determines, no Shareholder shall be entitled to receive any dividend or to be present and vote at any general meeting, or at any separate meeting of the holders of any class of shares, either personally or (save as proxy for another Shareholder entitled to vote) by proxy or be reckoned in a quorum, or to exercise any other right as a Shareholder unless and until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).
- 11.8. The Board may, if it thinks fit, receive from any Shareholder willing to advance the same all or any part of the moneys uncalled and unpaid on the shares held by him. Such payment in advance of calls shall extinguish pro tanto the liability on the shares on which it is made. The Company may pay interest on the money paid in advance, or so much of it as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, at such rate as the Board may decide. The Board may at any time repay the amount so advanced on giving to such Shareholder not less than three months' notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.
- 11.9. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may delegate on such terms as it thinks fit to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the Shareholders in respect of such uncalled capital, to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys. The power so delegated shall subsist during the

continuance of the mortgage or security, notwithstanding any change of Directors, and shall be assignable if expressed so to be.

- 11.10. The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect thereof

## **12. Forfeiture Of Shares**

- 12.1. If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any costs, charges, expenses and interest which may have accrued.
- 12.2. The notice shall name a further day (not being less than fourteen (14) clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call is made or instalment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-Laws to forfeiture shall include surrender.
- 12.3. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- 12.4. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share or the person entitled to such share by transmission (as the case may be). An entry of such notice having been given and of the forfeiture (with the date thereof) shall forthwith be made in the Register in respect of such share. However, no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- 12.5. A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit. The Board may, for the purposes of the disposal, authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the Register notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the share. The Company may receive the consideration (if any) given for the share on its disposal.
- 12.6. A person whose shares have been forfeited shall thereupon cease to be a Shareholder in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited.
- 12.7. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Bye-Laws expressly saved, or as are by the Companies Acts given or imposed in the case of past Shareholders.

- 12.8. An affidavit in writing that the deponent is a Director of the Company or the Secretary and that a share has been duly forfeited on the date stated in the affidavit shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share. Such person shall not (except by express agreement with the Company) become entitled to any dividend which might have accrued on the share before the completion of the sale or disposition thereof

## **REGISTER OF SHAREHOLDERS**

### **13. Register Of Shareholders**

- 13.1. The Register shall be kept at the Registered Office or at such other place in Bermuda as the Board may from time to time direct, in the manner prescribed by the Companies Acts. Subject to the provisions of the Companies Acts, the Company may keep one or more overseas or branch registers in any place, and the Board may make, amend and revoke any such regulations as it may think fit respecting the keeping of such registers. The Board may authorise any share on the Register to be included in a branch register or any share registered on a branch register to be registered on another branch register, provided that at all times the Register is maintained in accordance with the Companies Acts.
- 13.2. The Register or any branch register may be closed at such times and for such period (not exceeding 30 days in any year) as the Board may from time to time decide, subject to the Companies Acts. Except during such time as it is closed, the Register and each branch register shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon (or between such other times as the Board from time to time determines) on every working day. Unless the Board so determines, no Shareholder or intending Shareholder shall be entitled to have entered in the Register or any branch register any indication of any trust or any equitable, contingent, future or partial interest in any share or any fractional part of a share and if any such entry exists or is permitted by the Board it shall not be deemed to abrogate any of the provisions of Bye-Law 7.5.

## **REGISTER OF DIRECTORS AND OFFICERS**

### **14. Register Of Directors And Officers**

The Secretary shall establish and maintain a register of the Directors and Officers of the Company as required by the Companies Acts. The register of Directors and Officers shall be open to inspection in the manner prescribed by the Companies Acts between 9:00a.m. and 5:00p.m. in Bermuda on every working day.

## **TRANSFER OF SHARES**

### **15. Transfer Of Shares**

- 15.1. Subject to the Companies Acts and to such of the restrictions contained in these Bye-Laws as may be applicable, any Shareholder may transfer all or any of his shares by an instrument of transfer, in the case of certificated shares, in writing in the usual common form or in any other form which the Board may approve.
- 15.2. The instrument of transfer of a share shall be signed by or on behalf of the transferor and where

any share is not fully-paid, the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. In relation to uncertificated shares, references in these Bye-Laws to instruments of transfer shall include instructions and/ or notifications made in accordance with the relevant system relating to the transfer of such shares. All instruments of transfer when registered may be retained by the Company. In respect of a share which is fully paid up, the Board may, in its absolute discretion and without giving any reason, refuse to register any share transfer unless such transfer satisfies the following conditions:

- 15.2.1. it is in respect of a share upon which the Company has no lien;
  - 15.2.2. it is in respect of only one class of share;
  - 15.2.3. it is in favour of a single transferee of not more than four (4) joint transferees;
  - 15.2.4. it is duly stamped (if required by law);
  - 15.2.5. it is delivered for registration to the Registered Office of the Company or such other place as the Board may from time to time determine, accompanied, except in the case of a transfer by a recognised person where a certificate has not been issued, by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so; and
  - 15.2.6. it is satisfied that all applicable consents, authorisations, permissions or approvals of any governmental body or agency in Bermuda or any other applicable jurisdiction required to be obtained under relevant law prior to such transfer have been obtained.
- 15.3. In the case of partly paid shares which are listed, the Board may in its absolute discretion and without giving any reason, refuse to register any share transfer providing that the Directors have exercised their discretion without thereby prejudicing dealings being on an open and proper basis.
  - 15.4. The Board may also refuse to register a transfer of uncertificated shares in such other circumstances as may be permitted or required by the Regulations or such other regulations as may be applicable to the holding of dematerialised securities and the relevant system.
  - 15.5. If it shall come to the notice of the Board that any shares are owned directly, indirectly, or beneficially by a Non-Qualified Holder, the Board may give notice to such person requiring him either (i) to provide the Board within thirty days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Non-Qualified Holder; or (ii) to sell or transfer his shares to a person who is not a Non-Qualified Holder within thirty days and within such thirty days to provide the Board with satisfactory evidence of such sale or transfer. Pending such sale or transfer the Board may suspend the exercise of any voting or consent rights and rights to receive notice of, or attend, meetings of the Company and any rights to receive dividends or other distributions with respect to such shares, and the holder shall repay the Company any amounts distributed to such holder by the Company during the time such holder held such shares. If any person upon whom such a notice is served pursuant to this Bye-law 15.5 does not within thirty days after such notice either (i) sell or transfer his shares to a person who is not a Non-Qualified Holder and establish to the satisfaction of the Board (whose judgment shall be final and binding) that such a sale or transfer has occurred or (ii) establish to the satisfaction of the Board (whose judgment shall be final and binding) that he is not a Non-Qualified Holder, the Board may, in its absolute discretion, arrange for the Company to sell the shares at the best price reasonably obtainable to any other person so that the shares will cease to be held by a Non-Qualified Holder, in which event the Company may take any action whatsoever that the Board considers necessary in order to effect the transfer of such shares by the holder of such shares and the Company shall pay the net proceeds of sale to the former holder upon its receipt of the sale proceeds and the surrender by him of the relevant

share certificate or, if no certificate has been issued, such evidence as the Board may reasonably require to satisfy itself as to his former entitlement to the shares and to such net proceeds of sale and the former holder shall have no further interest in the relevant shares or any claim against the Company in respect thereof. No trust will be created and no interest will be payable in respect of such net proceeds of sale.

- 15.6. If the Board refuses to register a transfer of a share it shall, within two (2) months after the date on which the transfer was lodged with the Company, send to the transferee notice of such refusal. Any instrument of transfer which the Board refuses to register shall (except in the case of suspected fraud) be returned to the person depositing it.
- 15.7. No fee shall be charged by the Company for registering any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, order of court or other instrument relating to or affecting the title to any share.
- 15.8. Nothing in these Bye-Laws shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.
- 15.9. The Board may, at its discretion, determine to issue shares on terms such that the certificates in respect of such shares are issued in attached form and are transferable for a period determined by the Board but not exceeding fifty (50) days only on presentation to the Registered Office or such other place as the Board may from time to time determine of certificates for such shares in attached form.
- 15.10. If and to the extent that the Board has implemented and/ or approved any arrangements pursuant to Bye-Law 15.1 above and without prejudice to such Bye-Law, the Board may decide (a) what documents or combination of documents or what other form of consent or instruction shall be sufficient to constitute an instruction and/or instrument of transfer to the Company's registrar or depository, or to any custodian or other nominee on behalf of such registrar or depository, to hold warrants or shares, or any such warrants or shares, represented by depository interests or similar interests, instruments or securities or out of which depository interests, instruments or securities are derived from time to time and (b) the identity of the person or persons who may execute, make or give the same and in whose favour the same shall be made or given. Nothing appearing elsewhere in these Bye-Laws with regard to the transfer of warrants or shares shall prejudice the authority given to the Board in this Bye-Law.
- 15.11. The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Board may from time to time determine. Notice of closure of the Register shall be given in accordance with the requirements of the Companies Acts.

## **TRANSMISSION OF SHARES**

### **16. Transmission Of Shares**

- 16.1. In the case of the death of a Shareholder, the survivor or survivors, where the deceased was a joint holder, and the estate representative, where he was a sole or the only survivor of joint holders, shall be the only person recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder (whether the sole or joint) from any liability in respect of any share held by him solely or jointly with other persons. For the purpose of this Bye-Law, estate representative means the person to whom probate or letters of administration has or have been granted in Bermuda or, failing any such person, such other person as the Board may in its absolute discretion determine to be the person recognised by the Company for the purpose of this Bye-Law.
- 16.2. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Shareholder or otherwise by operation of applicable law may, subject as hereafter provided and upon such evidence being produced as may from time to time be required by the Board as to

his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall signify his election by signing an instrument of transfer of such share in favour of his nominee. All the limitations, restrictions and provisions of these Bye-Laws relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or instrument of transfer as aforesaid as if the death of the Shareholder or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer signed by such Shareholder. Where the entitlement of a person to a share in consequence of the death or bankruptcy of a Shareholder or of any other event giving rise to its transmission by operation of law is proved to the satisfaction of the Board, the Board shall within two months after proof cause the entitlement of that person to be noted in the Register.

- 16.3. A person becoming entitled to a share in consequence of the death or bankruptcy of a Shareholder or otherwise by operation of applicable law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Shareholder until he shall have become registered as the holder thereof. The Board may at any time give notice requiring such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty (60) days, the Board may thereafter withhold payment of all dividends and other monies payable in respect of the shares until the requirements of the notice have been complied with.

## **SHARE CAPITAL**

### **17. Increase Of Share Capital**

- 17.1. The Company may from time to time increase its share capital by such sum to be divided into shares of such par value as the Company by Resolution shall prescribe.
- 17.2. The Company may, by the Resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of the Companies Acts) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or make any other provision as to the issue of the new shares.
- 17.3. The new shares shall be subject to all the provisions of these Bye-Laws with reference to lien, the payment of calls, forfeiture, transfer, transmission and otherwise.

### **18. Alteration of Capital**

- 18.1. The Company may from time to time by Resolution:
- 18.1.1. divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- 18.1.2. consolidate and divide all or any of its share capital into shares of larger par value than its existing shares;
- 18.1.3. sub-divide its shares or any of them into shares of smaller par value than is fixed by its memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- 18.1.4. make provision for the issue and allotment of shares which do not carry any voting

rights;

- 18.1.5. cancel shares which, at the date of the passing of the Resolution in that behalf, 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
  - 18.1.6. change the currency denomination of its share capital.
- 18.2. Where any difficulty arises in regard to any division, consolidation, or sub-division under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular (but without prejudice to the generality of the foregoing) where the number of shares held by any holder is not an exact multiple of the number of shares to be consolidated into a single share and as a result of such consolidation such holder would become entitled to a fraction of a consolidated share:
- 18.2.1. the Board may determine which of the shares of such holder are to be treated as giving rise to such fractional entitlement and may decide that any of those shares shall be consolidated with any of the shares of any other holder or holders which are similarly determined by it to be treated as giving rise to a fractional entitlement for such other holder or holders, into a single consolidated share and the Board may, on behalf of all such holders, sell such consolidated share for the best price reasonably obtained to any person (including the Company) and distribute the net proceeds of sale after deduction of the expenses of sale in due proportion among those holders (except that any amount otherwise due to a holder, being less than £3.00 or such other sum as the Board may from time to time determine, may be retained for the benefit of the Company); or
  - 18.2.2. provided that the necessary unissued shares are available, the Board may issue to such holder credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding to an exact multiple of the number of shares to be consolidated into a single share (such issue being deemed to have been effected prior to consolidation); and the amount required to pay up such shares shall be appropriated at the Board's discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account) or to the credit of profit and loss account and capitalised by applying the same in paying up the share.
- 18.3. For the purposes of any sale of consolidated shares pursuant to Bye-Law 18.2.2, the Board may authorise some person to execute an instrument of transfer of the shares to, or in accordance with, the directions of the purchaser, and the transferee shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 18.4. Subject to the Companies Acts and to any confirmation or consent required by law or these Bye-Laws, the Company may by Resolution from time to time convert any preference shares into redeemable preference shares.

## **19. Reduction Of Capital**

- 19.1. Subject to the Companies Acts, its memorandum and any confirmation or consent required by law or these Bye-Laws, the Company may from time to time by Resolution authorise the reduction of its share capital or any share premium account in any manner.
- 19.2. In relation to any such reduction, the Company may by Resolution determine the terms upon which such reduction is to be effected including, in the case of a reduction of part only of a class of shares, those shares to be affected.

## **GENERAL MEETINGS AND WRITTEN RESOLUTIONS**

## **20. General Meetings And Written Resolutions**

- 20.1. The Board shall convene and the Company shall hold general meetings as Annual General Meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. The Board may, whenever it thinks fit, and shall, when requisitioned by shareholders pursuant to the provisions of the Companies Acts, convene general meetings other than Annual General Meetings, which shall be called Special General Meetings, at such time and place as the Board may appoint.
- 20.2. Except in the case of the removal of auditors or Directors, anything which may be done by Resolution in general meeting may be done by Resolution in writing, signed by the required majority of the Shareholders or any class thereof or their proxies, or in the case of a Shareholder that is a corporation (whether or not a company within the meaning of the Companies Acts) by its representative on behalf of such Shareholder, being the required majority of the Shareholders of the Company or any class thereof who at the date of the notice of the Resolution in writing would be entitled to attend a meeting and vote on the Resolution. Such Resolution in writing may be signed in as many counterparts as may be necessary.
- 20.3. Notice of any Resolution in writing to be made under this Bye-Law shall be given, and a copy of the Resolution shall be circulated, in the same manner as that required for a notice of a general meeting of the Company at which the Resolution could have been considered, except that the length of the period of notice shall not apply.
- 20.4. The accidental omission to give notice of, or to circulate a copy of, a Resolution in writing to be made under this Bye-Law, or the non-receipt of such notice or copy by, any person entitled to receive such notice or copy shall not invalidate the passing of the Resolution.
- 20.5. For the purposes of this Bye-Law, the date of the Resolution in writing is the date when the Resolution is signed by, or on behalf of, the Shareholder who establishes the majority of votes required for the passing of the Resolution and any reference in any enactment to the date of passing of a Resolution is, in relation to a Resolution in writing made in accordance with this Bye-Law, a reference to such date.
- 20.6. A Resolution in writing made in accordance with this Bye-Law is as valid as if it had been passed by the Company in general meeting or, if applicable, by a meeting of the relevant class of Shareholders of the Company, as the case may be. A Resolution in writing made in accordance with this Bye-Law shall constitute minutes for the purposes of the Companies Acts and these Bye-Laws.

## **21. Notice Of General Meetings**

- 21.1. An Annual General Meeting shall be called by not less than twenty-one (21) clear days' notice in writing and a Special General Meeting shall be called by not less than fourteen (14) clear days' notice in writing notwithstanding that it is convened by shorter notice than that specified in this Bye-Law 21, a general meeting shall be deemed to have been duly convened if it is so agreed:
  - 21.1.1. in the case of an annual general meeting, by all the Shareholders entitled to attend and vote at the meeting; and
  - 21.1.2. in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

The notice shall specify the place, day and time of the meeting, (including any satellite meeting place arranged for the purposes of Bye-Law 21) and, the nature of the business to be considered and, with reasonable prominence, that a Shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a Shareholder. Notice of every general meeting shall be given in any manner permitted by these Bye-Laws to all Shareholders other than such as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such

notice from the Company and to each Director, to the Auditors and to any Resident Representative who or which has delivered a written notice upon the Registered Office requiring that such notice be sent to him or it.

- 21.2. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.
- 21.3. A Shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 21.4. The Board may cancel or postpone a meeting of the Shareholders after it has been convened and notice of such cancellation or postponement shall be served in accordance with these Bye-Laws upon all Shareholders entitled to notice of the meeting so cancelled or postponed setting out, where the meeting is postponed to a specific date, notice of the new meeting in accordance with this Bye-Law.

## **22. General Meetings At More Than One Place**

- 22.1. The provisions of this Bye-Law shall apply if any general meeting is convened at or adjourned to more than one place.
- 22.2. The notice of any meeting or adjourned meeting may specify the Specified Place and the Board shall make arrangements for simultaneous attendance and participation in a satellite meeting at other places (whether adjoining the Specified Place or in a different and separate place or places altogether or otherwise) by Shareholders. The Shareholders present at any such satellite meeting place in person or by proxy and entitled to vote shall be counted in the quorum for, and shall be entitled to vote at, the general meeting in question if the Chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that Shareholders attending at all the meeting places are able to:
  - 22.2.1. communicate simultaneously and instantaneously with the persons present at the other meeting place or places, whether by use of microphones, loud-speakers, audio-visual or other communications equipment or facilities; and
  - 22.2.2. have access to all documents which are required by the Companies Acts and these Bye-Laws to be made available at the meeting.
- 22.3. The Chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the Specified Place. If it appears to the Chairman of the general meeting that the facilities at the Specified Place or any satellite meeting place are or become inadequate for the purposes referred to above, then the Chairman may, without the consent of the meeting, interrupt or adjourn the general meeting. All business conducted at that general meeting up to the time of such adjournment shall be valid.
- 22.4. The Board may from time to time make such arrangements for the purpose of controlling the level of attendance at any such satellite meeting (whether involving the issue of tickets or the imposition of some means of selection or otherwise) as they shall in their absolute discretion consider appropriate, and may from time to time vary any such arrangements or make new arrangements in place of them, provided that a Shareholder who is not entitled to attend, in person or by proxy, at any particular place shall be entitled so to attend at one of the other places and the entitlement of any Shareholder so to attend the meeting or adjourned meeting at such place shall be subject to any such arrangements as may be for the time being in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.
- 22.5. If a meeting is adjourned to more than one place, notice of the adjourned meeting shall be

given in the manner required by Bye-Law 21.

### **23. Proceedings At General Meetings**

- 23.1. In accordance with the Companies Acts, a general meeting may be held with only one individual present provided that the requirement for a quorum is satisfied. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a Chairman, which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Bye-Laws, at least two (2) Shareholders present in person or by proxy or by a duly authorised representative of a corporation which is a Shareholder and entitled to vote shall be a quorum for all purposes; provided, however, that if the Company or a class of Shareholders shall have only one Shareholder, one Shareholder present in person or by proxy shall constitute the necessary quorum.
- 23.2. If within fifteen (15) minutes (or such longer time as the Chairman in his absolute discretion thinks fit) after the time appointed for the meeting, a quorum is not present, the meeting, if convened on the requisition of Shareholders, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and such other time and place as the Chairman (or, in default, the Board) may determine. Whenever a meeting is adjourned for 14 days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. If at the adjourned meeting a quorum is not present within fifteen (15) minutes after the time appointed for holding the meeting, one person entitled to vote on the business to be transacted, being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder, shall be a quorum.
- 23.3. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. If it appears to the Chairman of a general meeting that the Specified Place is inadequate to accommodate all persons entitled and wishing to attend, the meeting is duly constituted and its proceedings are valid if the Chairman is satisfied that adequate facilities are available, whether at the Specified Place or elsewhere, to ensure that each such person who is unable to be accommodated at the Specified Place is able to communicate simultaneously and instantaneously with the persons present at the Specified Place, whether by the use of microphones, loud-speakers, audio-visual or other communications equipment or facilities.
- 23.4. Subject to the Companies Acts, a Resolution may only be put to a vote at a general meeting of the Company or of any class of Shareholders if:
  - 23.4.1. it is proposed by or at the direction of the Board; or
  - 23.4.2. it is proposed at the direction of the Court; or
  - 23.4.3. it is proposed on the requisition in writing of such number of Shareholders as is prescribed by, and is made in accordance with, the relevant provisions of the Companies Acts; or
  - 23.4.4. the Chairman of the meeting in his absolute discretion decides that the Resolution may properly be regarded as within the scope of the meeting.
- 23.5. No amendment may be made to a Resolution, at or before the time when it is put to a vote,

unless the Chairman of the meeting in his absolute discretion decides that the amendment or the amended Resolution may properly be put to a vote at that meeting.

- 23.6. If the Chairman of the meeting rules in good faith a Resolution or an amendment to a Resolution admissible or out of order (as the case may be), the proceedings of the meeting or on the Resolution in question shall not be invalidated by any error in his ruling. Any ruling by the Chairman of the meeting in relation to a Resolution or an amendment to a Resolution shall be final and conclusive.
- 23.7. The Resident Representative, if any, upon giving the notice referred to in Bye- Law 21.1 above, shall be entitled to attend any general meeting of the Company and each Director shall be entitled to attend and speak at any general meeting of the Company.
- 23.8. The Chairman of the Board or, in his absence, the Deputy Chairman (if any), shall preside as Chairman at every general meeting. If there is no such Chairman or Deputy Chairman, or if at any meeting the Chairman or Deputy Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, or is not willing to act as Chairman, the Directors present shall choose one of their number to act or if only one Director is present he shall preside as Chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be Chairman of the meeting.
- 23.9. Director shall, notwithstanding that he is not a Shareholder, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares of the Company.
- 23.10. The Chairman may, with the consent by Resolution of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or sine die) and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. In addition to any other power of adjournment conferred by law, the Chairman may at any time without consent of the meeting adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place (or sine die) if, in his opinion, it would facilitate the conduct of the business of the meeting to do so or if he is so directed (prior to or at the meeting) by the Board. When a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Board. When a meeting is adjourned for 14 days or more or for an indefinite period, at least seven (7) clear days' notice shall be given of the adjourned meeting. Save as expressly provided by these Bye-Laws, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **24. Voting**

- 24.1. Save where a greater majority is required by the Companies Acts or these Bye- Laws, any question proposed for consideration at any general meeting shall be decided on by a simple majority of votes cast.
- 24.2. Subject to Bye-Law 41.2 and to any rights or restrictions attached to any class of shares, at any meeting of the Company, each Shareholder present in person or by proxy shall be entitled to one vote on any question to be decided on a show of hands and each Shareholder present in person or by proxy shall be entitled on a poll to one vote for each share held by him, provided that subject to the provisions of the Companies Acts, to any special terms as to voting on which any shares may have been issued or may for the time being be held (including for the avoidance of doubt those terms described in Bye-Law 6) and to any suspension or abrogation of voting rights pursuant to these Bye-Laws, at any general meeting on a show of hands every Shareholder entitled to vote who is present in person and every person (not being himself a Shareholder entitled to vote) who is present as proxy for a Shareholder entitled to vote shall have one vote and on a poll every Shareholder entitled to vote who is present in person or by

proxy shall have one vote for every share of any class of which he is the holder, provided that:

- 24.2.1. a person appointed as proxy in respect of a share shall not be entitled to vote, either on a show of hands or on a poll, if the Shareholder who appointed that person as his proxy in respect of that share, or (in the case of a corporation) the duly authorised representative of such Shareholder, exercises his right to vote in respect of that share; and
  - 24.2.2. subject to Bye-Law 24.2.1 above, in the event that on a poll a Shareholder is present both in person and by proxy his proxy (or, if he has appointed more than one, each of his proxies) shall have one vote for every share of any class in respect of which he has been appointed and the Shareholder concerned shall have one vote for every share of any class of which he is the holder and in respect of which he has not appointed a proxy.
- 24.3. At any general meeting, a Resolution put to the vote of the meeting shall be decided on a show of hands or by a count of votes received in the form of electronic records, unless (before or on the declaration of the result of the show of hands or count of votes received as electronic records or on the withdrawal of any other demand for a poll) a poll is demanded by:
- 24.3.1. the Chairman of the meeting; or
  - 24.3.2. at least five (5) Shareholders present in person or represented by proxy and entitled to vote at the meeting; or
  - 24.3.3. any Shareholder or Shareholders present in person or represented by proxy and holding between them not less than one tenth (1/10) of the total voting rights of all the Shareholders having the right to vote at such meeting; or
  - 24.3.4. a Shareholder or Shareholders present in person or represented by proxy holding shares conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one tenth (1/10) of the total sum paid up on all such shares conferring such right.

The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands or count of votes received as electronic records declared before the demand was made. If the demand for a poll is withdrawn, the Chairman or any other Shareholder entitled may demand a poll.

- 24.4. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the Chairman that a Resolution has, on a show of hands or count of votes received as electronic records, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded for or against such Resolution.
- 24.5. If a poll is duly demanded, the result of the poll shall be deemed to be the Resolution of the meeting at which the poll is demanded.
- 24.6. A poll demanded on the election of a Chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days from the date of the demand) and place as the Chairman shall direct and he may appoint scrutineers (who need not be Shareholders) and fix a time and place for declaring the result of the poll. It shall not be necessary (unless the Chairman otherwise directs) for notice to be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven (7) clear days' notice shall be given specifying the time and place at which the poll is to

be taken. The result of the poll shall be deemed to be the Resolution of the meeting at which the poll was demanded.

- 24.7. The demand for a poll (other than on the election of a Chairman or any question of adjournment) shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
- 24.8. On a poll, votes may be cast either personally or by proxy.
- 24.9. A person entitled to more than one vote on a poll need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- 24.10. In the case of an equality of votes at a general meeting, whether on a show of hands or count of votes received as electronic records or on a poll, the Chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote that he may have.
- 24.11. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.
- 24.12. A Shareholder who is a patient for any purpose of any statute or applicable law relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such Court and such receiver, committee, *curator bonis* or other person may vote on a poll by proxy, and may otherwise act and be treated as such Shareholder for the purpose of general meetings.
- 24.13. No Shareholder shall, unless the Board otherwise determines, be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or (save as proxy for another Shareholder entitled to vote) by proxy, in respect of any share held by him or to exercise any right as a Shareholder unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 24.14. If:
  - 24.14.1. any objection shall be raised to the qualification of any voter; or,
  - 24.14.2. any votes have been counted which ought not to have been counted or which might have been rejected; or,
  - 24.14.3. any votes are not counted which ought to have been counted,the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any Resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any Resolution if the Chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the Chairman on such matters shall be final and conclusive.
- 24.15. Where in England or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Shareholder on the ground (however formulated) of mental disorder, the Board may in its absolute discretion, on or subject to production of such evidence of the

appointment as the Board may require, permit such receiver or other person to vote in person and/or by proxy in accordance with these Bye-Laws on behalf of such Shareholder at any general meeting. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be deposited at the Registered Office, or at such other place as is specified in accordance with these Bye-Laws for the deposit of instruments of proxy, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.

## **25. Proxies And Corporate Representatives**

- 25.1. A Shareholder may appoint one or more persons as his proxy, with or without the power of substitution, to represent him and vote on his behalf in respect of all or some only of his shares at any general meeting (including an adjourned meeting). A proxy need not be a Shareholder. When two or more valid but differing appointments of proxy are delivered or received in respect of the same share for use at the same meeting and in respect of the same matter, the one which is last validly delivered or received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share. The instrument appointing a proxy shall be in writing and, if the Board in its absolute discretion determines, may be contained in an electronic communication, in any such case in any common form or in such other form as the Board may approve and (i) if in writing but not contained in an electronic communication, under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, under its common seal or under the hand of some officer or attorney duly authorised in that behalf or (ii) in the case of an appointment contained in an electronic communication, submitted by or on behalf of the appointor, subject to such terms and conditions and authenticated in such manner as the Board may in its absolute discretion determine. The appointment of a proxy shall not preclude a Shareholder from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof
- 25.2. A Shareholder which is a corporation may, by written authorisation, appoint any person (or two (2) or more persons in the alternative) as its representative to represent it and vote on its behalf at any general meeting (including an adjourned meeting) and such a corporate representative may exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholder and the Shareholder shall for the purposes of these Bye-Laws be deemed to be present in person at any such meeting if a person so authorised is present at it. 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.
- 25.3. Any Shareholder may appoint a proxy or (if a corporation) representative for a specific general meeting, and adjournments thereof, or may appoint a standing proxy or (if a corporation) representative, by serving on the Company at the Registered Office, or at such place or places as the Board may otherwise specify for the purpose, a proxy or (if a corporation) an authorisation. Any standing proxy or authorisation shall be valid for all general meetings and adjournments thereof or Resolutions in writing, as the case may be, until notice of revocation is received at the Registered Office or at such place or places as the Board may otherwise specify for the purpose. Where a standing proxy or authorisation exists, its operation shall be deemed to have been suspended at any general meeting or adjournment thereof at which the Shareholder is present or in respect to which the Shareholder has specially appointed a proxy or representative. The Board may from time to time require such evidence as it shall deem necessary as to the due execution and continuing validity of any standing proxy or authorisation and the operation of any such standing proxy or authorisation shall be deemed to be suspended until such time as the Board determines that it has received the requested evidence or other evidence satisfactory to it.
- 25.4. Subject to Bye-Law 25.3, the instrument appointing a proxy or corporate representative

together with such other evidence as to its due execution as the Board may from time to time require, shall:

- 25.4.1. In the case of an instrument in writing (including, whether or not the appointment of proxy contained in an electronic communication, any such power of attorney or other authority) be delivered at the Registered Office (or at such place or places as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case or the case of a written Resolution, in any document sent therewith) not less than forty-eight (48) hours or such other period as the Board may determine, prior to the holding of the relevant meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - 25.4.2. In the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving communications:
    - 25.4.2.1. in the notice convening the meeting; or
    - 25.4.2.2. in any instrument of proxy sent out by the Company in relation to the meeting; or
    - 25.4.2.3. in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting, be received at such address not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
  - 25.4.3. in the case of a poll taken more than forty-eight (48) hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than twenty-four (24) hours before the time appointed for the taking of the poll; or
  - 25.4.4. where the poll is not taken forthwith but is taken not more than forty-eight (48) hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting or to any Director; or
  - 25.4.5. In the case of a written Resolution, prior to the effective date of the written Resolution and in default the instrument of proxy or authorisation shall not be treated as valid. No appointment of a proxy shall be valid after the expiry of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date.
- 25.5. Instruments of proxy or authorisation shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, at the expense of the Company send out with the notice of any meeting or any written Resolution forms of instruments of proxy or authorisation for use at that meeting or in connection with that written Resolution. The instrument of proxy shall be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote on any Resolution or amendment of a written Resolution or amendment of a Resolution put to the meeting for which it is given as the proxy thinks fit but shall not confer any further right to speak at the meeting, except with the permission of the Chairman (or as otherwise determined by the Board where the relevant shares are held by a Depositary). The instrument of proxy or authorisation shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. If the terms of the appointment of a proxy include a power of substitution, any proxy appointed by substitution under such power shall be deemed to be the proxy of the Shareholder who conferred such power. All the provisions of these Bye-Laws relating to the execution and delivery of an instrument or other form of communication appointing or evidencing the appointment of a proxy shall apply, mutatis mutandis, to the instrument or other form of communication effecting or evidencing such an appointment by

substitution

- 25.6. A vote given or poll demanded in accordance with the terms of an instrument of proxy or authorisation shall be valid notwithstanding the previous death or unsoundness of mind of the principal, or revocation of the instrument of proxy or of the corporate authority, provided that no intimation in writing of such death, unsoundness of mind or revocation shall have been received by the Company at the Registered Office (or where the instrument of proxy was contained in an electronic communication, at the address of which such appointment was duly received, or at such other place as may be specified for the delivery of instruments of proxy or authorisation in the notice convening the meeting or other documents sent therewith) at least 48 hours before the commencement of the meeting or adjourned meeting, or the taking of the poll, or the day before the effective date of any written Resolution at which the instrument of proxy or authorisation is used.
- 25.7. Subject to the Companies Acts, the Board may at its discretion waive any of the provisions of these Bye-Laws related to proxies or authorisations and, in particular, may accept such verbal or other assurances as it thinks fit as to the right of any person to attend, speak and vote on behalf of any Shareholder at general meetings or to sign written Resolutions.
- 25.8. If, in relation to the exercise by a Shareholder of his rights to vote both in person and by proxy, and/or his right to appoint more than one proxy, in respect of different parts of his holding, any question shall arise as to whether any particular person or persons has or have been validly appointed as his proxy or proxies to vote in respect of any particular part or parts of his holding (whether by reason of the aggregate number of shares comprised in appointments of proxy deposited by him exceeding the number of shares held by him or for any other reason), such question shall be determined by the Chairman who in making such determination (which may include the rejection of a particular appointment or particular appointments of proxy as invalid) shall act in what he considers on the information available to him and in his absolute discretion to be the manner in which such Shareholder would have wished him to act.

## **BOARD OF DIRECTORS**

### **26. Appointment And Removal Of Directors**

- 26.1. No person other than a Director retiring by rotation or otherwise shall be appointed or re-appointed a Director at any general meeting unless:
  - 26.1.1. he is recommended by the Board; or
  - 26.1.2. not less than seven (7) nor more than thirty-five (35) clear days before the date appointed for the meeting, a notice duly executed by a Shareholder (not being the person to be proposed) qualified to vote at the meeting has been received by the Secretary of the Company at the Registered Office of the intention to propose such person for appointment or re-appointment, stating the particulars which would, if he were so appointed or re-appointed be required to be included in the Company's register of Directors and Officers, together with notice executed by that person of his willingness to be appointed or re-appointed.
- 26.2. Except as otherwise authorised by the Companies Acts, the appointment of any person proposed as a Director shall be effected by a separate Resolution.
- 26.3. All Directors, upon election or appointment, except upon re-election or re- appointment at an Annual General Meeting, must provide written acceptance of their appointment, in such form as the Board may think fit, by notice in writing to the Registered Office within thirty (30) days of their appointment.
- 26.4. The number of Directors shall be not less than two (2) and not more than 10 or such other number as the Company by Resolution may from time to time determine. Any one or more

vacancies in the Board not filled at any general meeting shall be deemed casual vacancies for the purposes of these Bye-Laws. Without prejudice to the power of the Company by Resolution in pursuance of any of the provisions of these Bye-Laws to appoint any person to be a Director, the Board, so long as a quorum of Directors remains in office, shall have power at any time and from time to time, to appoint any individual to be a Director so as to fill a casual vacancy. A Director so appointed shall hold office only until the next following Annual General Meeting and shall not be taken into account in determining the number of Directors who are to retire by rotation at the meeting. If not reappointed at such Annual General Meeting, he shall vacate office at the conclusion thereof.

- 26.5. Subject to the provisions of the Companies Acts, the Board may from time to time appoint one or more of its body to hold any employment or executive office (including that of Managing Director) for such term (subject to the provisions of the Companies Acts) and subject to such other conditions as the Board thinks fit. The Board may revoke or terminate any such appointment without prejudice to any claim for damages for breach of contract between the Director and the Company.
- 26.6. A Director shall not be required to hold any shares of the Company.
- 26.7. A Resolution for the appointment of two or more persons as Directors by a single Resolution shall be void unless an ordinary Resolution that it shall be so proposed has first been agreed to by the general meeting without any vote being given against it.
- 26.8. At each annual general meeting of the Company one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one-third shall retire from office. If there are fewer than three Directors who are subject to retirement by rotation, one Director shall retire from office.
- 26.9. In addition to any Director required to retire by rotation under Bye-Law 26.8 there shall also be required to retire by rotation any Director who at an annual general meeting of the Company shall have than been a Director at each of the preceding two annual general meetings of the Company and who was not required to retire by rotation at either such annual general meeting and who has not otherwise ceased to be a Director (either by resignation, retirement, removal or otherwise) and has been reappointed by general meeting of the Company at or since either such annual general meeting.
- 26.10. Subject to the provisions of the Companies Acts and of these Bye-laws, the Directors to retire by rotation at each annual general meeting shall include, so far as necessary to obtain the number required, first, any Director who wishes to retire and not offer himself for re-election and secondly, those Directors who have been longest in office since their last appointment or re-appointment. As between two or more Directors who have been in office an equal length of time, the Director to retire shall, in default of agreement between them, be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting notwithstanding any change in the number or identity of the Directors after that time but before the close of the meeting.
- 26.11. A Director who retires at an annual general meeting (whether by rotation or otherwise) may, if willing to act, be re-appointed. If he is not re-appointed, he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.
- 26.12. At any general meeting at which a Director retires by rotation the Company may fill the vacancy.
- 26.13. No person shall be or become incapable of being appointed a Director by reason of his having attained the age of 70 or any other age, nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person. No Director shall vacate his office at any time by reason of the fact that he has attained the age of 70 or any

other age. Where any general meeting of the Company is convened at which, to the knowledge of the Board, a Director will be proposed for appointment or re- appointment who will at the date of the meeting be 70 or more, the Board shall give notice of his age in the notice convening the meeting or in any document accompanying the notice, but the accidental omission to do so shall not invalidate any proceedings or any appointment or re-appointment of that Director at that meeting.

- 26.14. The Company may by ordinary Resolution remove any Director before the expiration of his period of office in accordance with the Companies Acts, but without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company, and may (subject to these Bye-Laws) by ordinary Resolution appoint another person who is willing to act to be a Director in his place. Any person so appointed shall be treated, for the purposes of determining the time at which he or any other Director is to retire, as if he had become a Director on the day on which the person in whose place he is appointed was last appointed or re-appointed a Director.
- 26.15. Directors who have served for nine years or more will be subject to annual re-election, as will Directors over the age of 70.

## **27. Resignation And Disqualification Of Directors**

- 27.1. Without prejudice to the provisions for retirement (by rotation or otherwise) contained in these Bye-laws, the office of a Director shall be vacated upon the happening of any of the following events:
- 27.1.1. if he resigns his office by notice in writing delivered to the Registered Office or tendered at a meeting of the Board;
  - 27.1.2. if he becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health and the Board resolves that his office is vacated;
  - 27.1.3. if he becomes bankrupt, has an interim receiving order made against him under the laws of any country or compounds with his creditors;
  - 27.1.4. if he is prohibited by law from being a Director;
  - 27.1.5. if he ceases to be a Director by virtue of the Companies Acts or these
  - 27.1.6. Bye-Laws or is removed from office pursuant to these Bye-Laws;
  - 27.1.7. if he shall for more than six (6) consecutive months have been absent without permission of the Board from meetings of the Board held during that period and his Alternate Director (if any) shall not during such period have attended in his stead and the Board resolves (within two (2) months of the date of the last meeting from which he and such Alternate Director were absent during such period) that his office be vacated;
  - 27.1.8. if he is requested to resign by a notice in writing delivered to the Registered Office or tendered at a meeting of the Board signed by all of the other Directors (not being less than two in number) and, for this purpose, like notices each signed by a Director shall be as effective as a single notice signed by a number of Directors.
  - 27.1.9. A resolution of the Board declaring a Director to have vacated office under the terms of Bye-Law 27 shall be conclusive as to the fact and grounds of vacation stated in the resolution.
- 27.2. The provisions of Section 93 of the Companies Act 1981 of Bermuda shall not apply to the Company.

## 28. Alternate Directors

- 28.1. Any Director (other than an Alternate Director) may appoint any other Director, or any other person approved by resolution of the Board and willing to act, to be an Alternate Director and may remove from office an Alternate Director so appointed by him. Any appointment or removal of an Alternate Director by a Director shall be effected by delivery of a written notice of appointment or removal to the Secretary at the Registered Office, signed by such Director, and such notice shall be effective immediately upon receipt or on any later date specified in that notice. Any Alternate Director may also be removed by resolution of the Board. An Alternate Director may also be a Director in his own right and may act as alternate to more than one Director.
- 28.2. No appointment of an Alternate Director shall be effective until his consent to act as a Director in the form prescribed by the Companies Acts has been received at the Registered Office.
- 28.3. An Alternate Director need not hold a share qualification and shall not be counted in reckoning any maximum number of Directors allowed by these Bye-laws.
- 28.4. An Alternate Director shall cease to be an Alternate Director:
  - 28.4.1. if his appointor ceases to be a Director; but, if a Director retires by rotation or otherwise 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;
  - 28.4.2. on the happening of any event which, if he were a Director, would cause him to vacate his office as Director;
  - 28.4.3. if he is removed from office pursuant to Bye-Law 28.1; or
  - 28.4.4. if he resigns his office by notice to the Company.
- 28.5. An Alternate Director shall be entitled to receive notices of all meetings of Directors and committees of the Board of which his appointor is a member, and to attend, be counted in the quorum and vote at any such meetings at which any Director to whom he is alternate is not personally present, and generally to perform all the functions of any Director to whom he is alternate in his absence. A Director acting as Alternate Directors shall have a separate vote at Board meetings for each Director for whom he acts as Alternate Director, but he shall count as only one for the purpose of determining whether a quorum is present.
- 28.6. Every person acting as an Alternate Director shall (except as regards powers to appoint an alternate and remuneration) be subject in all respects to the provisions of these Bye-Laws relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for any Director for whom he is alternate. An Alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director. Every person acting as an Alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an Alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the terms of his appointment provides to the contrary, be as effective as the signature of the Director or Directors to whom he is alternate.

## 29. Directors' Interests

- 29.1. A Director may hold any other office or place of profit with the Company (except that of auditor or auditor of a subsidiary of the Company) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or

otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.

- 29.2. A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 29.3. Subject to the provisions of the Companies Acts, a Director may notwithstanding his office be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, anybody corporate promoted by the Company or in which the Company is interested. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- 29.4. So long as, where it is necessary, he declares the nature of his interest at the first opportunity at a meeting of the Board or by writing to the Directors as required by the Companies Acts, a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from any office or employment to which these Bye-Laws allow him to be appointed or from any transaction or arrangement in which these Bye-Laws allow him to be interested, and no such transaction or arrangement shall be liable to be avoided on the ground of any interest or benefit.
- 29.5. A Director who, to his knowledge, is in any way (directly or indirectly) interested in any contract, arrangement, transaction or proposal with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract, arrangement, transaction or proposal is first considered, if he knows his interest then exists or, in any other case, at the first meeting of the Board after he knows that he is or has become so interested.
- 29.6. Subject to the Companies Acts and any further disclosure required thereby, a general notice to the Directors by a Director or Officer declaring that he is a director or officer or has an interest in a person and is to be regarded as interested in any transaction or arrangement made with that person, shall be a sufficient declaration of interest in relation to any transaction or arrangement so made. 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.
- 29.7. Save as provided in this Bye-law, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board or of a committee of the Board concerning any contract, arrangement, transaction or any proposal whatsoever to which the Company is or is to be a party and in which he is to his knowledge alone or together with any person connected with him materially interested (other than by virtue of his interest, directly or indirectly, in shares or debentures or other securities of the Company) unless the resolution concerns any of the following matters:
  - 29.7.1. the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person for the benefit of the Company or any of its Subsidiaries;
  - 29.7.2. the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its Subsidiaries for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
  - 29.7.3. a contract, arrangement, transaction or proposal concerning or the offer of shares, debentures or other securities of the Company or any of its Subsidiaries in which offer

he is or may be entitled to participate or in the underwriting or sub-underwriting of which he is to or may participate;

29.7.4. any contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning any other body corporate (a relevant company) in which he (together with persons connected with him), directly or indirectly (and whether as an officer or shareholder, creditor or otherwise), does not hold or have a beneficial interest in one per cent. or more of any class of the equity share capital of either a relevant company or an intermediate company (any such interest being deemed for the purposes of this Bye-Law to be a material interest in all circumstances), for the purposes of this Bye-Law 29.7.4:

- (a) an intermediate company means a company having an interest in a relevant company which would be material if held by a Director;
- (b) a Director shall be deemed to have an interest in one per cent. or more of a relevant company or an intermediate company if directly or indirectly he is the holder of or beneficially interested in one per cent. or more of any class of equity share capital or of the voting rights available to members of either such company; and
- (c) there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or is in remainder (if and so long as some other person is entitled to receive the income from the trust) and any shares comprised in any authorised unit trust scheme in which the Director is interested only as a unit holder;

29.7.5. any contract, arrangement, transaction or proposal relating to an arrangement for the benefit of the employees of the Company or its Subsidiaries which does not award him any privilege or benefit not generally awarded to the employees to which such arrangement relates, and concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme under which he may benefit and which relates to both employees and Directors of the Company (or any of its subsidiaries) and does not accord to any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates;

29.7.6. any contract, arrangement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors pursuant to Bye-Law 48.8.

29.8. A Director shall not vote or be counted in the quorum on any resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these Bye-Laws) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

29.9. If any question arises at any meeting as to the materiality of a Director's interest (other than the Chairman's interest) or as to the entitlement of any Director (other than the Chairman) to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the

Chairman of the meeting. The Chairman's ruling in relation to the Director concerned shall be final and conclusive.

- 29.10. If any question arises at any meeting as to the materiality of the Chairman's interest or as to the entitlement of the Chairman to vote or be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the Chairman), whose majority vote shall be final and conclusive.
- 29.11. Subject to the provisions of the Companies Act, the Company may by ordinary Resolution suspend or relax the provision of Bye-Law 29, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of these Bye-Laws.

### **30. Powers And Duties Of The Board**

- 30.1. Subject to the provisions of the Companies Acts, these Bye-Laws and to any directions given by the Company by special Resolution, the Board shall manage the business of the Company and may pay all expenses incurred in promoting and incorporating the Company and may exercise all the powers of the Company. No alteration of these Bye-Laws and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Bye-Law shall not be limited by any special power given to the Board by these Bye-Laws and a meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
- 30.2. The Board may exercise all the powers of the Company except those powers that are required by the Companies Acts or these Bye-Laws to be exercised by the Shareholders. Without limiting the generality of the foregoing, and subject as provided in this Bye-Law 30.2, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any other persons.
- 30.3. The Board shall not be permitted to incur any borrowings on behalf of the Company.
- 30.4. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

### **31. Fees, Gratuities And Pensions**

- 31.1. The ordinary remuneration of the Directors office for their services (other than Alternate Directors) (excluding amounts payable under any other provision of these Bye-Laws) shall be determined by Board and each such Director shall be paid a fee (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the Board, provided that the aggregate account paid to the Directors by way of fees shall not exceed £200,000 in any financial year or such greater sum as may be determined from time to time by ordinary Resolution of the Company. Any fees payable pursuant to this Bye-Law shall be distinct from and shall not include any salary, remuneration for any executive office or other amounts payable to a Director pursuant to any other provisions of these Bye-Laws. Each Director may be paid his reasonable travel, hotel and incidental expenses in attending and returning from meetings of the Board or committees constituted pursuant to these Bye-Laws or general meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise)

as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.

- 31.2. The salary or remuneration of any Director appointed to hold any employment or executive office in accordance with the provisions of these Bye-Laws may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or in lieu or any fee payable to him for his services as Director pursuant to these Bye-Laws.
- 31.3. In addition to its powers under Bye-Laws 31.1 and 31.2, the Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for, or to institute and maintain any institution, association, society, club, trust, other establishment or profit-sharing, share incentive, share purchase or employees' share scheme calculated to advance the interests of the Company or to benefit, any person who is or has at any time been a Director of the Company or any company which is a holding company or a subsidiary undertaking of or allied to or associated with the Company or any such holding company or subsidiary undertaking or any predecessor in business of the Company or of any such holding company or subsidiary undertaking, and for any member of his family (including a spouse or former spouse) and any person who is or was dependent on him. For such purpose the Board may establish, maintain, subscribe and contribute to any scheme, institution, association, club, trust or fund and pay premiums and, subject to the provisions of the Companies Acts, lend money or make payments to, guarantee or give an indemnity in respect of, or give any financial or other assistance in connection with any of the aforesaid matters. The Board may procure any of such matters to be done by the Company either alone or in conjunction with any other person. Any Director or former Director shall be entitled to receive and retain for his own benefit any pension or other benefit provided under this Bye-Law and shall not be obliged to account for it to the Company.
- 31.4. No Director or former Director shall be accountable to the Company or the Shareholders for any benefit provided pursuant to this Bye-Law and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

## **32. Delegation Of The Board's Powers**

- 32.1. The Board may by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-Laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney and of such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney may, if so authorised in writing, execute any deed, instrument or other document on behalf of the Company.
- 32.2. The Board may entrust to and confer upon any Director, Officer or, without prejudice to the provisions of Bye-Law 32.3, other person any of the powers, authorities and discretions exercisable by it upon such terms and conditions with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions, and may from time to time revoke or vary all or any of such powers, authorities and discretions but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
- 32.3. When required under the requirements from time to time of any stock exchange on which the shares of the Company are listed, the Board shall appoint an Audit Committee and a Compensation Committee in accordance with the requirements of such stock exchange. The Board also may delegate any of its powers, authorities and discretions (with power to sub-

delegate) to any other committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit, provided that:

32.3.1. a majority of the members of a committee shall be Directors; and

32.3.2. no resolution of a committee shall be effective unless a majority of those present when it is passed are Directors or alternate Directors.

32.4. Any committees so formed shall, in the exercise of the powers, authorities and discretions so delegated, and in conducting its proceedings conform to any regulations which may be imposed upon it by the Board. If no regulations are imposed by the Board the proceedings of a committee with two (2) or more members shall be, as far as is practicable, governed by the Bye-Laws regulating the proceedings of the Board. The Board may confer such powers either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Board in that respect and may from time to time revoke, withdraw, alter or vary any of such powers and discharge any such committee in whole or in part. Insofar as any power, authority or discretion is so delegated, any reference in these Bye- Laws to the exercise by the Board of such power, authority or discretion shall be construed as if it were a reference to the exercise of such power, authority or discretion by such committee.

### **33. Proceedings of The Board**

33.1. The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the motion shall be deemed to have been lost. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.

33.2. Notice of a meeting of the Board may be given to a Director by word of mouth or in any manner permitted by these Bye-Laws. A Director may retrospectively or prospectively waive the requirement for notice of any meeting by consenting in writing to the business conducted at the meeting.

33.3. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2) individuals, each being a Director or an alternate Director. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and, subject to Bye-Law 33.12, be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions for the time being vested in or exercisable by the Board.

33.4. The Resident Representative shall, upon delivering written notice of an address for the purposes of receipt of notice to the Registered Office, be entitled to receive notice of, attend and be heard at and to receive minutes of all meetings of the Board.

33.5. So long as a quorum of Directors remains in office, the continuing Directors may act notwithstanding any vacancy in the Board but, if no such quorum remains, the continuing Directors or a sole continuing Director may act only for the purpose of calling a general meeting.

33.6. The Board may appoint one or more of its body Chairman or Joint Chairman and one or more of its body Deputy Chairman of its meetings and may determine the period for which he is or they are to hold office and may at any time remove him or them from office. If no such Chairman or Deputy Chairman is elected, or if at any meeting neither a Chairman nor a Deputy Chairman is present within five minutes of the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting. In the event of two or more Joint Chairmen or, in the absence of a Chairman, two or more Deputy Chairmen being present,

the person to act as Chairman of the meeting shall be decided by those Directors present. Any Chairman or Deputy Chairman may also hold executive office.

- 33.7. The meetings and proceedings of any committee consisting of two (2) or more members shall be governed by the provisions contained in these Bye-Laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.
- 33.8. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board or by an Alternate Director, as provided for in these Bye-Laws or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the Directors or members of the committee concerned, including executions evidenced by means of facsimile transmission.
- 33.9. A meeting of the Board or a committee appointed by the Board may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone or by video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and participation in such a meeting shall constitute presence in person at such meeting. Such a meeting shall be deemed to take place where the largest group of those Directors participating in the meeting is physically assembled, or, if there is no such group, where the Chairman of the meeting then is.
- 33.10. All acts done by the Board or by any committee or by any person acting as a Director or member of a committee or any person duly authorised by the Board or any committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated their office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, member of such committee or person so authorised.
- 33.11. The Company may by resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Bye-Laws prohibiting a Director from voting at a meeting of the Board or of a committee of the Board, or ratify any transaction not duly authorised by reason of a contravention of any such provisions.

## **OFFICERS**

### **34. Officers**

- 34.1. The Officers of the Company, who may or may not be Directors, may be appointed by the Board at any time, subject to Bye-Law 33.12. Any person appointed pursuant to this Bye-Law shall hold office for such period and upon such terms as the Board may determine and the Board may revoke or terminate any such appointment upon any period of notice. Any such revocation or termination shall be without prejudice to any claim for damages that such Officer may have against the Company or the Company may have against such Officer for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Save as provided in the Companies Acts or these Bye-Laws, the powers and duties of the Officers of the Company shall be such (if any) as are determined from time to time by the Board.
- 34.2. The emoluments of any Director holding executive office for his services as such shall be determined by the Board, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme (including any share acquisition scheme) or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for

employees or their dependants, or the payment of a pension or other benefits to him or his dependants on or after retirement or death, apart from membership or any such scheme or fund.

- 34.3. Save as otherwise provided, the provisions of these Bye-laws as to resignation and disqualification of Directors shall mutatis mutandis apply to the resignation and disqualification of Officers.

## **MINUTES**

### **35. Minutes**

- 35.1. The Board shall cause minutes to be made and books kept for the purpose of recording:
- 35.1.1. all appointments of Officers and committees made by the Board;
  - 35.1.2. the names of the Directors and other persons (if any) present at each meeting of the Board and of any committee; and
  - 35.1.3. all proceedings at meetings of the Company, of the holders of any class of shares in the Company, of the Board and of committees appointed by the Board or the Shareholders.
- 35.2. Shareholders shall only be entitled to see the Register of Directors and Officers, the Register, the financial information provided for in Bye-Law 42.3 and the minutes of meetings of the Shareholders of the Company.

## **SECRETARY AND RESIDENT REPRESENTATIVE**

### **36. Secretary And Resident Representative**

- 36.1. The Secretary (including one or more deputy or assistant secretaries) and, if required, the Resident Representative, shall be appointed by the Board at such remuneration (if any) and upon such terms as it may think fit and any Secretary and Resident Representative so appointed may be removed by the Board. The duties of the Secretary and the duties of the Resident Representative shall be those prescribed by the Companies Acts together with such other duties as shall from time to time be prescribed by the Board.
- 36.2. A provision of the Companies Acts or these Bye-Laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

## **THE SEAL**

### **37. The Seal**

- 37.1. The Board may authorise the production of a Seal and one or more duplicate seals, which shall consist of a circular device with the name of the Company around the outer margin thereof and the country and year of registration in Bermuda across the centre thereof.
- 37.2. In the event that the Board does not authorise the production of a Seal, any document required to be under seal or executed as a deed on behalf of the Company shall be signed or executed by any person authorised by the Board for that purpose.
- 37.3. The Board shall provide for the custody of every Seal. A Seal shall only be used by authority of the Board or of a committee constituted by the Board. Subject to these Bye-Laws, any instrument to which a Seal is affixed shall be attested by the signature of:

- 37.3.1. a Director; or
  - 37.3.2. the Secretary; or
  - 37.3.3. any one person authorised by the Board for that purpose.
- 37.4. The Board may also determine, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical or other means. Unless otherwise so determined share certificates and, subject to the provisions of any instrument constituting the same, certificates issued under the Seal in respect of any debentures or other securities need not be signed and any signature may be affixed to or printed on any such certificate by any means approved by the Board.
- 37.5. Every certificate shall be issued either under the Seal (which may be affixed to it or printed on it by mechanical or other means) or in such other manner as the Board, having regard to the terms of issue, the Companies Acts and the regulations of the UK Listing Authority, may authorise; all references in these Bye-Laws to the Seal shall be construed accordingly.

## **DIVIDENDS AND OTHER PAYMENTS**

### **38. Dividends And Other Payments**

- 38.1. The Board may from time to time declare dividends or distributions out of contributed surplus to be paid to the Shareholders according to their rights and interests, including such interim dividends as appear to the Board to be justified by the position of the Company. The Board, in its discretion, may determine that any dividend shall be paid in cash or shall be satisfied, subject to Bye-Law 40, in paying up in full shares in the Company to be issued to the Shareholders credited as fully paid or partly paid or partly in one way and partly the other. The Board may also pay any fixed cash dividend which is payable on any shares of the Company half yearly or on such other dates, whenever the position of the Company, in the opinion of the Board, justifies such payment.
- 38.2. Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:
- 38.2.1. all dividends or distributions out of contributed surplus may be declared and paid according to the amounts paid up on the shares in respect of which the dividend or distribution is paid, and an amount paid up on a share in advance of calls may be treated for the purpose of this Bye-Law as paid-up on the share;
  - 38.2.2. dividends or distributions out of contributed surplus may be apportioned and paid pro rata according to the amounts paid-up on the shares during any portion or portions of the period in respect of which the dividend or distribution is paid.
- 38.3. The Board may deduct from any dividend, distribution or other monies payable to a Shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.
- 38.4. No dividend, distribution or other monies payable by the Company on or in respect of any share shall bear interest against the Company.
- 38.5. Subject to any special rights for the time being attached to any shares, the Company may pay any dividend, interest or other sum payable in respect of a share in cash or by cheque, direct debit, bank transfer, dividend warrant, or money order and may send the same by post or other delivery service to the registered address (or in the case of a Depository, subject to the approval of the Board, such persons and addresses) of the member or person entitled to it (or, if two or more persons are holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the member or otherwise by operation of law, to the registered address of such of those persons as is first named in the Register) or to such person and such address

as such member or person or persons may direct in writing. Every cheque, warrant or order is sent at the risk of the person entitled to the money represented by it and shall be made payable to the order of the person or persons entitled, or to such other person as the person or persons entitled may direct in writing. Payment of the cheque, warrant or order shall be a good discharge to the Company. If any such cheque, warrant or order has or shall be alleged to have been lost, stolen or destroyed, the Board may, at the request of the person entitled thereto, issue a replacement cheque or warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Board may think fit. Any joint holder or other person jointly entitled to a share may give an effective receipt for any dividend or other moneys payable in respect of such share. Any such dividend, interest or other sum may also be paid by any other method as the Board considers appropriate.

38.6. Subject to any special rights for the time being attached to any shares, the Board may, at its discretion, make provisions to enable such Depository and /or Shareholder as the Board shall from time to time determine to receive dividends duly declared in a currency or currencies other than sterling. For the purposes of the calculation of the amount receivable in respect of any dividend, the rate of exchange to be used to determine the foreign currency equivalent of any sum payable as a dividend shall be such market rate selected by the Board as it shall consider appropriate ruling at the close of business in London on the date which is the business day last preceding:

38.6.1. in the case of a dividend to be declared by the Company in general meeting, the date on which the Board publicly announces its intention to recommend that specific dividend; and

38.6.2. in the case of any other dividend, the date on which the Board publicly announces its intention to pay that specific dividend,

Provided that where the Board considers the circumstances to be appropriate it shall determine such foreign currency equivalent by reference to such market rate or rates or the mean of such market rates prevailing at such time or times or on such other date or dates, in each case falling before the time of the relevant announcement, as the Board may select.

38.7. If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled thereto are returned undelivered 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.

38.8. Any dividend or distribution out of contributed surplus unclaimed for a period of twelve (12) years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.

38.9. The Board may also, in addition to its other powers, direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend, the Board may settle it as it thinks expedient, and in particular, may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board, provided that such dividend or distribution may not be satisfied by the distribution of any partly paid shares or debentures of any company without the sanction of a Resolution.

### **39. Reserves**

The Board may, before declaring any dividend or distribution out of contributed surplus, set aside such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose of the Company and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any sums which it may think it prudent not to distribute.

## **CAPITALISATION OF PROFITS**

### **40. Capitalisation Of Profits**

- 40.1. The Board may from time to time resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account and accordingly that such amount be set free for distribution amongst the Shareholders or any class of Shareholders who would be entitled there to if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up amounts for the time being unpaid on any shares in the Company held by such Shareholders respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid amongst such Shareholders, or partly in one way and partly in the other, provided that for the purpose of this Bye-Law, a share premium account may be applied only in paying up of unissued shares to be issued to such Shareholders credited as fully paid and provided further that any sum standing to the credit of a share premium account may only be applied in crediting as fully paid shares of the same class as that from which the relevant share premium was derived.
- 40.2. Where any difficulty arises in regard to any distribution under this Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments should be made to any Shareholders in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Shareholders.

## **RECORD DATES**

### **41. Record Dates**

- 41.1. Notwithstanding any other provisions of these Bye-Laws, but without prejudice to the rights attached to any shares, the Company may fix by Resolution, or the Board may fix, any date as the record date for any dividend, distribution, allotment or issue and for the purpose of identifying the persons entitled to receive notices of any general meeting. Any such record date may be on or at any time before any date on which such dividend, distribution, allotment or issue is declared, paid or made and at any time before the date of any such meetings.
- 41.2. In relation to any general meeting of the Company or of any class of Shareholder or to any adjourned meeting or any poll taken at a meeting or adjourned meeting of which notice is given, the Board may specify in the notice of meeting or adjourned meeting or in any document sent to Shareholders by or on behalf of the Board in relation to the meeting, a time and date (a record date) before the date fixed for the meeting (the meeting date) and, notwithstanding any provision in these Bye-Laws to the contrary, in such case:
- 41.2.1. each person entered in the Register at the record date as a Shareholder, or a Shareholder of the relevant class, (a record date holder) shall be entitled to attend and

to vote at the relevant meeting and to exercise all of the rights or privileges of a Shareholder, or a Shareholder of the relevant class, in relation to that meeting in respect of the shares, or the shares of the relevant class, registered in his name at the record date;

41.2.2. as regards any shares, or shares of the relevant class, which are registered in the name of a record date holder at the record date but are not so registered at the meeting date (relevant shares), each holder of any relevant shares at the meeting date shall be deemed to have irrevocably appointed that record date holder as his proxy for the purpose of attending and voting in respect of those relevant shares at the relevant meeting (with power to appoint, or to authorise the appointment of, some other person as proxy), in such manner as the record date holder in his absolute discretion may determine; and

41.2.3. accordingly, except through his proxy pursuant to Bye-Law 41.2.2 above, a holder of relevant shares at the meeting date shall not be entitled to attend or to vote at the relevant meeting, or to exercise any of the rights or privileges of a Shareholder, or a Shareholder of the relevant class, in respect of the relevant shares at that meeting.

41.3. The entry of the name of a person in the Register as a record date holder shall be sufficient evidence of his appointment as proxy in respect of any relevant shares for the purposes of this paragraph, but all the provisions of these Bye-Laws relating to the execution and deposit of an instrument appointing a proxy or any ancillary matter (including the Board's powers and discretions relevant to such matter) shall apply to any instrument appointing any person other than the record date holder as proxy in respect of any relevant shares.

## **ACCOUNTING RECORDS**

### **42. Accounting Records**

42.1. The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Companies Acts.

42.2. The records of account shall be kept at the Registered Office or at such other place or places as the Board thinks fit, and shall at all times be open to inspection by the Directors, PROVIDED that if the records of account are kept at some place outside Bermuda, there shall be kept at an office of the Company in Bermuda such records as will enable the Directors to ascertain with reasonable accuracy the financial position of the Company at the end of each three (3) month period. No Shareholder (other than an Officer of the Company) shall have any right to inspect any accounting record or book or document of the Company except as conferred by law or authorised by the Board or by Resolution.

42.3. A copy of every balance sheet and statement of income and expenditure, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the auditors' report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts.

## **AUDIT**

### **43. Audit**

Save and to the extent that an audit is waived in the manner permitted by the Companies Acts, auditors shall be appointed and their duties regulated in accordance with the Companies Acts, any other applicable law and such requirements not inconsistent with the Companies Acts as the Board may from time to time determine.

## SERVICE OF NOTICES AND OTHER DOCUMENTS

### 44. Service Of Notices And Other Documents

- 44.1. Any notice or other document (including a share certificate and any notice of a general meeting of the Company) may be served on or delivered to any Shareholder by the Company
- 44.1.1. personally;
  - 44.1.2. by post (by airmail where applicable) in a pre-paid letter addressed to such
  - 44.1.3. Shareholder at his address as appearing in the Register;
  - 44.1.4. by courier to or leaving it at such registered address;
  - 44.1.5. by facsimile, email or other electronic record to an address or number supplied by such Shareholder for the purpose of the receipt of notices or documents; or
  - 44.1.6. by publication on a website and notification of such publication by any of the methods set out in paragraphs 41.1.1, 41.1.2, 41.1.3 or 41.1.4 of this Bye-Law, in accordance with the Companies Acts.

In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed as sufficient service on or delivery to all the joint holders.

- 44.2 Any notice or other document shall be deemed to have been served or delivered
- 44.1.7. if sent by personal delivery, at the time of delivery;
  - 44.1.8. if sent by post, forty-eight (48) hours after it was put in the post;
  - 44.1.9. if sent by courier or facsimile, twenty-four (24) hours after sending; or
  - 44.1.10. if sent by email or other electronic record, twelve (12) hours after sending and in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed and stamped and put in the post, published on a website in accordance with the Companies Acts, or sent by courier, facsimile, email or other electronic record, as the case may be.
- 44.2. If at any time, by reason of the suspension or curtailment of postal services within Bermuda or any other territory, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national newspaper published in the territory concerned and such notice shall be deemed to have been duly served on each person entitled to receive it in that territory on the day, or on the first day, on which the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least five (5) clear days before the meeting the posting of notices to addresses throughout that territory again becomes practicable.
- 44.3. Save as otherwise provided, the provisions of these Bye-Laws as to service of notices and other documents on Shareholders shall *mutatis mutandis* apply to service or delivery of notices and other documents to the Company or any Director, Alternate Director or Resident Representative pursuant to these Bye- Laws.

## DESTRUCTION OF DOCUMENTS

#### **45. Destruction Of Documents**

The Company shall be entitled to destroy all instruments of transfer of shares which have been registered and all other documents on the basis of which any entry is made in the Register at any time after the expiration of six (6) years from the date of registration thereof and all dividends mandates or variations or cancellations thereof and notifications of change of address at any time after the expiration of two (2) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one (1) year from the date of cancellation thereof and all paid dividend warrants and cheques at any time after the expiration of one (1) year from the date of actual payment thereof and all instruments of proxy which have been used for the purpose of a poll at any time after the expiration of one (1) year from the date of such use and all instruments of proxy which have not been used for the purpose of a poll at any time after one (1) month from the end of the meeting to which the instrument of proxy relates and at which no poll was demanded. It shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and that every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that:

- 45.1. the Company may destroy any such type of document after such shorter period as the board may determine if a copy of such document is retained on microfilm or other similar means;
- 45.2. the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- 45.3. nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Bye-Law; and
- 45.4. references herein to the destruction of any document include references to the disposal thereof in any manner.

#### **UNTRACED SHAREHOLDERS**

#### **46. Untraced Shareholders**

- 46.1. The Company shall be entitled to sell, at the best price reasonably obtainable, any shares of a Shareholder or any shares to which a person is entitled by virtue of transmission on death, bankruptcy, or otherwise by operation of law if and provided that:
  - 46.1.1. during the period of twelve (12) years, prior to the date of the publication of the advertisements referred to in sub-paragraph 46.1.2 below (or, if published on different dates, the earlier or earliest thereof) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre-paid envelope addressed to the Shareholder or to the person entitled by transmission to the share, at his address on the Register or other last known address given by the Shareholder or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of such share from such member or person, provided that during such period of 12 years the Company has paid at least three cash dividends (whether interim or final) and no such dividend has been claimed by the person entitled to it;
  - 46.1.2. on or after expiry of the said period of twelve (12) years, the Company has given notice of its intention to sell such share(s) by advertisements in two newspapers of which one

shall be a national daily newspaper published in the United Kingdom and the other shall be a newspaper circulating in the area of the address on the Register or other last known address of the Shareholder or the person entitled by transmission to the share;

- 46.1.3. the said advertisements, if not published on the same day, shall have been published within 30 days of each other.
  - 46.1.4. during that period of twelve (12) years and the period of three (3) months following the publication of such advertisements or, if published on different dates, the later or latest thereof), and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from such Shareholder or person entitled by transmission; and
  - 46.1.5. if so required by the rules of any securities exchange upon which the shares in question are listed for the time being, notice has been given to that exchange of the Company's intention to make such sale.
- 46.2. If during any twelve (12) year period referred to in paragraph 46.1 above, further shares have been issued in right of those held at the beginning of such period or of any previously issued during such period and all the other requirements of this Bye-Law (other than the requirement that they be in issue for twelve (12) years) have been satisfied in regard to the further shares, the Company may also sell the further shares.
  - 46.3. To give effect to any such sale, the Board may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser and may enter the name of the transferee in respect of the transferred shares in the Register notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The transferee shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity in, or invalidity of, the proceedings in reference to the sale.
  - 46.4. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former Shareholder or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former Shareholder or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments as the Board from time to time thinks fit.

## **WINDING UP**

### **47. Winding Up**

- 47.1. If the Company shall be wound up, the liquidator may, with the sanction of a Resolution of the Company and any other sanction required by the Companies Acts, divide amongst the Shareholders in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purposes set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for compelled to accept any shares or other assets upon which there is any liability the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be

## **INDEMNITY AND INSURANCE**

## 48. Indemnity And Insurance

- 48.1. Subject to the proviso below, every Indemnified Person shall be indemnified and held harmless out of the assets of the Company against all liabilities, loss, damage or expense (including but not limited to liabilities under contract, tort and statute or any applicable foreign law or regulation and all reasonable legal and other costs and expenses properly payable) incurred or suffered by him by or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties and the indemnity contained in this Bye-Law shall extend to any Indemnified Person acting in any office or trust in the reasonable belief that he has been appointed or elected to such office or trust notwithstanding any defect in such appointment or election PROVIDED ALWAYS that the indemnity contained in this Bye-Law shall not extend to any matter which would render it void pursuant to the Companies Acts.
- 48.2. No Indemnified Person shall be liable to the Company for the acts, defaults or omissions of any other Indemnified Person.
- 48.3. Every Indemnified Person shall be indemnified out of the assets of the Company against all liabilities incurred by him by or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties, in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under the Companies Acts in which relief from liability is granted to him by the court.
- 48.4. To the extent that any Indemnified Person is entitled to claim an indemnity pursuant to these Bye-Laws in respect of amounts paid or discharged by him, the relevant indemnity shall take effect as an obligation of the Company to reimburse the person making such payment or effecting such discharge.
- 48.5. Each Shareholder and the Company agree to waive any claim or right of action he or it may at any time have, whether individually or by or in the right of the Company, against any Indemnified Person on account of any action taken by such Indemnified
- 48.6. the Board, by resolution adopted by a majority of Directors then in office, and Person or the failure of such Indemnified Person to take any action in the performance of his duties with or for the Company PROVIDED HOWEVER that such waiver shall not apply to any claims or rights of action arising out of the fraud of such Indemnified Person or to recover any gain, personal profit or advantage to which such Indemnified Person is not legally entitled.
- 48.7. Subject to the Companies Acts, expenses incurred in defending any civil or criminal action or proceeding for which indemnification is required pursuant to these Bye-Laws shall be paid by the Company in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined that the Indemnified Person is not entitled to be indemnified pursuant to these Bye-Laws PROVIDED THAT no monies shall be paid hereunder unless payment of the same shall be authorised in the specific case upon a determination that indemnification of the Director or Officer would be proper in the circumstances because he has met the standard of conduct which would entitle him to the indemnification thereby provided and such determination shall be made:
- 48.7.1. by the Board, by a majority vote at a meeting duly constituted by a quorum of Directors not party to the proceedings or matter with regard to which the indemnification is, or would be, claimed; or
- 48.7.2. in the case such a meeting cannot be constituted by lack of a disinterested quorum, by independent legal counsel in a written opinion; or
- 48.7.3. by a majority vote of the Shareholders.

- 48.8. Each Shareholder of the Company, by virtue of its acquisition and continued holding of a share, shall be deemed to have acknowledged and agreed that the advances of funds may be made by the Company as aforesaid, and when made by the Company under this Bye-Law are made to meet expenditures incurred for the purpose of enabling such Indemnified Person to properly perform his or her duties to the Company.
- 48.9. Without prejudice to the provisions of this Bye-Law, the Board shall have the power to purchase and maintain insurance for or for the benefit of any Indemnified Person or any persons who are or were at any time Directors, Officers, and/or employees of the Company, or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund.

#### **AMALGAMATION**

##### **49. Amalgamation**

Any Resolution proposed for consideration at any general meeting to approve the amalgamation of the Company with any other company, wherever incorporated, shall require the approval of:

- 49.1. the Shareholders, by Resolution passed by a majority of votes cast at such meeting and the quorum for such meeting shall be that required in Bye-Law 23.1.

#### **CONTINUATION**

##### **50. Continuation**

Subject to the Companies Acts, the Company may with the approval of:

- 50.1. the Board, by resolution adopted by a majority of Directors then in office, and
- 50.2. the Shareholders by Resolution passed by a majority of votes cast at the general meeting, approve the discontinuation of the Company in Bermuda and the continuation of the Company in a jurisdiction outside Bermuda.

#### **ALTERATION OF BYE-LAWS**

##### **51. Alteration Of Bye-laws**

- 51.1. Subject to Bye-Laws 51.2 and 51.3, these Bye-Laws may be revoked or amended only by the Board, which may from time to time revoke or amend them in any way by a resolution of the Board passed by a majority of the Directors then in office and eligible to vote on that resolution, but no such revocation or amendment shall be operative unless and until it is approved at a subsequent general meeting of the Company by the Shareholders by Resolution passed by a majority of votes cast.
- 51.2. Where the Board has, by a resolution passed by a majority of the Directors then in office and eligible to vote on that resolution, approved a revocation or amendment of Bye-Laws 26, 27,

49, 50 and 51 inclusive, the revocation or amendment will not be effective unless approved by a Resolution of Shareholders holding not less than 80 per cent of the issued shares of the Company carrying the right to vote at general meetings at the relevant time.

## **NOTIFICATION BY INTERESTED SHAREHOLDERS**

### **52. Notification by Interested Shareholders**

- 52.1. The Directors may serve notice on any holder of shares in the Company requiring that Shareholder to disclose to the Company the identity of any person (other than the Shareholder) who has an Interest in such shares. Any notice shall require any information in response to such notice to be given within such reasonable time as the Directors may determine,
- 52.2. Unless otherwise directed by the Board, for so long as any person is in default of his obligations under this Bye Law within the prescribed period (which shall be 28 days after the service of notice by the Company or 14 days, if the shares concerned represent 0.25 per cent. or more of the issued shares of the Company), the Board of Directors may in their absolute discretion serve a direction notice on the holder of such shares. The direction notice may direct that in respect of the shares of which the default has occurred (the default shares), the holder shall not be entitled to vote at any general meeting of the Company. Where the default shares represent at least 0.25 per cent. of the class of shares concerned, the direction notice may additionally direct that dividends on such shares be retained by the Company (without interest) and that no transfer of the default shares (other than a transfer authorised under these Bye- Laws) shall be registered until the default is rectified.
- 52.3. In this bye-law, Interest includes an interest of any kind, (whether conditional or absolute) whatsoever in the shares (and accordingly there are to be disregarded any restraints or restrictions to which the exercise of any right attached to the interest is or may be subject), including:
- 52.3.1. a joint interest,
  - 52.3.2. a beneficial interest,
  - 52.3.3. a contractual right to purchase;
  - 52.3.4. the right to exercise any right conferred by or the right to control the exercise of such right in shares; or
  - 52.3.5. the right to call for delivery of, the right to acquire or the obligation to take an interest in shares.
- 52.4. For the purposes of 52.3.4 above, a person is entitled to exercise or control the exercise of any right conferred by the holding of shares if he has a right (whether subject to conditions or not) the exercise of which would make him so entitled, or is under an obligation (whether so subject or not) the fulfillment of which would make him so entitled and do such things as it may, in its absolute discretion, think fit in relation to the operation of any such arrangements.
- 52.5. In addition to the right of the Board to serve notice on any Shareholder pursuant to Bye-law 52.1, the Board may serve notice on any Shareholder requiring that Shareholder to promptly provide the Company with any information, representations, certificates or forms relating to such Shareholder (or its direct or indirect owners or account holders) that the Board determines from time to time are necessary or appropriate for the Company to:
- (a) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under sections 1471 to 1474 of the United States Internal Revenue Code of 1986 Treasury Regulations made thereunder and any agreement relating thereto (including, any amendments,

modification, consolidation, re-enactment or replacement thereof made from time to time) ( FATCA) or the requirements of any similar laws or regulations to which the Company may be subject enacted from time to time by any other jurisdiction (Similar Laws); or

- (b) avoid or reduce any tax otherwise imposed by FATCA or Similar Laws (including any withholding upon any payments to such Shareholder by the Company); or
- (c) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in section 1471(b) of the US Internal Revenue Code of 1986 or under Similar Laws.

If any Shareholder (a "**Defaulting Shareholder**") is in default of supplying to the Company the information referred to above within the prescribed period (which shall not be less than 28 days after the service of the notice), the continued holding of shares in the Company by the Defaulting Shareholder shall be deemed to cause or likely to cause the Company a pecuniary disadvantage and the Defaulting Shareholder shall be deemed to be a Non-Qualifying Holder for the purposes Bye-law 15.5.

### **DEPOSITORY INTERESTS**

#### **53. Depository Interests**

- 53.1. The Board shall, subject always to the Companies Act, any other applicable law and regulations and the facilities and requirements of any relevant system concerned and these Bye-Laws, have power to implement and/or approve any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of interests in warrants or shares in the form of depository interests or similar interests, instruments or securities and to the extent such arrangements are so implemented, no provision of these Bye-Laws shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer thereof or the shares or warrant represented thereby. The Board may from time to time take such actions

### **DISTRIBUTION OF CAPITAL PROFITS**

#### **54. Distribution of Capital Profits**

The Board shall establish a reserve to be called the Capital Reserve. All surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the Board to be in the nature of accretion to capital reserves shall be credited to the Capital Reserve. Subject to the Companies Acts, the Board may determine whether any amount received by the Company is to be dealt with in the income account or Capital Reserve or partly one way and partly the other. Any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the Companies Acts, any expenses, loss or liability (or provision therefor) which the Board considers to relate to a capital reserve item or which the Board otherwise considers appropriate to be debited to the Capital Reserve shall be carried to the debit of the Capital Reserve. All sums carried and standing to the credit of the Capital Reserve may be applied for any of the purposes to which sums standing to any revenue reserve are applicable except and provided that notwithstanding any provision of these Bye-laws no part of the Capital Reserve or any other money in the nature of accretion to capital reserves shall be available for distribution as dividend.