

THE COMPANIES ACT, 1965  
PUBLIC COMPANY LIMITED BY SHARES  
MEMORANDUM OF ASSOCIATION  
OF  
QBE INSURANCE (MALAYSIA) BERHAD

- I The name of the Company is QBE INSURANCE (MALAYSIA) BERHAD
- II The registered office of the Company will be situated in Malaysia
- III The objects for which the Company is established are :
- (1) To carry on all or any one or more of the following insurance businesses in all or any one or more of their respective branches vis: Fire Insurance, Marine Insurance, Aviation Insurance, Accident Insurance (including the insurance of employers against liability for accidents to their workmen or others), Burglary Insurance, Insurance against contingencies of all descriptions and in particular :
- (i) Insurances against or upon the contingency of injury, damage, or loss to persons by accident or misadventures of any kind.
  - (ii) Insurances to protect employers and principals against liability on account of injury, loss or damage, either sustained or caused by workmen, servants, employees or agents in their employment, or acting on their behalf.
  - (iii) Insurances to protect and indemnify principals or employers against loss or damage by the fraud, breach of trust or misconduct of their servants, agents, or others acting on their behalf, and to guarantee and provide security for the fidelity and good conduct of persons filling or about to fill offices or appointments and situations of trust or confidence, and also to protect and relieve private sureties against loss arising to them from their liability as cautioners or guarantors for others.
  - (iv) Insurances against claims upon the assured for injuries to the persons and property of third parties caused by the assured or his property, or by others for whom he is responsible.
  - (v) Insurances against loss of property by burglary or theft, by house-breaking or larceny, and against loss, injury, or damage to property by or resulting from fire or lighting, or against loss, injury, or damage to the property or effects (carried on board ship) of mariners and marine passengers.
  - (vi) Insurances against loss or damage from breakage of plateglass or any other description of glass whether in windows, fittings, mirrors, or in whatever way used.
  - (vii) Insurances against loss of profits occasioned by fire or any other contingency.
  - (viii) Insurances against loss, expense or damage caused or occasioned by earthquake, drought, flood, or other natural disaster or occurrence.
  - (ix) Insurances against all manner of accidents, liability, and every other description of insurance business kindred to the above.
  - (x) Such other forms of insurance guarantee or indemnity business as mentioned in Clauses III (34) and as the directors may determine from time to time.

- (2) To carry on the business of life assurance in all its branches and to grant sell and purchase annuities of all kind whether dependent on human life or otherwise and whether perpetual or terminable and whether immediate or deferred and whether contingent or otherwise.
- (3) To reinsure all or any risks and to undertake all kinds of reinsurance connected with any of the businesses aforesaid.
- (4) Generally to carry on every kind of insurance business whatsoever including all matters of business that now are or may come to be connected with fire insurance life assurance, marine insurance, aviation insurance, accident insurance, burglary insurance, guarantee insurance or with any other branches of business which the Company is authorised to undertake or which may be transacted by any Company.
- (5) To give to any class or section of those who insure or have other dealings with the Company any right over or in relation to any fund or funds or a right to participate in the profits of the Company or in the profits of any particular branch or part of its business either equally with other classes or sections or otherwise or any other special privileges, advantages or benefits.
- (6) To pay satisfy or compromise any claims made against the Company in respect of any policies or contracts granted by dealt in or entered into by the Company which claims it may deem expedient to pay; satisfy or compromise notwithstanding that the same may not be valid in law.
- (7) To hold shares in reinvest in, and to acquire, lease, promote or sell, and to manage, conduct or undertake the business of management or otherwise howsoever direct the operations of any business, company, corporation, firm of any other whatsoever enterprise, undertaking, or venture, and generally to undertake any of the business of a holding, or management company.
- (8) To purchase, take on lease or in exchange, hire or otherwise acquire and hold any real or personal property and any rights or privileges of any description whatever within or beyond Malaysia and to dispose of and deal with the same in the ordinary course of business, whether, in the case of land, such land is necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof.
- (9) To carry or conduct all or any of the business of builders, carpenters, carriers, contractors, decorators, dredges, prospectors, jobmasters, quarrymen, quarry proprietors, refiners and smelters, victuallers, agents dealers, exporters and importers, merchants, makers or manufacturers for or in all goods lines matters and things including bricks, furniture, hardware, lime, metals, sands, stone, tiles, timber, terra cotta and all other building requisites, estate house or land agents.
- (10) To alter, construct equip, operate, and own buildings and erections, mills, offices, vehicles and any other property of all and every description and type and for all purposes.
- (11) To carry on business as exporters, importers, cultivators, winners sawmillers, and manufacturers of and dealers and traders in every description of timber, wood and cane, raw, manufactured or partly manufactured goods and articles of any description made entirely or partly of wood, timber or cane or any combination thereof, products and by products of any descriptions obtained from wood, timber, cane, or other forest or plant matter or thing of any whatsoever description, or resulting from the handling, manufacture, or processing of wood, timber, cane or other forest produce, plant matter or thing including coal, charcoal, paper plastics and other synthetic materials.
- (12) To carry on the business of manufacturers of and dealers in paper of all kinds and articles made from paper or pulp, and materials used in the manufacture or treatment of paper, including cardboards, railway and other tickets, mill boards, and wall and ceiling papers and to carry on the business of stationers, lithographers and publishers.

- (13) To carry on any whatsoever form of business, trade or undertaking whether as principals, agents, sub-agents or consignee, and to deal in any form of produce, matter or thing.
- (14) To manage, operate and maintain fuel, oil and petrol pumps, stations and retail and wholesale agencies, and garages, service stations, workshops and repair shops.
- (15) To obtain, procure, purchase, take on lease or sublease, exchange or otherwise acquire in any part of the world any concessions, grants, claims, licences, leases, options, rights or privileges, for any mining objects or purposes or any mines, mining rights or concessions or any metalliferous lands, gravels or rivers, or any lands of whatsoever tenure or title containing or supposed to contain tin, precious stones, gold, silver, lead, wolfram, copper, iron, oil, coal, or other valuable products and to explore, work exercise, develop or otherwise turn to account, deal with or dispose of any such concessions, grants, claims, licences, leases, mines, lands, options, right or privileges and produce thereof.
- (16) To search for, win, get, work, raise, smelt, calcine, refine, dress, amalgamate, quarry, reduce, wash, crush and prepare for market, manipulate and make merchantable, buy, sell and deal in tin, iron and other metals, minerals and other mineral substances, precious stones and any other produce of any mines or properties, vegetable and other produce and material and substances of all kinds, and generally to carry on any metallurgical operations which may seem conducive to any of the Company's objects.
- (17) To construct, maintain, improve, develop, work, control, operate, and manage any waterworks, garages, and petrol, oil, fuel and service stations, gasworks, reservoirs, roads, tramways electric power, heat and light supply works, telephone works, motels, guest house, rest houses, clubs, restaurants, baths, places of worship, places of amusement, pleasure grounds, parks, gardens, reading rooms, stores, shops, dairies and other works and conveniences which the Company may think directly or indirectly conducive to these objects, and to contribute or otherwise assist or take part in the construction, maintenance, development, working, control and management thereof.
- (18) To carry on business as tourist and travel agents and contractors, and to facilitate tourism and travelling, and to provide for tourists, holiday-makers and vacationers and to promote the provision of all whatsoever amenities, conveniences, and facilities including passages, tickets, through tickets, circular tickets, sleeping cards, and berths, reserved places, and carriage and transport of all kinds, including the hire of any form or system of transport.
- (19) To provide hotel and lodging facilities and all other kinds of accommodation, guides, safe deposits, injury bureaus, libraries, baggage transport and otherwise generally to provide all whatsoever amenities requirements and services convenient, expedient and necessary for persons touring, travelling, holding, develop, promote, operate, manage, work and control holiday resorts and camps, vacation centres and to arrange, organise, and manage tours of all kinds, to arrange, organise and manage, cruises journeys, tours, travels, trips, voyages and expeditions of all kinds, and to promote, organise and manage amusements, carnivals, cinemas, circuses, entertainments, exhibitions, expositions, fairs, festivals, playground, theatres, shows, plays, game competitions, contests, races, sports and recreation of all kinds and to provide and manage all whatsoever arenas, courses, courts, fields, gymnasiums ahlls, pitches, pools, rings, rinks, stadium, tracks, and places thereof.
- (20) To carry on business as dealers and general merchants, exporters, and importers, general agents, and brokers, and to buy, sell manipulate and deal (both wholesale and retail) in commodities of all kinds which can conveniently be dealt with by the Company in conenction with any of its objects and tobuy, hire manufacture, sell,d eal and trade in all kinds of merchandise, produce, goods, stores, and to transact any or every description of agency, commission, commercial development, manufacturing, mercantile and financial business.

- (21) To carry on the business of plater, farmers, and cultivators of and dealers in rubber, oil palm, coconut, gutta percha, jelutong, latex, bearing plants, rice, wheat, oats, cereals and grains of all kinds, sugar, tea, bananas, coffee, cocoa, spices, pepper, cinchona, cinnamon tobacco gambier, oil palm, cotton, flax, fruit trees, potatoes root corps, mulberry and other trees for the production of silk, and all kinds of trees and plants.
- (22) To carry on business as farmers, dairy and poultry farmers and merchants, gaziers, cultivators, storekeepers, printers, newspapers proprietors, cattle breeders, stockmen, provision preservers, exporters and importers, brokers and to transact any and every description of agency, commission, commercial manufacturing, mercantile and financial business.
- (23) To manufacture, buy, sell, exchange and in any other whatsoever manner deal with, utilise or turn to account any matter, substance or thing including (but without prejudice to the generality of the foregoing) bone, copra, fertiliser, guano, manure and all agricultural and farm produce.
- (24) To purchase, take on lease, hire or otherwise acquire, build, construct, erect, equip, maintain, repair, adapt, pull-down, demolish, reconstruct, make and manufacture factories, building, offices, mills, machinery engines, plant, tools, implements, carts, vehicles, rolling stock, live and dead stocks, stores, appliances, effects and other works, things and property of any kind.
- (25) To purchase, hire, sell, deal in, construct, equip, maintain, improve, repair, and use motor-cars, motor-lorries, motor-cycles, steam cars, steam wagons, tractors, air-ships, bicycles, carts, carriages, ropeways, cableways, high lead lines, cranes, and all other forms of craft, machine of vehicle, animals or material, either terrestrially, sub-terranously or aerially and all tools and parts thereof and all other things proper to be used in connection therewith.
- (26) To carry on all or any business of barge owners, lightermen, stevedores, forwarding agents, and any other form of transport business, ice merchants, refrigerating storekeeper, warehousemen, wharfingers and general traders.
- (27) To carry on the business of chemists, druggists, drysalters, oil and colourmen and importers, exporters and manufacturers of and dealers in all pharmaceutical, medicinal, chemical, industrial and other preparations, articles and compounds, cements, oils, paints, pigments, and varnishes, drug, dye-ware paint and colour grinders, makers of and dealers in proprietary articles of all kinds and of electrical, chemical, photographic, surgical and scientific apparatus and materials and to buy, sell, manufacture, refine, manipulate, and deal in all substances, apparatus, and things capable of being used in any such business as aforesaid or in any way in connection therewith.
- (28) To apply for purchase or otherwise acquire, use, assign, sell and generally deal in patents, patent-rights, trade-marks, designs, or other exclusive or non-exclusive or limited rights or privileges and to use, develop, grant licences, and otherwise turn to account the same or any interests thereunder and at pleasure to dispose off the same in any way.
- (29) To purchase, hire or otherwise acquire any photographic and other apparatus in connection with cinematograph shows, amusement parks, exhibition and all kinds of entertainment business.
- (30) To aid, finance, subsidies or assist any company, corporation, association, firm or individual with capital, credit, means and resources of engaging in or carrying on any business or transaction which this Company is authorised to carry on or be engaged in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and in particular for the import, export, purchase, sales, lease, letting, dealing in, hiring and letting on hire, under hire-purchase agreements or otherwise of any motor cars or vehicles or any of other articles, goods, wares, merchandises, or things and for the acquisition of taking on leases or hiring of land, buildings, offices, or premises or the prosecution of any works, undertakings, projects or enterprises connected with any of the said businesses or capable of being taken or carried on so as directly or indirectly to benefit this Company.

- (31) To invest the capital of the Company and make advances on all description of motor vehicles and other goods, wares and merchandise whether on mortgage or bill of sale or assignment and whether subject to hire-purchase agreements or otherwise and to seize, retake, sell, dispose of or repurchase the same and generally to finance the carrying on of the hire-purchase business in all its branches.
- (32) To transact business as financiers, promoters and financial and monetary agents in any part of the world and for such purposes to establish agencies, and to appoint financial and managing agents and attorneys and to produce the Company to be registered or recognised.
- (33) To receive money on deposit or to borrow or raise money with or without security, or to secure the payment or repayment of money or the satisfaction, observance or performances of any obligation or liability undertaken or incurred by the Company in such manner as the Company thinks fit and in particular by mortgage or charge upon the undertaking or any part of the undertaking of the Company or upon all or any assets of the Company or by the creation and issue of debentures or debenture stock (perpetual or terminable) charged as aforesaid or constituting or supported by a floating charge upon present and future property including uncalled and called unpaid capital.
- (34) To lend and advance money or give credit to any person or Company. However, the Company shall not have any power to give any form of financial guarantees whatsoever. For the purposes of this clause financial guarantees shall mean a guarantee(s) or indemnity(s) executed by the Company for the re-payment of any loan, credit facilities, or banking facilities of any kind whatsoever granted to any person except for the issuance of performance bonds, supply bonds, tender bonds and excise and estate duty bonds.
- (35) Subject to the provisions of any laws in force to buy and sell foreign currency and exchange and to accept money for remittance to all countries and accept deposit of money on loan at interest or without interest.
- (36) To carry on business as capitalists, financiers' concessionaries, miners and merchants and to guarantee or become liable for the payment of money or for the performance of any obligation and to undertake and carry on and execute all kinds of financial, mining, commercial, trading and other operations and to carry on any other business which may seem to be capable of being carried on in connection with any of these objects or be calculated directly or indirectly to enhance the value of or facilitate the realisation of or render profitable any of the Company's property or rights.
- (37) To advance, deposit, or lend money and property, to or with such persons and on such terms as may seem expedient and to discount, buy, sell bills, notes, warrants, coupons and other negotiable or transferable documents.
- (38) To transact and carry on all kinds of agency business and in particular to collect rents and debts and to negotiate loans to issue shares, stocks, debenture stocks.
- (39) To administer trust estate, and the estates of deceased, bankrupt or insolvent persons or the property of companies in liquidation or any other estates liquidation and to undertake the office of trustee, executor, administrator, assignee, inspector, customer, guardian, treasurer, or any similar office, and to perform and discharge the duties of any such office for commission, or other remuneration, or otherwise.
- (40) To appoint any persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested and for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trustee or trustees.

- (41) To promote or assist in the promotion of any company for the purpose of acquiring the undertaking of all or any of the property and undertaking or any of the liabilities of this Company, or of undertaking any business or operation which may seem directly or indirectly likely to assist or benefit this Company, or to enhance the value of any property or business of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company and to place or guarantee the placing, underwrite subscribe for, or otherwise acquire all or any part of the shares debentures or debenture stock or securities of any such Company and to subsidise or otherwise assist any such Company.
- (42) To purchase or otherwise acquire and undertake the whole or any part of the business, goodwill, assets and liabilities of any person, firm, or Company carrying on or proposing to carry on any business which the Company is authorised to carry on or engage in or possessed or property suitable for the purpose of or that may be conducive to the interest of this Company and in particular so that the consideration may be wholly or partly satisfied by the allotment of shares, debentures, debenture stock or securities of the Company.
- (43) To amalgamate, enter into partnership or any arrangement for sharing profits, union of interests, co-operation, joint venture, reciprocal concession, mutual assistance or otherwise with any person, firm or Company, carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or be engaged in or any business transaction capable of being conducted so as directly or indirectly to benefit this Company and to acquire in any manner whatsoever shares and securities of any such Company.
- (44) To subscribe for, take, underwrite, purchase, or otherwise acquire and hold shares, debentures, debenture stock or other interest in or securities of any other Company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (45) To purchase, acquire, hold, sell shares, stock debentures, debenture stocks, bonds, obligations, and securities issued or guaranteed by any Company constituted or carrying on business in any part of the world, and debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body of authority supreme municipal, local or otherwise, whether at home or abroad.
- (46) To invest with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (47) To sell, improve, manage, develop, lease, mortgage, dispose of, exchange, turn to account or otherwise deal with all or any part of the property and rights of the Company.
- (48) To sell or dispose of all or any of the undertaking and assets of the Company for such consideration as the Company may think fit, and in particular for shares, debentures, debenture stock or securities of any Company having objects altogether or in part similar to those of this Company.
- (49) To distribute any property of the Company whether upon a division of profits or a distribution of assets, among the members in specie or otherwise.
- (50) To enter into an arrangement with any governments or authorities, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them, and to obtain from any such governments or authority any rights, privileges and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (51) To carry on any other business whether similar to the foregoing or not which may seem to the Company capable of being conveniently carried on in connection with any of the objects of the Company or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.

- (52) To draw, make, accept, endorse, discount, execute, and issue promissory note, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (53) To borrow or raise money and to ensure the repayment of any money borrowed, raised or owing in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon, and by mortgage, charge, lien, debentures or debenture stock of and on the whole or any part of the Company's property or assets (both present or future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any other person of Company as the case may be.
- (54) To remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in or debentures, debenture stock or other securities of the Company or in or about the promotion formation, or business of the Company, or of any other Company promoted wholly or in part by this Company.
- (55) To establish or aid in the establishment to contribute to and to support or guarantee funds, trusts, insurance or pension schemes and to make payment of gratuities and to make or enter into any other whatsoever arrangement calculated or likely to benefit any person or persons who are or have any time been employed by the Company or its predecessors in business and the dependants or relatives of such person or persons.
- (56) To establish and or support or to aid in the establishment and or support of and to make donations or subscription to or to subsidise any whatsoever association, fund, institution, place of worship, school, society or any other body.
- (57) To make contributions and donations and in any other manner to give aid assistance and help to any person, firm, Company, association, society or other body or partly for any whatsoever object or purpose.

And it is hereby declared that the word "Company" in this clause except where used in reference to this Company, shall be deemed to include any partnership or other body of persons whether incorporated or unincorporated, and whether domiciled in Malaysia or elsewhere, and further that the objects specified in each paragraph of this clause shall be regarded as independent objects and accordingly shall, except where otherwise expressed in any paragraph, be in no wise limited or restricted by reference to, or inference from the terms of any other paragraph or the name of the Company but may be carried out in as full and ample a manner and construed just as wide a sense as if the said paragraph defined the objects of a separate distinct and independent Company.

- IV The liability of the members is limited.
- V The capital of the Company is RM200,000,000/- divided into 400,000,000 shares of RM0.50 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.
- VI Subject always to the respective rights, terms, and conditions mentioned in Clause 5 hereof the Company shall have power to increase and reduce the capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts and to issue all or any part of the original or any additional capital as fully paid or partly paid shares, and with any special or preferential rights or privileges, or subject to any special terms or conditions and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Company.

Amended on  
14.5.2002

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of the Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers	Number of shares taken by each subscriber
MOHAMED ALI B. MOHD MIRA COMPANY DIRECTOR  05-15-03, Sri Selangor Jalan San Peng 55200 Kuala Lumpur	ONE
ZALINA BINTI MOKHTAR COMPANY DIRECTOR  I/C No. 6181225 No. 7, Jalan 7, Kg. Lembah Jaya Selatan 68000 Ampang Selangor	ONE

Dated this 20<sup>th</sup> day of April, 1987.

Witness to the above signature :-

LOH LAI CHENG  
LOT 4.18, 4<sup>th</sup> Floor  
Wisma Central,  
Jalan Ampang,  
50450 Kuala Lumpur



THE COMPANIES ACT, 1965

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

QBE INSURANCE (MALAYSIA) BERHAD

TABLE A

1. The regulations in Table A in the Fourth Schedule to the Act shall not apply to the Company except so far as the same are repeated or contained in these Articles. Table 'A' excluded.

INTERPRETATION

2. In these Articles the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context. Definition.

WORDS

MEANINGS

BNM	- Bank Negara Malaysia
Bursa Securities	- Bursa Malaysia Securities Berhad (Company No. 635988-W).
Business	- The general undertakings of the Company in relation to non-life insurance business in Malaysia including after the Commencement Date the non-life business of MBf Premier.
Business Merger Agreement	- The Business Merger Agreement made on 6 December 2001 between MBf Capital Berhad (Company No. 575672-X) (MBf Corporation Berhad's predecessor), MBf Premier, QBE Insurance Group Limited, QBE and the Company as the same may from time to time be amended, varied or supplemented.
Chairman	- the person nominated as the Chairman of the Company pursuant to Article 67D hereof.
Commencement	- The date on which all the conditions precedent under the Business Merger Agreement are fulfilled.
Emoluments	- The emoluments of every description including, without limitation, salaries, Directors' fees, bonuses, commissions, profit shares under any incentive scheme, pension contributions payable by the Company and benefits in kind as quantified for income tax purposes.
IPO	- The initial public offering of the shares in the Company.

MBf Premier	- MBf Premier Berhad (Company No. 15157-A) (formerly known as MBf Insurans Berhad) and where the context permits, includes its successors-in-title, assignees or transferees.
MBf Premier Directors	- The Directors nominated by MBf Premier.
QBE	- QBE Insurance (International) Limited (Australian Company No. 000 000948) and where the context permits, includes its successors-in-title, assignees or transferees.
QBE Directors	- The Directors nominated by QBE.
Related Companies	- Shall have the meaning ascribed to it in the Act.
Security Interest	- Any interest or equity of any person (including, without prejudice to the generality of the foregoing), any right to acquire, option or right of pre-emption or any mortgage, charge, pledge, lien, or assignment, or any other encumbrance, priority interest or arrangement of whatsoever nature over or in the relevant property.
Services Agreements	- The contracts referred to in recital 1.1(f) of the Shareholders' Agreement.
Shareholders or members	- Collectively, QBE and MBf Premier while they remain shareholders of the Company and any Third Party Shareholder and the expressions "Shareholder" or "member" shall be construed accordingly.
Shareholders' Agreement	- The Shareholders' Agreement made on 6 December 2001 between MBf Capital Berhad (Company No. 575672-X) (MBf Corporation Berhad's predecessor), MBf Premier, QBE and the Company as the same may from time to time be amended, supplemented or varied.
Specified Proportions	- Fifty-one per cent (51%) of the shareholding of the Company in the case of QBE, and forty-nine per cent (49%) of the shareholding of the Company in the case of MBf Premier, as the same may from time to time be varied by mutual agreement in writing of the Shareholders.
The Act	- The Companies Act, 1965 and every other Act for the time being in force concerning companies and affecting the Company.
The Articles	- The Articles of Association as originally framed or as altered from time to time by Special Resolution.
The Company	- QBE Insurance (Malaysia) Berhad (Company No. 161086-D).
The Directors	- The directors of the Company appointed from time to time in accordance with the provisions of the Shareholders' Agreement.
The Office	- The registered office for the time being of the Company.
The Seal	- The common seal of the Company.
The Secretary	- Any person appointed to perform the duties of the secretary of the Company including any person appointed temporarily.
Third Party Shareholder	- Any person or persons for the time being holding shares in the Company and whose names appear in the register of members other than MBf Premier and QBE.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include corporations.

Subject as aforesaid words or expressions contained in these Articles shall be interpreted in accordance with the provisions of the Interpretation Act, 1967 and of the Act as in force at the date at which these Articles become binding on the Company.

### SHARES

3. The shares taken by the subscribers to the Memorandum of Association shall be issued by the Directors. Subject as aforesaid, the allotment and issue of shares shall be determined by the Company in General Meeting. Subject to Article 3B hereof, the Company in General Meeting may authorise the Directors in accordance with the provisions of the Act, to allot and issue any such amount of shares in the capital of the Company for such purposes and upon such terms and conditions as the Directors in their absolute discretion as deem fit. Subject to the Act, any preference shares may, with the sanction of any Ordinary Resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed. Power to issue shares.
- 3A. Except as expressly provided for under the Business Merger Agreement or permitted under the Shareholders' Agreement, the initial shareholding of the Company shall be held in the following proportions: Proportion of Shareholding
- | Shareholders | Percentage |
|--------------|------------|
| QBE          | 51%        |
| MBf Premier  | 49%        |
- 3B. Except as expressly provided for under the Business Merger Agreement or permitted under the Shareholders' Agreement, the Shareholders agree that whenever a resolution of the Company is proposed to issue any unissued shares of the Company for the time being, such issue and allotment shall be made in the Specified Proportions.
4. The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company, provided that the rate per cent or the amount of procuring or agreeing to procure subscriptions, whether absolute or conditional, of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, that such commission shall not exceed 10 per cent of the price at which such shares are issued, or an amount equivalent to such percentage, and that the requirements of section 58 of the Act shall be observed. Subject to the provisions of section 54 of the Act, such commission may be satisfied by the payment of cash or the allotment of fully paid shares or partly paid in one way and partly in the other. Commission.
5. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other rights in respect of any share other than an absolute right to the entity thereof in the registered holder except only as by these Articles otherwise provided for or as by Act required or pursuant to any order of court. Trusts not to be recognised.

- Issue of share certificates. 6. Every member shall be entitled, without payment, to receive within two month after allotment or within one month after lodgement of transfer one certificate under the seal for all the share registered in his name, specifying the shares to which it relates and the amount paid up thereon, provided that in the case of joint holders the Company shall not be bound to issue more than one certificate and delivery of such certificate to any one of them shall be sufficient delivery to all.
- Issue of new Certificate in lieu of one defaced lost or destroyed. 7. If a share certificate be worn out, defaced, lost or destroyed, it may be renewed on payment of such fee not exceeding one dollar and on such term, if any, as to evidence and indemnity and, the payment of out-of-pocket expenses of the Company of investigating evidence, as the directors think fit and in the case of defacement or wearing out, on delivery of the old certificate.

#### LIEN

- Company to have a paramount lien. 8. The Company shall have a first and paramount lien upon all shares (whether fully paid or not) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements whether the period for the payment, fulfillment or discharge, thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares, but the directors may at any time declare any share to be wholly or in part exempt from the provision of this Article.
- Enforcing lien by sale. 9. The directors may sell any shares subject to such lien at such time or times and in such manner as they think fit, but no sale shall be made until such time as the money in respect of which such lien exists or some part thereof are or is presently payable or a liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment of fulfilment or discharge thereof, and giving notice of intention to sell in default, shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for fourteen days after such notice.
- Evidence. 10. To give effect to any sale the directors may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- Application of proceeds. 11. The net proceeds of any such sale shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the person (if any) entitled by transmission to the shares so sold.
- Member not entitled to dividend or to vote until calls paid. 12. No member shall be entitled to receive any dividend or to exercise any privileges as a member until he has 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).

#### CALLS ON SHARES

- Directors may make calls. 13. The directors may, subject to the provisions of these Articles, from time to time make such calls upon the members in respect of all moneys unpaid on their shares as they think fit, provided that fourteen days notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons by the instalments (if any) and at the times and places appointed by the directors.
- Call. 14. A call shall be deemed to have been made at the time when the resolution of the directors authorising such call was passed.

- |     |  |                   |
|-----|--|-------------------|
| 15. | The joint holders of a share shall be jointly and severally liable to pay all calls and instalments in respect thereof.  | Joint holders.    |
| 16. | If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding 10 per cent per annum as the directors shall fix from the day appointed for payment thereof to the time of actual payment, but the directors may waive payment of such interest wholly or in part.  | Unpaid calls.     |
| 17. | Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purpose of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all the relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.                                      | Automatic calls.  |
| 18. | The directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.   | Payment of calls. |
| 19. | The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the directors may pay or allow such interest as may be agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up. | Advance on calls. |

#### GENERAL RESTRICTIONS ON TRANSFER

- |      |  |   |
|------|--|---|
| 19A. | Subject always to the consent of BNM and except for Third Party Shareholders holding two per cent (2%) or less of the Company's capital, and other than as required by the Shareholders' Agreement or for the IPO, none of the Shareholders shall transfer or create or dispose of any interest in or over any of its shares unless otherwise agreed to by all the other Shareholders.   | Transfer of shares subject to BNM and Shareholders' approval.             |
| 19B. | Subject to Article 19A hereof, none of the Shareholders shall transfer or create or dispose of any interest in or over any of his shares except by a transfer of the entire legal and beneficial interest therein and<br><br>(a) to a transferee as permitted by the Articles and/or the Shareholders' Agreement; or<br><br>(b) with written agreement of all the other Shareholders.  | Transfer in accordance with Shareholders' Agreement                       |
| 19C. | Until any IPO and subject always to the consent of BNM, the Shareholders shall procure that before any person (other than a person who is already a Shareholder) is registered as a holder of any share in the Company such person shall enter into a deed of adherence covenanting with the continuing parties to the Shareholders' Agreement to observe, perform and be bound by all the terms of the Shareholders' Agreement. The Company shall not register any such person as the holder of any share until such a deed has been executed.  | Deed of Adherence.  |
| 19D. | The Company shall not register any transfer made in breach of Articles 19A, 19B or 19C hereof or a transfer to any person which will result in a breach of any obligations under the Shareholders' Agreement and the shares comprised in any transfer so made shall carry no rights whatsoever unless and until, in each case, the breach is remedied and/or the obligations complied with. Where the Company refuses to register any transfer pursuant to this Article 19D, the Company shall within one month after the date on which the transfer was lodged with the Company, send to the transferor and the transferee a notice of refusal in accordance with Section 105 of the Act. | No registration of any transfer in breach of the Shareholders' Agreement. |

- Offer by Offeror
- 19E. Subject to Articles 19A, 19F and 19T hereof and such terms and conditions as may be imposed by BNM, none of the Shareholders shall sell, transfer or otherwise dispose of any interest in or over its shares in the Company ('Disposition') to any third party (including for this purpose, the assignment of the beneficial interest in or renunciation of any right to receive or subscribe for such shares) which would result in a breach of the Shareholders' Agreement without such party ('the Offeror') first making an offer in writing through the Company ('Offer') to transfer or dispose of any part of the Offeror's shares (the 'Offer Shares') to the other Shareholder ('the Offeree') either at the Offeror's price ('Offeror's Price') stated in the Offer or at a price to be determined by the Auditors ('Fair Price') by employing such formula as may be agreed by the Shareholders, or if not agreed, net tangible assets per share (the Formula), which Fair Price shall not (where the Company has secured a public listing) be less than the market price of the Company's securities calculated on the basis of the weighted average of such securities for the three months prior to the Offer if the Company is listed on the Bursa Securities or otherwise calculated from the Company's last set of audited accounts.
- Pre-emption Right
- 19F. If either MBf Premier or QBE is the Offeror, the Offeror shall first offer the whole of the Offer Shares only to the other Shareholder (MBf Premier or QBE, as the case may be) in accordance with Articles 19E to 19Q hereof and not to any Third Party Shareholder provided always that the terms of such Offer subsequent to the IPO shall comply with the Listing Requirements of Bursa Securities.
- Offer at Offeror's Price/Fair Price
- 19G. In making any Offer, the Offeror may elect to sell to the Offeree at either the Offeror's Price or the Fair Price but the right of Disposition by any Shareholder to any third party shall accrue only after an offer at the Fair Price has been made but rejected by the Offeree and not otherwise.
- Form of Offer
- 19H. Subject to Article 19F, every Offer in Article 19E shall:
- (a) when given, be irrevocable during the period the Offer is open for acceptance;
  - (b) state the number of shares being offered to each Offeree (where there is only one Offeree, all of the Offeror's shares or where there is more than one Offeree, in accordance with the Specified Proportions) );
  - (c) the price, whether at the Offeror's Price or the Fair Price; and
  - (d) the Offeror is not bound to sell unless all the shares comprised in the Offer are accepted.
- 19I. Where
- Notice to sell.
- (a) the Offer is at the Offeror's Price, the Company shall forthwith (in any event not later than seven (7) days) after receipt of the Offer from the Offeror give notice ('Notice') in writing thereof to each Offeree inviting them to purchase the whole but not a part of the Offer Shares in accordance with the Specified Proportions at the Offeror's Price and stating that the Offer is open for acceptance for a period of thirty (30) days from the date the Notice is deemed received.
  - (b) the Offer is at the Fair Price, the Company shall forthwith (in any event not later than seven (7) days) after receipt of the Offer from the Offeror request the Auditors within thirty (30) days from the date of receipt of the request to assess the Fair Price according to the Formula. Immediately upon receipt of the Fair Price from the Auditors (in any event not later than seven (7) days after receipt of the Fair Price), the Company shall implement the provisions of Article 19I(a) mutatis mutandis.

- 19J. Within thirty (30) days after the receipt of Notice, the Offeree shall by notice in writing to the Company either accept or reject the Offer. If no notice of acceptance is given by any Offeree, that Offeree is deemed to have rejected the Offer. If any one or more Offerees decline to accept the Offer made to them, the other non-declining Offeree may accept such Offer Shares so declined by them within fourteen (14) days after the expiration of the period of thirty (30) days. Acceptance/  
rejection by  
Offeree
- 19K. Every acceptance by any Offeree under Article 19J shall be: Form of  
acceptance
- (a) for the whole and not a part of the Offer Shares offered to the Offeree; and
- (b) be effective even if the acceptance is conditional upon obtaining the approval of BNM or other relevant authority but such sale or transfer shall only be completed upon obtaining the approval of BNM or other relevant authority.
- 19L. If QBE is constrained from exercising its rights to purchase shares under this Article 19 by reason of the restrictions imposed under any of the approvals or licences granted to the Company for the carrying on of the Business or by reason of any restrictions imposed by the Government of Malaysia, BNM or any relevant authority, MBf Premier shall work with QBE to apply for the modification of such restrictions so as to enable QBE to exercise its purchase rights under this Article 19. If such restrictions cannot be modified despite the Shareholders' attempts, QBE shall have the right to assign its purchase rights to a natural person or a corporation qualified to be a holder of the shares in accordance with the restrictions imposed provided the subsequent transferee signs a deed of adherence. Restrictions on  
QBE to purchase
- 19M. Where an Offer has been accepted within the meaning of Articles 19J and 19K hereof, the purchase price shall be paid within thirty (30) days from the date the acceptance is complete and approvals of BNM and/or other relevant authority are obtained. Completion of  
purchase
- 19N. The Offeror shall be bound upon payment of the appropriate purchase price of the Offer Shares to transfer such shares to the Offeree. If in any case the Offeror, after having become obligated to transfer its shares, makes a default in transferring any of its shares, the Company may receive the purchase money and the Offeror shall be deemed to have appointed the Secretary of the Company as its agent to execute a transfer of such transfer, the Company shall hold the purchase money in trust for the Offeror and shall cause the name of the Offeree to be entered into the share register as a holder of such shares. The receipt of the Company for the purchase money shall be a good discharge to the purchaser and bind the Offeror accordingly. After the Offeree's name has been entered in the share register in exercise of the aforesaid power, the validity of the proceedings shall not be questioned by any person. Transfer of Offer  
Shares
- 19O. Subject to Article 19P hereof, where an Offer has been made at the Fair Price and the same has been rejected, the Offeror is free to sell the Offer Shares within ninety (90) days of the rejection to a third party offering the highest price, provided such highest price shall not be less than the Fair Price. The Company shall, subject to Listing Requirements of Bursa Securities (after the IPO), the provisions of these Articles and the consent of BNM being obtained, register any transfer of such shares made pursuant to this Article. Offer to third party
- 19P. The Offeror shall only be permitted to sell the Offer Shares to a third party provided it procures the third party to similarly offer to purchase the shares owned by the remaining Shareholders at the same price and on similar terms offered to the Offeror by the third party, the completion of the sale by the Offeror, as the case may be, and each of the remaining Shareholders who accepted the Offer to take place simultaneously. Purchase of  
remaining shares  
by third party
- 19Q. In determining the Fair Price, the Auditors shall be regarded as experts and not as arbitrators and the Auditors' decision shall be final and binding upon the Shareholders and shall not be open to review. The Company shall pay the Auditors' fees for such determination. Auditors to act as  
experts

- Deemed offer in the event of insolvency, administration or arrangement with creditors
- 19R. Except for a debt reconstruction in accordance with the Restructure Plan referred to recital 1.1 (b) of the Shareholders' Agreement, if any of the Shareholders shall enter into any form of insolvent administration, including without limitation, a receiver is appointed in respect of the whole or any part of its assets or undertaking, where an order is made or resolution is passed for the winding-up of the Shareholder (otherwise than for the purpose of a solvent amalgamation or reconstruction) or where the Shareholder shall have made a general assignment for the benefit of its creditors, or where the Shareholder proposes a compromise or arrangement with its creditors or any class of them or where a receiver and manager, judicial manager, inspector, administrator, liquidator, provisional liquidator or like official is appointed over the whole or part of the assets or undertaking of a Shareholder, then the Shareholder shall be deemed to have made an offer in writing to sell all its shares in the Company at the Fair Price and accordingly, the provisions of Articles 19E to 19Q hereof shall apply mutatis mutandis.
- Deemed offer in the event of breach
- 19S. If a Shareholder is in material breach of the Shareholders' Agreement, which breach is not remedied after thirty (30) days' notice from another Shareholder, then the first Shareholder shall be deemed to have made an offer in writing to sell all its shares in the Company at the Fair Price and accordingly the provisions of Articles 19E to 19Q hereof shall apply mutatis mutandis.
- Sale to competitor or in breach of regulatory requirements
- 19T. A Shareholder may not sell, transfer or otherwise deal in any shares in the Company if such transaction would be to or with a direct competitor of the other Shareholder or its Related Companies or the other Shareholder could reasonably demonstrate would cause the other Shareholder to breach a requirement, guideline or directive of any regulatory authority including BNM having jurisdiction over the other Shareholder in Malaysia.

#### TRANSFER OF SHARES

- Transfer in writing.
20. Subject to the restrictions of these Articles, shares shall be transferable but every transfer shall be in writing in the usual common form or in such other form as the directors shall from time to time approve, and shall be left at the office accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the directors may reasonably require to show the right of the transferor to make the transfer.
- Transferor's Right.
21. The instrument of transfer of any share shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- Directors may refuse registration of transfers.
22. Subject to the provisions of these Articles and the Shareholders' Agreement, the Directors may, in their discretion, and without assigning any reason therefor, refuse to register a transfer of any share to any person of whom they do not approve, and they may also refuse to register a transfer of any share on which the Company has a lien. If the Directors refuse to register a transfer they shall within one (1) month after the date on which the transfer was lodged with the Company send to the transferor and to the transferee notice of the refusal in accordance with section 105 of the Act.
- Transfer Fee.
23. The Company shall be entitled to charge a fee not exceeding one dollar (RM1/-) on the registration of every transfer.
- Closing of registers.
24. The registration of transfers may be suspended at such times and for such periods as the directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year.

#### TRANSMISSION OF SHARES

- Transmission.
25. In the case of the death of a member the survivors or survivor, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder 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 joint holder from any liability in respect of any share jointly held by him.



26. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notice of or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights or, privileges as a member unless and until he shall become a member in respect of the share.
- Person entitled to receive and give discharge for dividends.

#### FORFEITURE OF SHARES

27. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment or such part thereof as remains unpaid, together with interest at such rate not exceeding 10 per cent per annum as the directors shall determine, and any expenses that may have accrued by reason of such non-payment.
- Notice to pay calls.
28. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.
- Form of Notice.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared.
- Shares Forfeiture.
30. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the shares by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register of members opposite to the share.
- Notice of Forfeiture.
31. Notwithstanding any such forfeiture as aforesaid the directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.
- Directors may allow forfeited Share to be redeemed.
32. Every share which shall be forfeited 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 directors shall think fit, and the directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.
- Forfeited Shares may be sold or re-allotted.
33. A shareholder whose shares have been forfeited shall notwithstanding, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company may have enforced in respect of the shares at the time of forfeiture, without any deduction or allowance for the value of the shares at the time of forfeiture.
- Arrears to be paid notwithstanding forfeiture.
34. 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 shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past members.
- Forfeiture of shares shall involve extinction of interest in and claims against Company.

Evidence of forfeiture and validity of sale.

35. A statutory declaration in writing that the declarant is a director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration, together with the receipt of the Company for the consideration (if any), given for the share on the sale or disposition thereof, and a certificate of proprietorship of the share under the seal delivered to the person to whom the same is sold or disposed of, shall constitute a good title to the share, and such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, 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 act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

### CONVERSION OF SHARES INTO STOCK

Conversion of Shares into stock and reconversion.

36. (a) The Company may by ordinary resolution passed at a general meeting convert any paid shares into stock and reconvert any stock into paid up shares of any denomination.

Shareholders of stock may transfer their interests.

- (b) The holder of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit, but the directors may from time to time fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

Participation in dividends and profits.

- (c) The holders of stock shall according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividends voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such aliquot part of stock which would not if existing in shares have conferred that privilege or advantage.

Provision applicable to paid-up Shares apply to stock.

- (d) Such of the regulations of the Company as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" herein shall include "stock" and "stock-holder".

### ALTERATION OF CAPITAL

Power to increase capital.

37. The Company may from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

Minimum paid-up capital

- 37A. The paid up capital of the Company after completion under the Business Merger Agreement shall not be less than Ringgit Malaysia One Hundred Million (RM100,000,000) until otherwise required by BNM and shall be provided by way of share capital from the Shareholders in the Specified Proportions.

Further increase in paid-up capital

- 37B. In all cases where further capital is required by the Company and it is proposed that the same be funded wholly by loan capital or share capital or a combination of share and loan capital by or from the Shareholders, any contribution from the Shareholders shall be in the Specified Proportions and the proposal shall be subject to the agreement in writing of all the Shareholders as follows:

- (a) where the proposal is to fund requirement wholly by way of loan capital or share capital, the quantum of the loan capital or share capital;
- (b) where the proposal is to fund requirement by a combination of share and loan capital, the ratio thereof;

- (c) the terms of the loan capital or share capital.
- 37C. Any proposal to increase the Company's total capital by loan capital is subject to the approval of BNM and any other relevant authority at the time. Loan capital subject to regulatory approval.
- 37D. The Company will not incur financial accommodation from any third party financier which requires security from the Shareholders unless each Shareholder agrees to give security of value in proportion to their contribution to the then paid up capital of the Company. Security from Shareholder
38. The Company may by Ordinary Resolution: Company may alter its capital in certain ways.
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- (b) Sub-divide its existing shares, or any of them into shares of smaller amount that is fixed by the Memorandum of Association subject, nevertheless, to the provisions of the Act, and so that as between the resulting shares, one or more of such shares may by the resolution by which such sub-division is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares; or
- (c) Cancel any shares not taken or agreed to be taken by any person.
39. The Company may by Special Resolution reduce its share capital and any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Act. Reduction of capital.

#### MODIFICATION OF CLASS RIGHTS

40. Subject to the provision of section 65 of the Act, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the share capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a separate meeting of the members of that class. To any such separate meeting all the provisions of these Articles as to General Meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be members of the class holding or representing by proxy one-third of the share capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled on a poll to one vote for every such share held by him. Rights of shareholders may be altered.

#### GENERAL MEETING

41. An annual general meeting of the Company shall be held in accordance with the provisions of the Act. All general meetings other than the annual general meeting shall be called extraordinary general meetings. Until any IPO, any extraordinary general meeting can only be convened with the consent of at least two (2) Directors. Extraordinary General Meeting.
42. Subject to the provisions of the Act relating to Special Resolutions and agreements for shorter notice fourteen day's notice at the least, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business shall be given in manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices of General Meetings from the Company, but with the consent of all persons for the time being entitled as aforesaid, a meeting may be convened upon a shorter notice, and in such manner as such persons may approve. The accidental omission to give such notice to, or to the non-receipt of such notice by, any person shall not invalidate the proceedings of any resolution passed at any such meeting. Notice of meeting for Special Resolution.

- Special Business. 43. All business shall be special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and report of the directors and auditors, the election of directors in the place of those retiring, and the appointment and fixing of the remuneration of the Auditors.
- Resolution in writing signed by all members effective. 44. Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more members.

#### PROCEEDINGS AT GENERAL MEETING

- Quorum. 45. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The presence of MBf Premier and QBE shall be a quorum. For the purpose of these Articles, "member" includes a person attending as a proxy or representing a corporation which is a member.
- When quorum not present. 46. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, 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 at such other time and place as the directors may determine.
- Chairman of General Meeting. 47. The Chairman shall preside as chairman at every general meeting of the Company, or if he is not present within fifteen (15) minutes after the time appointed for the holding of the meeting or is unwilling to act, the members present shall elect one of their number to be Chairman of the meeting.
- Power to adjourn General Meeting. 48. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourned the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- How questions to be decided at meeting. 49. (a) Subject to sub-paragraph (b), at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands a poll is demanded by the Chairman or by any person for the time being entitled to vote at the meeting, and unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or lost, shall be conclusive, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (b) The Company and the Directors shall not be entitled to enter into, complete or effect any of the following transactions or things except with unanimous prior approval of a resolution of members passed at a general meeting of the Company:
- (i) issue, allot, redeem or grant options over any of its shares or other securities or reorganize its share capital in any way;
  - (ii) pay or make any dividend or other distribution or make any distribution out of capital profits or capital reserves (including any share premium account or capital redemption reserve fund) except in accordance with the Shareholders' Agreement;

- (iii) remove its auditors;
- (iv) alter any of the provisions of its Memorandum of Association or the Articles or pass any resolution for winding up of the Company;
- (v) acquire another company or business or incorporate any subsidiary except investments in the ordinary course of the Business;
- (vi) enter into any partnership or joint venture with any other person which competes directly or indirectly with the Business except co-insurance; or
- (vii) enter into any contract or commitment which constitutes a fundamental or significant change in the Business.

50. If a poll is duly demanded it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the chairman directs, and the result of the poll shall be the resolution of the meetings at which the poll was demanded, but a poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. Poll to be taken.
51. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not have a casting vote or tie-breaking vote. In the event of a tie, the Shareholders shall convene a meeting to resolve the tie. Chairman shall not have casting votes.

#### VOTES OF MEMBERS

52. Subject to any rights or restrictions for the time being attaching to any class or classes of shares, at meetings of members or of classes of members each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands every person present who is a member or a representative of a member shall have one vote, and on a poll every member present in person or by proxy or by attorney or other duly authorised representative shall have one vote for every such share he holds. Right to vote.
53. In the case of joint holders 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 of members. Joint holder.
54. A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by this committee or by such other person as properly has the management of his estate, and any such committee or other person may vote by proxy or attorney. Members of unsound mind.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid. No member to vote whilst calls unpaid.
56. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive. Votes to be taken, as chairman shall direct.
57. The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer of attorney duly authorised. A proxy may but need not be a member of Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. Proxy to be in writing.



66. Subject to Article 67 hereof, the Company at the meeting at which a Director so retires may fill the vacated office by electing a person thereto, and in default the retiring Director shall if offering himself for re-election and not being disqualified under the Act from holding office as a Director be deemed to have been re-elected, unless at that meeting it is expressly resolved not to fill the vacated office, or unless a resolution for the re-election of that Director is put to the meeting and lost. Filling of vacancy.
67. The Company shall initially have a board of Directors consisting of not less than seven (7) Directors, at least two (2) of whom shall be independent. MBf Premier and QBE shall each have the right to nominate one (1) independent Director and the right also to remove or replace such Director. At least two (2) Directors shall be non-independent Directors with each Shareholder nominating one (1) non-independent Director. The Company's General Manager shall be appointed as an executive director. The Company may increase the number of Directors to a maximum of nine (9) after any IPO and MBf Premier and QBE shall be entitled to representation on the board proportionate to the nearest ten per cent (10%) of their shareholdings after the IPO. The Directors will appoint appropriately qualified Directors before the IPO to represent the public shareholding subject to the approval of BNM. Directors who retire in accordance with the Articles shall be subject to re-election by the Shareholders at the annual general meeting. Until the completion of the IPO, the non-executive Directors, except for the independent Directors, will not personally receive any Emoluments from the Company. The appointments of all Directors will be subject to the approval of BNM. Number of directors.
- 67A. Subject to any applicable law, regulation, guidelines or directive, the Company shall have an audit committee of no fewer than three (3) members, two (2) of whom shall be independent Directors. Audit Committee Members
- For the avoidance of doubt, an "independent Director" for the purposes of these Articles shall be an independent director as prescribed by BNM.
- 67B. Only the Shareholder nominating a Director shall be entitled to propose a resolution to be adopted by the members of the Company to remove such Director from office without the consent of the other Shareholder. Removal of Nominee director
- 67C. The Shareholder proposing the resolution to be adopted by the members of the Company to remove its nominee from office shall be responsible for and shall indemnify the other Shareholder and the Company against any claim which may be made by such nominee for unfair or wrongful dismissal arising out of such removal. Indemnity from Shareholder appointing nominee.
- 67D. The Chairman shall be appointed from amongst the non-executive Directors. The Chairman shall not have a tie-breaking vote at any meetings of the Company. In the event of a tie, the Shareholders shall convene a meeting to resolve the tie. Chairman of the Company.
- 67E. A Deputy Chairman may be appointed from amongst the non-executive Directors. Deputy Chairman.
- 67F. (a) QBE shall have the sole right to nominate the General Manager and Finance Manager. The nomination of the General Manager shall be approved by the Directors and will be subject to BNM's approval. The General Manager and Finance Manager will be removed at the request of QBE, but subject to the approval of MBf Premier in the case of the General Manager. General Manager and Finance Manager.
- (b) MBf Premier shall have the sole right to nominate the first Deputy General Manager and the first Deputy Finance Manager whose nominations shall be approved by QBE. First Deputy General Manager and Deputy Finance Manager.
68. Subject to Articles 67 and 67B hereof, the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. Casual-vacancy or additional appointment.

- Removal of directors. 69. Subject to the Act and Article 67B hereof, the Company may by ordinary resolution remove any Director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place is appointed was last elected a Director.
- Remuneration of directors. 70. Subject to Article 67 hereof, the remuneration of the Directors shall from time to time be determined by the Company in general meeting. The remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel, and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.
- Remuneration of the General Manager 71. The General Manager shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, commission or participation in profits or partly in one way and partly in another) as the Company may determine.
- Qualification of directors. 72. There shall be no shareholding qualification for Directors.
- Office of directors vacated in certain cases. 73. The office of Director shall become vacant if the Director:
- (a) ceases to be a Director by virtue of the Act;
  - (b) become bankrupt or makes any arrangement or composition with its creditors generally;
  - (c) becomes prohibited from being a Director by reason of any order made under the Act;
  - (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder;
  - (e) resigns his office by notice in writing to the Company;
  - (f) for more than six (6) months is absent without permission of the Directors from two (2) meetings of the Directors held during that period;
  - (g) without the consent of the Company in general meeting holds any other office of profit under the Company except that of Managing Director or manager; or
  - (h) is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of his interest in the manner required by the Act;
  - (i) subject to the provisions of the Act and the Articles, is dismissed from office by written resolution of at least seventy-five (75%) of his co-Directors.

#### POWERS AND DUTIES OF DIRECTORS

- General powers of the Company vested in directors. 74. The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these regulations, required to be exercised by the Company in general meeting, subject, nevertheless, to any of these regulations, to the provisions of the Act, and to such regulations, being not inconsistent with the aforesaid regulation or provisions as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting so passed shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.



- 74A. Notwithstanding Article 74 hereof and subject to the provisions of the Shareholders' Agreement, the supervision of the Company is vested in the Directors who shall be responsible for the overall affairs of the Company but the Directors' power, duties and functions are delegable to the General Manager and his management team who will be responsible for the daily management of the Company and the implementation of the business plan within the delegated authority of the Directors. Management.
75. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright as security for any debt, liability, or obligation of the Company or of any third party. Power of directors to borrow and issue of Debentures.
- 75A. Except as expressly provided for or permitted under the Shareholders' Agreement or the most recently approved operating principles, budget or business plan of the Company, save with the prior approval of a board resolution in respect of which all of the Directors have voted in favour, the Company will not: Prior approval of all directors.
- (a) give any guarantee, indemnity or Security Interest in respect of the obligations of any other person (including without limitation bonds or financial guarantees) except an insurance policy (which for the avoidance of doubt does not include construction risk performance bonds or foreign worker employment bonds);
  - (b) create or allow to subsist any Security Interest over any of its assets or undertakings other than which arise by operation of law;
  - (c) factor or assign any of its book debts;
  - (d) enter into or adversely vary any contractual arrangement (whether legally binding or not) with any of its Directors or any Shareholder or with any associate of a Director or Shareholder, including the Services Agreements;
  - (e) pay any remuneration or expenses to any person other than as proper remuneration for work done or services provided or as proper reimbursement for expenses incurred in connection with the Business including whereby any person would or might receive remuneration calculated by reference to income or profits, other than an insurance agent or broker dealing with the Company;
  - (f) incur any material expenditure or liability of a capital nature outside of the most recently approved budget (including, for this purpose, the acquisition of any asset under lease or hire purchase) save in respect of expenses reasonably required in the ordinary course of the Business, in which event the Chairman and Deputy Chairman can jointly decide and thereafter report to the board of Directors;
  - (g) utilise any Company funds other than investments in the ordinary course of the Business, including lending any money to any person;
  - (h) enter into any material contractual arrangement outside the ordinary course of the Business; or
  - (i) grant any credit in excess of ninety (90) days to any person other than in the ordinary course of the Business.
76. The Directors may exercise all of the powers of the Company in relation to any official seal for use outside Malaysia and in relation to the branch registers. Branch registers.

- Directors may appoint attorneys.
77. The Directors may from time to time by power of attorney appoint any corporation, firm, or person or body of persons, whether nominated directly or indirectly by the Directors, 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 Directors under these regulations) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities, and discretions vested in him.
- Execution of negotiable instruments and receipts for money paid.
78. All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for money paid to the Company, shall be signed, drawn accepted, endorsed, or otherwise executed, in such manner as the Directors from time to time determine.
- Minutes to be made and when signed by chairman to be conclusive evidence.
79. The Directors shall cause minutes to be made:
- (a) of all appointments of officers to be engaged in the management of the Company's affairs;
  - (b) of names of Directors present at all meetings of the Company and of the Directors; and
  - (c) of all proceedings at all meetings of the Company and of the Directors.
- Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.
- Meetings and notice period.
80. (a) The Directors may meet together for the despatch of business adjourned and otherwise regulate their meetings as they think fit. Until any IPO, any Directors' meeting can only be convened with the consent of at least two (2) Directors.
- (b) Subject to Article 80(a) hereof, a Director may at any time and the secretary shall on the requisition of a Director summon a meeting of the Directors by giving them not less than seven (7) days' notice thereof unless such requirement is waived by them.
- Quorum.
- 80A. The Directors shall meet not less than six (6) times in a year. The quorum for any board meeting shall be two (2) Directors, comprising one (1) Director from each of MBf Premier and QBE, and after the IPO, the quorum for any board meeting shall be three (3) Directors, comprising one (1) Director from each of MBf Premier and QBE and one (1) Director to represent the public.
- Meetings vide electronic means.
81. Meetings of the Directors may also be conducted by telephone, video conference or other electronic, audio or audio-visual means of communication that allow simultaneous and instantaneous transmission.
- Meetings of directors/casting vote.
82. Save for the matters stated in Article 75A, questions arising at any meeting of Directors shall be decided by a simple majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. At any Company meeting, any Director present shall be entitled to only one (1) vote in respect of any motion put to the Company. The Chairman of the meeting of Directors shall not have a casting vote or tie-breaking vote at any meetings of the Directors. In the event of a tie, the Shareholders shall convene a general meeting to resolve the tie.

83. Every Director shall comply with the provisions of Section 131 of the Act in connection with the disclosure of: Restriction on voting.
- (a) his interest, directly or indirectly, in any contract or proposed contract with the Company; or
- (b) the fact and the nature, character and extent of any office or property that he holds or possesses whereby, whether directly or indirectly, duties or interests may be created in conflict with his duty or interest as a Director of the Company.
- Subject always to compliance with Section 131 of the Act and all other relevant provisions of the Act and these Articles, a Director may vote at a meeting in respect of any matter in which the Shareholder who nominated him or its Affiliates is or may be interested.
84. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number or summoning a general meeting of the Company, but for no other purpose. Number reduced below quorum.
85. The Chairman shall preside as chairman of every meeting of the Directors. If the Chairman is not present within ten (10) minutes after the time appointed for holding the meeting or is unwilling to act, the Directors present may choose one of their members to be the Chairman of the meeting. Chairman.
86. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors. Committees.
87. A committee may elect a chairman of its meeting; if no such chairman is elected, or if at any meeting the chairman is not present within ten minutes after the time appointed for holding the meeting, or is unwilling to act the members present may choose one of their number to be chairman of the meeting. Chairman of Committee.
88. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote. Meetings of Committee.
89. A committee meeting may also be conducted by telephone, video conference or other electronic, audio or audio-visual means of communication that allow simultaneous and instantaneous transmission. Meetings vide electronic means.
90. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director. Validity of acts where appointment defective.
91. The Directors may also carry effective resolutions by execution of a circular resolution by all Directors on one or more pieces of paper, or in such separate written communication making reference to the circular resolution, including by way of facsimile and confirmed in writing by mail, and such resolution shall be as valid and effectual as if it had been passed by a meeting of Directors duly called and constituted. Resolutions in writing signed by directors effective.

## MANAGING DIRECTORS

- Appointment of Managing Director. 92. The Directors may from time to time appoint one or more of their body to the office of Managing Director for such period and on such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke any such appointment. A Director so appointed shall not, while holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a Director.
- Remuneration of Managing Director. 93. A Managing Director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, commission, or participation in profits or partly in one way and partly in another) as the Directors may determine.
- Powers. 94. The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter, or vary all or any of those powers.

## ASSOCIATE DIRECTORS

- Appointment of associate Directors. 95. The Directors may from time to time appoint any person to be an associate Director and may from time to time cancel any such appointment. The Directors may fix, determine and vary the powers, duties and remuneration of any person so appointed, but a person so appointed shall not be required to hold any shares to qualify him for appointment nor have any right to attend or vote at any meeting of Directors except by the invitation and with the consent of the Directors.

## SECRETARY/JOINT SECRETARIES

- Secretary/Joint Secretaries. 96. The secretary/joint secretaries shall in accordance with the Act be appointed by the Directors for such term, at such remuneration, and upon such conditions as they may think fit, and any secretary/joint secretaries so appointed may be removed by them. The Finance Manager shall be appointed as the joint secretary who can act in the absence of the Company Secretary. The first Secretary is Loh Lai Cheng.

## SEAL

- Custody and affixing of seal. 97. The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the seal is affixed shall be signed by a Director and shall be countersigned by any one of the joint secretaries.

## ACCOUNTS

- Accounts to be kept. 98. The Directors shall cause proper accounting and other records to be kept and shall distribute copies of balance sheets and other documents as required by the Act and shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting and other records of the Company or any of them shall be opened to the inspection of members not being Directors and subject to Articles 98A and 98D, no member (not being a Director) shall have any right of inspecting any account or book or paper of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.
- Detailed budget and business plan. 98A. The Company shall provide each Shareholder within one (1) month prior to the beginning of each financial year a detailed budget and business plan for the financial year.

- |     |   |   |
|-----|---|---|
| 98B | The Company shall prepare its accounts in accordance with Malaysian accounting standards as may from time to time be generally approved in Malaysia and local statutory requirements. The Company shall prepare such accounts in respect of each accounting reference period as are required by statute and procure that such accounts are audited as soon as practicable and in any event not later than three (3) months after the end of the relevant accounting period. | Accounts in accordance with applicable accounting standard/audit. |
| 98C | Each accounting period of the Company shall be a period of twelve (12) months and each financial year shall end on 31 December of every year.   | Financial year end.   |
| 98D | The Company shall keep each of the Shareholders fully informed as to all its financial affairs in a format determined by the Directors and at such intervals as the Directors may determine.  | Shareholders fully informed of financial affairs.                 |

#### DIVIDEND AND RESERVES

- |      |   |                                 |
|------|---|---------------------------------|
| 99.  | Subject to any guidelines issued by BNM in relation to payment of dividends applicable to the Company, the Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.  | Declaration of Dividend.        |
| 100. | The Directors may from time to time pay to the Shareholders such interim dividends as appear to the Directors to be justified by the profits of the Company.  | Interim Dividend.               |
| 101. | All dividends declared shall be paid to the Shareholders within one hundred and twenty (120) days of the date on which they are declared unless otherwise decided unanimously by the Directors.   |                                 |
| 102. | No dividend shall be paid otherwise than out of profits or shall bear interest against the Company.   | No interest on unpaid Dividend. |
| 103. | The Directors may, before recommending any dividends, set aside out of the profits of the Company such sums as they think proper as reserves which shall, at the discretion of the Directors, be applicable for any purposes at which the profits of the Company may be properly applied, and pending any such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares in the Company) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.  | Payments of dividends.          |
| 104. | Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the shares. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date that share shall rank for dividend accordingly.   | Dividend pays equally.          |
| 105. | The Directors may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.  | Debts may be deducted.          |
| 106. | Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of the Company or any other Company or in any one or more of such ways and the Directors shall give effect to such resolution and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors. | Dividend specie.                |

Payment by post and discharge.

107. Any dividend, interest, or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post direct to the registered address of the holders or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Anyone or two or more joint holders may give effectual receipts for any dividends, bonuses, or other money payable in respect of the shares held by them as joint holders.

#### CAPITALIZATION OF PROFITS

Power to capitalize.

108. The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on conditions that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. A share premium account and a capital redemption reserve may for the purposes of this regulation, be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

Effect of resolution to capitalize.

109. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under authority shall be effective and binding on all such members.

#### NOTICES

110. All notices which are required to be given to the Shareholders shall be in writing and shall be sent to the address of the Shareholders set out in the Shareholders' Agreement or any other address as the recipient may designate by notice given in accordance with the provisions of this Article. Any such notice may be delivered personally or by prepaid registered letter or facsimile transmission and shall be deemed to have been served (a) if by personal delivery, when delivered, (b) if by first class post to an address outside Malaysia, fourteen (14) days after posting, and (c) if by or facsimile transmission, forty-eight (48) hours after transmission.

Notices to joint holders.

111. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.

112. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the bankrupt, or by any like description, at the address, if any within Malaysia supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred. Notice to persons entitled by transmission.
113. (a) Notice of every general meeting shall be given in any manner hereinbefore authorised to: Persons entitled to notice.
- (i) every member;
  - (ii) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting;
  - (iii) the auditor for the time being of the Company.
- (b) No other person shall be entitled to receive notices of general meetings.

#### WINDING UP

114. If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company divide amongst the members in kind the whole or any part of the assets of the Company (whether they consist of property of the same kind or not) and may for that purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of any such assets in trustees upon trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no members shall be compelled to accept any shares or other securities whereon there is any liability. Distribution of assets in specie.

#### INDEMNITY

115. Every Director, Managing Director, agent, auditor, secretary, and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the Court in respect of any negligence, default breach of duty or breach of trust. Indemnify.

We the several persons whose names and addresses are subscribed hereunder being subscribers hereby agree to the foregoing Articles of Association

Names, Addresses and Descriptions of Subscribers	
MOHAMED ALI B. MOHD MIRA I/C No. 4356661 05-15-03, Sri Selangor Jalan San Peng 55200 Kuala Lumpur.	COMPANY DIRECTOR
ZALINA BINTI MOKHTAR I/C No. 6181225 No. 7, Jalan 7, Kg. Lembah Jaya Selatan, 68000 Ampang Selangor.	COMPANY DIRECTOR

Dated this 20<sup>th</sup> Day of April, 1987.

Witness to the above signatures:

LOH LAI CHENG  
Lot 4.18, 4<sup>th</sup> Floor,  
Wisma Central,  
Jalan Ampang,  
50450 Kuala Lumpur.