



Middlesea Insurance p.l.c.

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Registration Number: C5553

MSI/CF/MSE00710

26 February 2010

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:

Further to the Company Announcement issued on the 8 February 2010, Middlesea Insurance p.l.c., will be convening an Extraordinary General Meeting to be held on Tuesday 16 March 2010 at 10:00 a.m. at the Conference Centre, Hilton Malta, St. Julians, Malta.

The business of the EGM will be as follows.

1. Changes to the Memorandum and Articles of Association

To consider, and if thought fit, to amend by means of an extraordinary resolution the current Memorandum and Articles of Association in line with the attached document.

2. Election of Directors

To elect the Directors to the Board of Middlesea Insurance p.l.c., in accordance with the Memorandum and Articles of Association.

Unquote:

By Order of the Board



Carlo Farrugia
Company Secretary



Changes to the Memorandum and Articles of Association
for consideration at the Extraordinary General Meeting
to be held on Tuesday 16 March 2010 at 10.00 a.m.

MEMORANDUM OF ASSOCIATION

Article 2 to read

The Registered Office of the Company is located at Middle Sea House, Floriana, Malta, or at any other place in Malta as may be determined from time to time by the Board of Directors.

Article 3 (s) and (t) to read (the two bullet points have been switched)

- (s) To pay out of the funds of the Company all costs, charges and expenses preliminary and incidental to the promotion of the Company and the issue of its capital.
- (t) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

Article 4 (1) to read

The Authorised Share Capital of the Company is ninety million euro (€90,000,000) divided into one hundred and fifty million (150,000,000) ordinary shares of a nominal value of sixty euro cents (€0.60) each;

Article 6 (1) to read

The number of Directors shall not be less than five (5) and not more than ten (10) and shall be appointed as provided in the Articles of Association of the Company.

Article 7 (1) to read

The contractual representation of the Company shall vest in the Chairman or, without prejudice to the general power granted to the Chairman in terms of this clause, in such person or persons jointly or severally and in such manner as the Directors shall from time to time determine.

Article 10 to read

The exercise by the Company of the foregoing objects and powers is subject to such prohibitions and restrictions as are provided by and under the mandatory provisions of any law in force for the time being including the Companies Act (Cap. 386), the



Insurance Business Act, (Cap. 403), [the Insurance Intermediaries Act \(Cap. 487\)](#) and the [Financial Markets Act](#) (Cap. 345) and of any rules, regulations, directives or bye-laws issued thereunder and any amendment, modification or substitution of any such laws, rules, regulations, directives or bye-laws.

ARTICLES OF ASSOCIATION

Article 2 to amend and insert

“Extraordinary Resolution” [shall have the meaning attributed to it by article 135 of the Act;](#)

“Listing Authority” [means the Listing Authority defined in terms of the Financial Markets Act \(Cap. 345\)](#)

“Listing Rules” [means the Listing Rules issued by the Listing Authority](#)

“Shareholder” or “Member” [shall mean any natural or legal person whose name is entered in the Register;](#)

Article 12 (2) to read

For Listed Shares of the Company, the holders thereof shall be entitled to receive from the Central Securities Depository of the Exchange a document evidencing his registration as a Member of the Company in the number of shares held, or such other evidence as the bye-laws of the Exchange [or the Listing Rules](#) may from time to time determine.

Article 31 to read (was Article 32)

All transfers of Listed Shares shall be regulated by law and accordingly [Articles 32 to 35](#) of these Articles shall be applicable to such transfers only in so far as the said Articles are not inconsistent therewith.

Article 34 to read (was Article 35)

The Directors may decline to recognise any instrument of transfer and refuse to register such transfer if:

- (1) the instrument of transfer is not duly stamped and/or is not left at the Office or at such other place as the Directors may from time to time determine, to be registered and/or is not accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); or



- (2) the instrument of transfer is not in respect of only one class of shares; or
- (3) the instrument of transfer is in respect of shares pledged to another person under a pledge agreement duly notified to the Company.

Article 37 to read (was Article 38)

All transmission of Listed Shares shall be regulated by law and by the bye-laws of the Exchange and the Listing Rules which relate to such transmission and accordingly Articles 38 and 39 of these Articles shall be applicable to such transmission only in so far as the said Articles are not inconsistent therewith.

Article 46 to read (was Article 47)

The Company may from time to time increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe. All new shares shall be subject to the provisions of these Articles with reference to allotment, payment of calls, forfeiture, transfer and transmission and otherwise.

Article 53 to read (was Article 54)

- (1) A General Meeting of the Company shall be called by not less than twenty one (21) days' notice in writing.
- (2) The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of Meeting, the proposed agenda for the Meeting and, in case of special business, the general nature of that business. It shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company. The notice shall also contain the following information:
 - (a) a clear and precise description of the procedures that Shareholders must comply with in order to be able to participate in and to vote at the general meeting
 - (b) state the record date and explain that only those who are Shareholders on that date shall have the right to participate and vote in the general meeting;
 - (c) indicate where and how the full, unabridged text of the documents to be submitted to the General Meeting (including, where applicable, the Annual Report) and of any draft resolutions may be obtained, unless in the latter case the draft resolutions are included as part of the notice itself; and



- (d) indicate the address of the internet site on which the information will be made available.
- (3) A notice calling an Annual General Meeting shall specify the Meeting as such and a notice convening a Meeting to pass an Extraordinary Resolution as the case may be shall specify the intention to propose the resolution as such.
- (4) In every notice calling a Meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him and that a proxy need not also be a Member and such statement shall comply with the provisions of the Act as to informing Members of their right to appoint proxies.
- (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.
- (6) Any Member or Members holding not less than five per cent (5%) in nominal value of all the shares entitled to vote at the meeting may:
- (a) request the Company to include items on the agenda of the general meeting, provided that each item is accompanied by a justification or a draft resolution to be adopted at the annual general meeting; and
 - (b) table draft resolutions for items included in the agenda of a general meeting.

The request to put items on the agenda of the general meeting or the tabling of draft resolutions to be adopted at the general meeting shall be submitted to the Company (in hard copy or in electronic form to an email address provided by the Company for the purpose) at least forty six (46) days before the date set for the general meeting to which it relates and shall be authenticated by the person or persons making it. Furthermore, where the right to request items to be put on the agenda of the general meeting or to table draft resolutions to be adopted at the general meeting requires a modification of the agenda for the general meeting that has already been communicated to Shareholders, there shall be made available a revised agenda in the same manner as the previous agenda in advance of the applicable record date or, if no such record date applies, sufficiently in advance of the date of the general meeting so as to enable other Shareholders to appoint a Proxy or, where applicable, to vote by correspondence.



Article 58 to read (was Article 59)

If within half an hour from the time appointed for the Meeting a quorum be not present, the Meeting, if convened by or upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such time (being not less than fourteen days nor more than twenty-eight days thence) and place as the Chairman shall appoint. If at such adjourned Meeting a quorum be not present within thirty minutes from the time appointed therefor, Members present in person or by proxy not being less than two present in person and entitled to vote shall form a quorum. The Company shall give not less than ten (10) clear days' notice of any Meeting adjourned for want of a quorum and the notice shall state that Members present as aforesaid shall form a quorum.

Article 59 to read (was Article 60)

The Chairman of the Board shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman, or if at any General Meeting the Chairman is not present within fifteen minutes after the time appointed for holding the Meeting or if the Chairman is not willing to act as Chairman of the meeting, the Directors present shall select one of their number to be Chairman; or if no Director be present or is willing to take the chair the Members present and entitled to vote shall choose one of their number to be Chairman of the Meeting.

Article 60 to read (was Article 61)

The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place; but no business shall be transacted at 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, not less than ten (10) clear days' notice in writing of the adjourned Meeting shall be given specifying the day, the place and the time of the Meeting as in the case of an original Meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned Meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment.

Article 63 to read (was Article 64)

Except as provided in Article 65, if a poll is duly demanded it shall be taken in such manner (including the use of ballot or voting papers or ticket) as the Chairman of the Meeting directs, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.

Article 66 to be inserted

RIGHT TO ASK QUESTIONS

66 (1) Every Shareholder shall have the right to ask questions which are pertinent and related to items on the agenda of a general meeting and to have such



questions answered by the Directors or such person as the directors may delegate for that purpose subject to any reasonable measures that the Company may take to ensure the identification of the Shareholder. The said right shall also be enjoyed by a proxy holder appointed by the Shareholder.

(2) The Company may provide one overall answer to questions having the same content.

(3) An answer to a question is not required where:

(a) to give an answer would interfere unduly with the preparation for the meeting, involve the disclosure of confidential information or cause prejudice to the business interests of the Company;

(b) the answer has already been given on the Company’s website in the form of an answer to a question;

(c) it is not in the interests of good order of the meeting that the question be answered; or

(d) the Company is unable to provide an immediate reply, provided that such reply is subsequently posted on the website of the Company.

Article 71 to read

71. (1) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a person other than a natural person, the hand of an officer or attorney duly authorised. The signature on such instrument need not be witnessed. A Member holding shares for and on behalf of third parties is entitled to grant a proxy to each of his clients or to any third party designated by a client. Such Member shall be entitled to cast votes attaching to some of the Shares differently from the others. Proxy forms shall be designed by the Company to allow such split voting.

(2) An instrument appointing a proxy shall be the following form or a form as near thereto as circumstances permit:

Middlesea Insurance plc

“I/We....., of residing at being a Member/Members of the above named Company, hereby appoint of or failing him of.....as my/our proxy to vote for me/us on my/our behalf at the (annual or extraordinary, as the case may be) General Meeting of the



Company, to be held on the day of.....20, and at any adjournment thereof.

Signed this.....day of 20XX

This form is to be used in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.”

- (3) Where a Member holds shares for and on behalf of third parties, the instrument appointing the proxies shall be in the following form or in a form as near thereto as circumstances permit:

Middlesea Insurance plc

“I/We..... of residing at being a Member/Members of the above named Company, hereby appoint:

- (a) of in respect of shares out of a total of..... or failing him of..... as my/our proxy to vote for me/us on my/our behalf at the (annual or extraordinary, as the case may be) General Meeting of the Company, to be held on the day of.....20, and at any adjournment thereof; and

This form is to be used in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.”

- (b) of in respect of shares out of a total of or failing him of..... as my/our proxy to vote for me/us on my/our behalf at the (annual or extraordinary, as the case may be) General Meeting of the Company, to be held on the day of.....20, and at any adjournment thereof.

This form is to be used in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit.”

Signed this.....day of 20XX



- (4) An instrument of proxy shall be in such form as would allow the shareholder appointing a proxy to indicate how he would like his proxy to vote in relation to each resolution.

Article 73 to read

An instrument appointing or revoking a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall either (i) be deposited at the Office or at such other place (if any) in Malta as is specified for that purpose in or by way of note to the notice convening the Meeting, or (ii) be transmitted electronically to an electronic address as is specified for that purpose in or by way of note to the notice convening the Meeting, in each case not less than forty-eight hours before the time for holding the Meeting or, if the Meeting be adjourned, not less than forty-eight hours (or such lesser period as the Chairman who adjourned the Meeting may in his discretion determine) before the time for holding the adjourned Meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll taken otherwise than at or on the same day as the Meeting or adjourned Meeting, not less than twenty-four hours before the time appointed for the taking of the poll at which it is to be used, and in default the instrument of proxy shall not be treated as valid.

The previous Article 78 ⁽ⁱⁱⁱ⁾ to be deleted in its entirety

New Article 78 to be inserted

VOTING RESULTS

78. Where a poll is taken at a general meeting of the Company and a request is made by a Shareholder for a full account of the poll, the Company shall publish the following information on its website by not later than fifteen (15) days after the day of the general meeting at which the voting result was obtained:

- (a) the date of the meeting;
- (b) the text of the resolution or, as the case may be, a description of the subject matter of the poll;
- (c) the number of shares for which votes have been validly cast;
- (d) the proportion of the Company's issued share capital at close of business on the day before the meeting represented by those votes;
- (e) the total number of votes validly cast; and
- (f) the number of votes cast in favour of and against each resolution and, if counted, the number of abstentions.

Where no Shareholder requests a full account of the voting at a general meeting, it shall be sufficient for the Company to establish the voting results only to the



extent necessary to ensure that the required majority is reached for each resolution.

Where voting on a particular item or resolution is conducted by a show of hands rather than by a poll, it shall not be necessary in the case where a Shareholder requests a full account of the voting at a general meeting for the Company to publish the information required by the Listing Rules and it shall be sufficient for the chairman of the meeting to publish a statement indicating:

- (a) the total number of Shareholders entitled to vote present at the meeting;
- (b) that upon a show of hands at the meeting it appeared that the resolution had either been carried or rejected.

Article 88 (4) to be deleted in its entirety and the subsequent sub articles renumbered

Article 94 to read

A retiring Director shall be eligible for re-election or re-appointment without the need to submit a nomination.

Article 95 to read

- (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 newspapers. The Company shall grant a period of at least fourteen (14) days for nominations and for the nominee's acceptance of the nomination to be submitted. 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.
- (2) No person shall be eligible for election to the office of Director or to be appointed as Director unless he satisfies the Company that he has been approved as a fit and proper person to act as Director of the Company by the Competent Authority in terms of the Insurance Business Act or any Regulations or Rules issued thereunder.
- (3) In the event that there are as many nominations as there are vacancies, or less, no election will take place and those nominees will be automatically appointed Directors.

Article 97 to read

- (1) The Directors of the Company shall be appointed as provided in the following provisions of this Article.



- (2) Any Member or Members holding separately or in the aggregate not less than eleven per cent (11%) of the total voting rights of the Company shall have the right to appoint a Director for each and every complete 11% of such rights.
- (3) Any shares remaining unused by Members in the appointment of a Director under paragraph (2) hereof may be aggregated to form the percentage required to appoint Directors directly under the said paragraph, but may not be used to elect Directors at the Annual General Meeting or at any Extraordinary General Meeting convened for the purpose of electing directors.
- (4) The Directors appointed under paragraph (2) hereof shall be appointed by letter addressed to the Company which shall indicate the shareholding used for the purpose and shall be signed by the Member or Members making the appointment. The letter must be delivered to or received by the Company not later than 21 days prior to the Annual or Extraordinary General Meeting, as the case may be, at which the other Directors are to be elected.
- (5) The other Directors (being such number as would together with the Directors appointed under the preceding paragraphs make a total of nine Directors) shall be elected at the Annual General Meeting or at the Extraordinary General Meeting convened for the purpose of electing directors by those Members who have not exercised any of their rights under the foregoing paragraphs of this Article; and for the purposes of any such election, voting shall take place on the basis that one share entitles the holder to vote for only one candidate for election, and the Chairman of the Meeting shall declare elected those candidates who obtain the greater number of votes on that basis.

Article 98 to read

- (1) Subject to the provisions of Article 97 of these Articles, a casual vacancy may be filled at an Extraordinary General Meeting convened to elect directors and in such case the vacancy shall be filled in accordance with the provisions of Article 97; provided that if the Director causing such casual vacancy was appointed under paragraphs (2) or (3) of Article 97, the casual vacancy may be filled by the Member or Members by whom he was appointed as long as such Member or Members still hold at least the number of shares that were necessary to appoint him.
- (2) A casual vacancy may also be filled by the Board of Directors.
- (3) Any person appointed to fill a casual vacancy or as an addition to the board will hold office only until the next following annual general meeting and will be eligible for re-election.



Article 99 to read

Any Director appointed under paragraphs (2) or (3) of Article 97 of these Articles may be removed by the Member or Members who appointed him by letter addressed to the Company:

PROVIDED that they still hold the number of shares that were necessary to appoint him.

Article 100 to be inserted

The board of directors of the Company may appoint one additional director to the board of directors of the Company without the requirement that the appointment of such director being ratified by a members' resolution taken at a general meeting of the Company. A director so appointed by the Board shall hold office until the end of the Annual General Meeting following his appointment. The director so appointed may be withdrawn or replaced by the board of directors at any time.

Article 105 to read (was Article 104)

Notice of a Board Meeting shall be given to each Director by letter, telex, telefax, [email](#) or any other means of readable communication. Notice shall be deemed to be duly given to a Director if it is sent to him at his last known address, telex, telefax, [email](#) or any other address, telex, telefax [or email](#) given either in person or by him to the Company for this purpose. The notice shall in no case be given to a director less than 3 days before the Meeting.

PROVIDED that the requirement of such notice may be waived with the consent of all the Directors, which consent may be given by letter, telex, telefax, [email](#) or other means of readable communication.

Article 107 to read (was Article 106)

The Directors shall elect a Chairman of their Meetings and determine the period to hold office; but if no such Chairman be elected, or if at any Meeting the Chairman is not present within thirty minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such Meeting. No person holding a senior executive post in the Company may be elected Chairman.

Article 112 to be inserted

A resolution of the directors, including alternate directors, or of a committee of the directors, may be taken by means of a conference telephone (or by means of any other communication equipment) which allows all persons participating to hear each of the others at all material times. Any decision so arrived at will be deemed a decision of a



meeting of the directors, or a committee of the directors (as appropriate), and all of the provisions of these Articles relating to meetings of directors will apply, *mutatis mutandis*. A director or alternate director participating in such a decision will be deemed to be present in person, and will be entitled to vote or be counted in a quorum accordingly. Such a decision will be deemed to have been arrived at where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the proceedings was at the time.

Article 113 to be inserted

The directors may invite any executive or executives of the Company to attend board meetings or any part thereof. Any such executive or executives shall have no right to vote.

Article 114 to read (was Article 111)

EXECUTIVE DIRECTORS

The Directors may from time to time appoint members of their body to such Office in relation to the management of the business of the Company as they may decide, for such period and on such terms as they think fit, and, subject to the terms of any service contract entered into in any particular case and without prejudice to any claim for damages or compensation such Director/s may have for breach of any such service contract, may revoke such appointment.

Article 115 to read (was Article 112)

The salary or remuneration of any such Director/s holding office in the Company shall, subject as provided in any contract, be such as the Directors may from time to time determine, and may either be a fixed sum of money, or may altogether or in part be governed by the business done or profits made, and may include the making of provisions for the payment to him, his widow or other dependants, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension and life assurance benefits, or may be upon such other terms as the Directors determine.

Article 116 to read (was Article 113)

The Directors may entrust to and confer upon such Director/s holding office 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 such powers.



Article 134 to read (was Article 131)

A printed copy of the profit and loss account and balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditors' report and Directors' report, shall not less than twenty-one days before the date of the Meeting be sent to every Member (whether or not he is entitled to receive notices of General Meetings of the Company) and every holder of debentures of the Company (whether or not he is so entitled) and to every other person who is entitled to receive notices of Meetings from the Company under the provisions of the Act or these Articles, but this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware.

Article 136 (1) to read (was Article 133 (1))

A notice may be given by the Company to any Member either personally or by sending it by post to him or to his registered address, or (if he has no registered address in Malta) to the address, if any, in Malta supplied by him to the Company for the giving of notice to him. Furthermore, the Company may publish the notice either on its website or on the website of the Regulated Market on which its Shares are listed, provided that having sent a notice by mail at the last known address of each Shareholder requesting his consent to the publication of notices convening the general meetings of the Company on the website indicated in the notice, shareholders give their consent to receive notice by such means. Shareholders that do not give their consent shall remain entitled to receive notices convening general meetings of the Company by mail at their last known residential address.

Article 141 to read (was Article 138)

If the Company shall be wound up the Liquidator may, with the sanction of an Extraordinary Resolution of the Company and any other sanction required by the Act, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members in accordance with the Law.

Article 145 to read (was Article 142)

These Articles shall be read and construed subject to the mandatory provisions of any law in force for the time being including but not limited to the Act, the Insurance Business Act (Cap. 403) the Insurance Intermediaries Act (Cap. 487) and the Financial Markets Act, (Cap. 345) and of any rules, regulations, directives and bye-laws issued thereunder and any amendment, modification or re-enactment thereof or in substitution therefor.



Article 146 to read (was Article 143)

In the event that any of the Company's securities are admitted to listing on the Exchange, no deletion, amendment or addition to these Articles shall have any effect unless written approval has been obtained from the [Listing Authority](#) for such deletion, amendment or addition.

General Note on the Memorandum and Articles of Association

The Memorandum and Articles of Association was renumbered as required and any cross references were adjusted accordingly. References to Insurance Directives were updated to Insurance Rules in line with current legislation.

26 February 2010