



## Middlesea Insurance p.l.c.

**Registered address:**  
Middle Sea House, Floriana FRN 1442, Malta.

**Postal address:**  
P.O. Box 337 Marsa, GPO 01, Malta.

Telephone: (+356) 2124 6262  
Telefax: (+356) 2124 8195  
E-mail: middlesea@middlesea.com  
Website: www.middlesea.com  
Registration Number: C5553

MSI/CF/MSE16809

20 November 2009

### **Company Announcement pursuant to the Listing Rules of the Malta Financial Services Authority**

The following is a Company Announcement issued by Middlesea Insurance p.l.c., pursuant to the Listing Rules of the Malta Financial Services Authority.

#### **Quote:**

The Extraordinary General Meeting (EGM) of Middlesea Insurance p.l.c. (MSI) was held on the 20 November 2009.

Seven Extraordinary Resolutions put to the General Meeting were carried by the shareholders present at the meeting. The text of the Extraordinary Resolutions was:

#### **Resolution 1: Increase in Authorised Share Capital – Clause 4 (1)**

**To delete the current text of Clause 4 (1) of the Memorandum of Association of the Company and replace it by the following text so that Clause 4 (1) will now read:**

- 4(1) *The Authorised Share Capital of the Company is sixty million euro (€60,000,000) divided into one hundred million (100,000,000) Ordinary Shares of a nominal value of sixty euro cents (€0.60) each.*

#### **Resolution 2: Allotment Period – Article 7 (2)**

**To delete the current text of Article 7 (2) of the Articles of Association of the Company and replace it in its entirety by the following text so that Article 7 (2) will now read:**

- 7(2) *The Directors in issuing and allotting Equity Securities shall not without the prior approval through Ordinary Resolution of the Company in General Meeting:*
- (a) *Issue and allot any of the Equity Securities on any terms to any person unless an offer has first been made to each Member to issue and allot to him at least on the same terms, a proportion of those Securities which is as nearly as practicable equal to the proportion in nominal value held by him of the aggregate of shares in the Company; and*



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- (b) *Issue and allot any of Equity Securities to any person before the expiration of any period of offer made to Members (being a period of not less than 14 days) in terms of the above paragraph or before a negative or positive reply from all such Members is given.*

### **Resolution 3: Shareholding Limitation – Article 30**

**To delete in its entirety the existing Article 30 that stipulates:**

30. (1) *No person may at any time and whether directly or indirectly, through another person, subsidiary company or in any other manner, hold such number of shares in the Company as would in the aggregate be in excess of twenty one per cent (21%) of the issued share capital of the Company carrying voting rights:*

*PROVIDED that a person including a Member, may acquire shares in excess of the limit aforesaid in consequence of an agreement with the Company to underwrite or sub-underwrite any share issue; but any shares so held in excess of the paid limit shall not carry voting rights while they are so held.*

*PROVIDED FURTHER that one Member, but at any one time not more than one Member, holding shares in the Company amounting to not less than twenty-one per cent (21%) of the issued share capital of the Company carrying voting rights may acquire further shares in the Company, so however that the total number of shares held by such Member, whether directly or indirectly, through another person, subsidiary company or in any other manner, does not exceed twenty-five per cent (25%) of the issued share-capital of the company carrying voting rights and if at any time such Member disposes of any shares in the Company carrying voting rights, such member may not again acquire similar shares in the Company except where by so doing the shares held by such Member as aforesaid do not exceed twenty-one per cent (21%) of the issued share capital of the company carrying voting rights.*

- (2) *Where shares are acquired, whether by transfer or by way of transmission, in excess of the shareholding limitation aforesaid the Directors shall refuse to register the shares in the name of the Member acquiring or purporting to acquire such shares until such shares are disposed of in favour of a person capable of holding such shares.*



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### **Resolution 4: Notice of General Meetings – Article 54 (5)**

**To amend Article 54 of the Articles of Association of the Company through the addition of a new sub-article 54 (5) that will read:**

*54(5) A notice of a General Meeting called to consider extraordinary business shall be accompanied by a statement regarding the effect and scope of any proposed resolution in respect of such extraordinary business.*

### **Resolution 5: Disqualification of Directors – Article 92**

**To delete the current text of Article 92 of the Articles of Association of the Company in its entirety and replace it by the following text so that Article 92 will now read:**

*92. The office of a Director shall be vacated in any of the following events, namely:-*

- (1) if he ceases to be a Director by virtue of the Act;*
- (2) if he becomes of unsound mind, is convicted of any crime involving public trust or of any crime punishable by imprisonment, or is declared bankrupt;*
- (3) if he becomes prohibited by Law from acting as a Director;*
- (4) if he resigns his office by notice in writing under his hand to the Company or offers in writing under his hand to resign and the Directors resolve to accept such offer;*
- (5) if, not having leave of absence from the Directors, he fails to attend the Meetings of the Directors on three consecutive occasions, unless prevented by illness, unavoidable accident or other unavoidable cause which may seem to the Directors to be sufficient, and the Directors resolve that his office be vacated.*

### **Resolution 6: Appointment of Directors – Article 95 (1)**

**To delete the current text of Article 95 (1) of the Articles of Association of the Company in its entirety and replace it by the following text so that Article 95 (1) will now read:**

*95(1) The Company shall make a call for nominations for election to the office of Director by notice published as an advertisement in at least two (2) daily*



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*newspapers. The Company shall grant a period of at least fourteen (14) days for nominations to be submitted. A nomination for election to the office of Director, as well as the latter's acceptance to be nominated as Director, shall be given to the Company not less than fourteen (14) days prior to the date of the General Meeting convened for such election. All such nominations shall, on pain of nullity, contain notice in writing signed by a member duly qualified to attend and vote at such Meeting of his intention to propose such person for election.*

### **Resolution 7: Dividends – Article 119**

**To delete the current text of Article 119 of the Articles of Association in its entirety and replace it by the following text so that Article 119 will read:**

119. *Subject to the rights of persons, if any, entitled to shares with any priority, preference or special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purpose of this Article as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up 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 if paid up in full or in part from a particular date, whether past or future, such share shall rank for dividend accordingly. Any amount paid up in advance of calls on any Share may carry interest if so resolved by the directors.*

### **Ordinary Resolution**

The EGM also authorised the Board of Directors to issue up to a maximum of sixty seven million (67,000,000) Ordinary Shares of a nominal value of sixty euro cents (€0.60) each and that such authorisation be valid for a maximum period of three (3) months.

A meeting of the Board of Directors was convened immediately after the EGM and the Directors approved the issue of 67,000,000 Ordinary Shares of a nominal value of €0.60.

The Board of Directors also approved that 2.68 New Shares will be offered for every 1 existing share (rounded up or down to the nearest share) at an offer price of €0.60 per share.



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The relevant Prospectus, which has been approved by the Listing Authority, will be available from Authorised Financial Intermediaries from the 21 November 2009 and can be found on the MSI website at [www.middlesea.com](http://www.middlesea.com).

The three main institutional shareholders, namely Bank of Valletta, Mapfre Internacional and Munich Re have given their commitment to subscribe to their proportional entitlement.

Bank of Valletta and Mapfre Internacional have also agreed to give their commitment to take all the remaining unsubscribed shares thus ensuring a successful rights issue.

The Rights Share Issue will raise a total of €40,200,000.

Shareholders on the Register at the Central Securities Depository of the Malta Stock Exchange on the Record Date will be entitled to receive the Rights Issue application, Summary Note and will be able to participate in the offer that will open on the 30 November and close on the 14 December 2009.

**Unquote:**

By Order of the Board

  
**Carlo Farrugia**  
Company Secretary