THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS DOCUMENT COMPRISES DETAILS OF A PROPOSED ACQUISITION WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE ADMISSION TO TRADING OF R&Q SHARES ON THE AIM MARKET OF THE LONDON STOCK EXCHANGE.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the UK Financial Services and Markets Act 2000, if you are in the UK, or from another appropriately authorised independent financial adviser, if you are taking advice in a territory outside the UK.

If you have sold or otherwise transferred all of your R&Q Shares, please send this document together with the accompanying Form of Proxy and any reply-paid envelope at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred part only of your holding of R&Q Shares, please retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The distribution of this document in or into jurisdictions other than the UK may be restricted by the laws or regulations of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction.

Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Acquisition or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus.

Recommended cash acquisition of

Randall & Quilter Investment Holdings Ltd.

by

Brickell PC Insurance Holdings LLC

This document, together with the accompanying Forms of Proxy and Forms of Instruction, should be read as a whole. Your attention is drawn to the letter from the Chair of R&Q in Part One (Letter from the Chair of R&Q) of this document, which contains the unanimous recommendation of the R&Q Directors that you vote in favour of the Resolutions at the Special General Meeting.

Approval of the Acquisition by R&Q Shareholders is necessary to complete the Acquisition and secure the New Equity Funding. Your vote is very important.

Notice of the Special General Meeting of R&Q, which will be held at 71 Fenchurch Street, Ground Floor, London EC3M 4BS at 2.00 p.m. on 20 May 2022, is set out on pages 40 to 43 of this document.

Action to be taken by R&Q Shareholders is set out on pages 6 to 7 of this document. In summary:

- Registered R&Q Shareholders (i.e. those R&Q Shareholders who do not hold Depositary Interests) should complete the Form of Proxy enclosed with this document for use at the Special General Meeting or complete a Form of Proxy electronically by going to the following website www.investorcentre.co.uk/eproxy.
- DI Holders should either complete a Form of Instruction or place an instruction through the CREST system to direct the Custodian to cast votes on their behalf in respect of their Depositary Interests at the Special General Meeting.

To be valid, Forms of Proxy and Forms of Instruction should be completed and returned in accordance with the instructions on each form as follows:

- electronic and hard copy Forms of Proxy must be received by Computershare not later than 2.00 p.m. on 18 May 2022; and
- Forms of Instruction and any instructions placed through CREST in relation to the Special General Meeting must be received by Computershare no later than 2.00 p.m. on 17 May 2022.

The return of a completed Form of Proxy, Form of Instruction or CREST instruction will not prevent you from attending the Special General Meeting and voting in person if you so wish.

If you require assistance in completing the Form of Proxy or require additional Forms of Proxy, please call Computershare on +44 (0)370 702 4040. For assistance in completing the Form of Instruction or for additional Forms of Instruction, please call +44 (0)370 702 0000. Calls may be recorded and monitored randomly for security and training purposes. For legal reasons, Computershare will not be able to give advice on the merits of the matters referred to in this document or to provide legal, financial or taxation advice.

Certain terms used in this document are defined in Part Five (Definitions) of this document.

Barclays, which is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for R&Q and no one else in connection with the Acquisition and will not be responsible to anyone other than R&Q for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Acquisition or any other matter referred to in this document.

Numis, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for R&Q and no one else in connection with the matters set out in this document and will not regard any other person as its client in relation to the matters in this document and will not be responsible to anyone other than R&Q for providing the protections afforded to clients of Numis, nor for providing advice in relation to any matter referred to herein.

GC Securities, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Brickell and no one else in connection with the matters set out in this document and will not regard any other person as its client in relation to the matters in this document and will not be responsible to anyone other than Brickell for providing the protections afforded to clients of GC Securities, nor for providing advice in relation to any matter referred to herein.

IMPORTANT NOTICE

The release, publication or distribution of this document in or into certain jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws or regulations of such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Acquisition or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document has been prepared for the purposes of complying with the laws of Bermuda and the AIM Rules, and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside Bermuda. Further information in relation to Overseas Shareholders is contained in paragraph 14 of Part Two (Explanatory Statement) of this document.

This document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful.

Certain notices to US investors

The Acquisition relates to the shares of a Bermuda company that is a "foreign private issuer" as defined in Rule 3b-4 under the US Securities Exchange Act of 1934, as amended, and is intended to be effected by means of a Merger under Bermudan law. Neither the US proxy solicitation rules nor (unless implemented by means of a takeover offer) the tender offer rules under the US Exchange Act, will apply to the Acquisition. Accordingly, the Merger is subject to the Bermuda disclosure requirements and practices applicable to mergers (or would be subject to the Bermuda rules and practices in respect of takeover offers, if applicable), which differ from the disclosure and procedural requirements of the US proxy solicitation rules and the tender offer rules. Neither the SEC, nor any securities commission of any state of the United States, has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States. Financial information relating to R&Q included in this document has been prepared in accordance with IFRS and accounting standards applicable in the United Kingdom, which may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash by a beneficial owner of R&Q Shares pursuant to the Acquisition as consideration will likely be a taxable transaction for United States federal income tax purposes and may also be a taxable transaction under other applicable tax laws, including any applicable United States state and local, as well as non-US, tax laws. Each R&Q Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences to it (or to its beneficial owners) of the Acquisition.

R&Q is organised under the laws of Bermuda. As a result, it may not be possible to effect service of process within the United States upon R&Q or any of its officers or directors, or to enforce outside the United States judgements obtained against R&Q or any of its officers or directors in courts in the United States, including, without limitation, judgements based upon the civil liability provisions of the US federal securities laws or the laws of any state or territory within the United States. It may not be possible to sue R&Q in a non-US court for violations of US securities laws. It may be difficult to compel R&Q and its respective affiliates to subject themselves to the jurisdiction and judgment of a court in the United States.

If the Acquisition is implemented by way of a Takeover Offer and Brickell determines to extend such offer into the United States, the offer will be made in compliance with applicable US tender offer rules. In such circumstances, R&Q Shareholders are urged to read any documents relating to the Acquisition because they will contain important information regarding the Acquisition. Such documents will be available from R&Q at www.rqih.com.

In accordance with normal practice and pursuant to Rule 14e-5 under the US Exchange Act, Brickell or certain of its affiliates, or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, R&Q Shares outside of the United States, other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective or the Acquisition (or the Takeover Offer) lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. Accordingly, such information will also be publicly disclosed in the United States to the extent that such information is made public in the UK.

Forward-looking statements

This document contains forward-looking statements, both with respect to Brickell and R&Q and their industries, that reflect their current views with respect to future events and financial performance. Statements that are not historical facts, including statements about Brickell's or R&Q's beliefs, plans or expectations, are forward-looking statements. These statements are based on current plans, estimates and expectations, all of which involve risk and uncertainty. Statements that include the words "expect," "intend," "plan," "believe," "project," "anticipate," "may", "could" or "would" or similar statements of a future or forward-looking nature identify forward-looking statements. Actual results may differ materially from those included in such forward-looking statements and therefore you should not place undue reliance on them.

A non-exclusive list of the important factors that could cause actual results to differ materially from those in such forward-looking statements includes: (a) changes in the size of claims relating to natural or man-made catastrophe losses due to the preliminary nature of some reports and estimates of loss and damage to date; (b) trends in rates for property and casualty insurance and reinsurance; (c) the timely and full recoverability of reinsurance placed by Brickell or R&Q with third parties, or other amounts due to Brickell or R&Q; (d) changes in the projected amount of ceded reinsurance recoverables and the ratings and credit worthiness of reinsurers; (e) actual loss experience from insured or reinsured events and the timing of claims payments being faster or the receipt of reinsurance recoverables being slower than anticipated; (f) increased competition on the basis of pricing, capacity, coverage terms or other factors such as the increased inflow of third party capital into reinsurance markets, which could harm either Brickell's or R&Q's ability to maintain or increase its business volumes or profitability; (g) greater frequency or severity of claims and loss activity than Brickell's or R&Q's respective underwriting, reserving or investment practices anticipate based on historical experience or industry data; (h) changes in the global financial markets, including the effects of inflation on Brickell's or R&Q's business, including on pricing and reserving, increased government involvement or intervention in the financial services industry and changes in interest rates, credit spreads, foreign currency exchange rates and future volatility in the world's credit, financial and capital markets that adversely affect the performance and valuation of either Brickell's or R&Q's investments, financing planning and access to such markets or general financial condition; (i) changes in ratings, rating agency policies or practices; (j) the potential for changes to methodologies, estimations and assumptions that underlie the valuation of Brickell's or R&Q's respective financial instruments that could result in changes to investment valuations; (k) changes to Brickell's or R&Q's respective assessment as to whether it is more likely than not that it will be required to sell, or has the intent to sell, available-for-sale debt securities before their anticipated recovery; (l) the ability of Brickell's or R&Q's subsidiaries to pay dividends; (m) the potential effect of legislative or regulatory developments in the jurisdictions in which Brickell or R&Q operates, such as those that could impact the financial markets or increase their respective business costs and required capital levels, including but not limited to changes in regulatory capital balances that must be maintained by operating subsidiaries and governmental actions for the purpose of stabilizing the financial markets; (n) the actual amount of new and renewal business and acceptance of products and services, including new products and services and the materialization of risks related to such products and services; (o) changes in applicable tax laws, tax treaties or tax regulations or the interpretation or enforcement thereof; and (p) the effects of mergers, acquisitions, divestitures and retrocession.

The forward-looking statements speak only at the date of this document. All subsequent oral or written forward-looking statements attributable to any member of the Brickell Group or R&Q Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Brickell and R&Q expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

No profit forecasts, estimates or quantified benefits statements

No statement in this document is intended as a profit forecast or profit estimate and no statement in this document should be interpreted to mean that earnings or earnings per R&Q Share, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per R&Q Share or to mean that the enlarged group's earnings in the first 12 months following the Acquisition, or in any subsequent period, would necessarily match or be greater than those of R&Q or Brickell for the relevant preceding financial period or any other period.

The contents of the websites referred to in this document are not incorporated into and do not form part of this document.

This document is dated 27 April 2022.

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ACTION TO BE TAKEN

For the reasons set out in this document, the R&Q Directors unanimously recommend that R&Q Shareholders vote in favour of the Resolutions to be proposed at the Special General Meeting, as all of the R&Q Directors who hold R&Q Shares have irrevocably undertaken to do in respect of their own beneficial holdings of R&Q Shares, and that you take the action described below.

1. The documents

Please check that you have received the following:

- if you are a registered R&Q Shareholder (i.e. you do not hold Depositary Interests), a Form of Proxy for use in respect of the Special General Meeting on 20 May 2022; and
- if you hold Depositary Interests, a Form of Instruction for use in respect of the Special General Meeting on 20 May 2022.

If you are a R&Q Shareholder and you have not received hard copies of, or you have not been able to access online, these documents, please contact the shareholder helpline on the number indicated below.

2. Voting at the Special General Meeting

The Acquisition will require the approval of the Resolutions by the R&Q Shareholders at the Special General Meeting. The Special General Meeting will be held at 71 Fenchurch Street, Ground Floor, London EC3M 4BS on 20 May 2022 at 2.00 p.m. Notice of the Special General Meeting is set out in Part Six (Notice of Special General Meeting) of this document.

Approval of the Acquisition by R&Q Shareholders is necessary to complete the Acquisition and secure the New Equity Funding. Your vote is very important. Whether or not you intend to attend and/or vote at the Special General Meeting, please sign and return your Form of Proxy or Form of Instruction (as applicable) or deliver your voting instructions by one of the other methods described in this document, as soon as possible.

3. Registered R&Q Shareholders

Proxies

If you are a registered R&Q Shareholder (i.e. you do not hold Depositary Interests), you should either:

i. complete the Form of Proxy by going to the following website www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number (SRN) and PIN as provided on your proxy card and agree to certain terms and conditions. For an electronic proxy to be valid, your completed Form of Proxy must be received by Computershare no later than 2.00 p.m. on 18 May 2022, or 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day); or

ii. complete the Form of Proxy enclosed with this document. The completed Form of Proxy must be deposited in hard copy form by post or by courier at Computershare Investor Services (Bermuda) Limited c/o PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY United Kingdom by no later than 2.00 p.m. on 18 May 2022, or 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day).

R&Q Shareholders will be able to attend the Special General Meeting physically in person. However, R&Q Shareholders are strongly encouraged to submit a Form of Proxy in advance of the Special General Meeting. R&Q Shareholders are encouraged to appoint the Chair of the Special General Meeting as their proxy. The Chair of the Special General Meeting will vote in accordance with the voting instructions of the appointing R&Q Shareholder.

4. Depositary Interests

Forms of Instruction

The R&Q Shares represented by the holdings of Depositary Interests by DI Holders are registered in the name of the Custodian. In order to have votes cast at the meeting on their behalf, DI Holders must complete the Form of Instruction.

The Form of Instruction must be deposited in hard copy form by post at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not later than 2.00 p.m. on 17 May 2022 or 72 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day). The Custodian will cast votes on behalf of DI Holders in accordance with instructions received pursuant to valid Forms of Instruction.

Electronic voting instructions through the CREST voting system

Alternatively, DI Holders who are CREST members may issue an instruction by using the CREST electronic voting appointment service. Further details are set out below.

i. An instruction may be issued through the CREST electronic voting appointment service by using the procedures described in the CREST manual (available from www.euroclear.com) subject to the provisions of the Bye-laws. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

ii. In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited and must contain the information required for such instructions, as described in the CREST Manual.

iii. To give an instruction through the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 2.00 p.m. on 17 May 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. R&Q may treat as invalid a CREST voting instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

The return of a completed Form of Instruction will not prevent you from attending the Special General Meeting and voting in person if you so wish. DI Holders wishing to attend the Special General Meeting should contact the Custodian at The Pavilions, Bridgwater, Bristol BS99 6ZY or by emailing !UKALLDITeam2@computershare.co.uk by no later than 2.00 p.m. on 17 May 2022.

5. Shareholder helpline

If you require assistance in completing the Form of Proxy or require additional Forms of Proxy, please call Computershare on +44 (0)370 702 4040. For assistance in completing the Form of Instruction or for additional Forms of Instruction, please call +44 (0)370 702 0000. Calls may be recorded and monitored randomly for security and training purposes. For legal reasons, Computershare will not be able to give advice on the merits of the matters referred to in this document or to provide legal, financial or taxation advice.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	*Expected Time/Date*
Latest time and date for receipt of the Form of Instruction for, or placing of a CREST instruction in relation to, the Special General Meeting	2.00 p.m. on 17 May 2022[(1)]
Voting Record Time for DI Holders	6.00 p.m. on 17 May 2022[(2)]
Latest time and date for receipt of the Form of Proxy for the Special General Meeting	2.00 p.m. on 18 May 2022[(3)]
Voting Record Time for registered R&Q Shareholders	6.00 p.m. on 18 May 2022[(4)]
Special General Meeting	2.00 p.m. on 20 May 2022
Satisfaction or waiver of all Conditions	C
Execution and delivery of the: (i) Bermuda Merger Agreement; and (ii) Merger Application	On or before the Closing Date
Last day of dealings in R&Q Shares	Last Business Day before the Closing Date
Closing Date	C + 3 Business Days
Effective Time	10.00 a.m. on the Closing Date[(5)]
Cancellation of admission of R&Q Shares to AIM	The Business Day following the Closing Date
Despatch of Acquisition Consideration to Custodian	The Business Day following the Closing Date
Despatch of letter of transmittal to holders of Certificates	No later than 3 Business Days following the Closing Date
Long Stop Date (latest Closing Date)	1 April 2023 or such later date as may be specified in accordance with the Implementation Agreement[(6)]

Notes:

(1) Forms of Instruction for the Special General Meeting must be lodged no later than 72 hours (excluding any part of a day that is not a Business Day) before the time appointed for the Special General Meeting or, in the case of an adjourned meeting, 72 hours (excluding any part of a day that is not a Business Day) before the time appointed for the adjourned Special General Meeting.

(2) If the Special General Meeting is adjourned, the Voting Record Time for DI Holders for the adjourned meeting will be 6.00 p.m. on the date which is three Business Days before the date set for such adjourned meeting.

(3) Forms of Proxy for the Special General Meeting must be lodged no later than 48 hours (excluding any part of a day that is not a Business Day) before the time appointed for the Special General Meeting or, in the case of an adjourned meeting, 48 hours (excluding any part of a day that is not a Business Day) before the time appointed for the adjourned Special General Meeting.

(4) If the Special General Meeting is adjourned, the Voting Record Time for registered R&Q Shareholders for the adjourned meeting will be 6.00 p.m. on the date which is two Business Days before the date set for such adjourned meeting.

(5) The Merger will become effective upon the issuance of the Certificate of Merger by the Registrar.

(6) Please refer to the definition of Long Stop Date in Part Five (Definitions) of this document.

All references in this document to times are to London time unless otherwise stated. The dates and times given are indicative only and are based on Brickell and R&Q's current expectations and may be subject to change (including as a result of changes to the regulatory timetable). If any of the expected times and/or dates above change, the revised times and/or dates will be notified to R&Q Shareholders by announcement through a Regulatory Information Service.

PART ONE

LETTER FROM THE CHAIR OF R&Q

Directors:

William Spiegel *(Executive Chairman)*
Tom Solomon *(Chief Financial Officer)*
Alan Quilter *(Chief Executive Officer)*
Alastair Campbell *(Non-Executive Director)*
Philip Barnes *(Non-Executive Director)*
Joanne Fox *(Non-Executive Director)*
Eamonn Flanagan *(Non-Executive Director)*

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

27 April 2022

To R&Q Shareholders

Dear Sir/Madam,

RECOMMENDED CASH ACQUISITION
OF
RANDALL & QUILTER INVESTMENT HOLDINGS LTD.
BY
BRICKELL PC INSURANCE HOLDINGS LLC

1. Introduction

On 1 April 2022, Brickell and R&Q announced that they had agreed the terms of the Acquisition and the New Equity Funding.

I am writing to you to set out the background to the Acquisition and the reasons why the R&Q Directors consider the terms of the Acquisition and New Equity Funding to be in the best interests of the R&Q Shareholders and are unanimously recommending that you vote in favour of the Acquisition and the New Equity Funding.

In order to approve the terms of the Acquisition and the New Equity Funding, the required majority of R&Q Shareholders will need to vote in favour of the Resolutions at the Special General Meeting to be held on 20 May 2022 at 2.00 p.m. Details of the actions you are asked to take are set out on pages 6 to 7 of this document. The recommendation of the R&Q Directors is set out in paragraph 19 of this letter.

R&Q Shareholders are strongly encouraged to submit a completed Form of Proxy, Form of Instruction or CREST instruction (as applicable) for the Special General Meeting as soon as possible, using any of the methods (by post, by hand, online or electronically through CREST) set out in this document. R&Q Shareholders are also encouraged to appoint "the Chair of the meeting" as their proxy. Information about the procedures for appointing proxies and giving voting instructions in relation to the meetings is set out pages 6 to 7 of this document and in paragraph 11 of Part Two (Explanatory Statement).

2. The Acquisition

Under the terms of the Acquisition, which will be subject to the Conditions (including the passing of the Merger Approval Resolution at the Special General Meeting by the requisite majority), R&Q Shareholders will be entitled to receive:

for each R&Q Share	175 pence in cash.

The terms of the Acquisition value the entire existing issued share capital of R&Q at approximately £482 million and the price represents:

- a premium of approximately 20 per cent. to the Closing Price of 146 pence per R&Q Share on 31 March 2022 (being the last practicable dealing day before the date of the Announcement)[1];
- a premium of approximately 17 per cent. to the 30 day volume weighted average share price for the period ended 31 March 2022[2];
- 1.82x price to Tangible Net Asset Value per share based on estimated figures for 31 December 2021[3]; and
- 1.65x price to Net Asset Value per share based on estimated figures for 31 December 2021[4].

In addition, Brickell has committed to provide new equity funding to R&Q of $100 million (referred to herein as the New Equity Funding) to de-lever R&Q's balance sheet and improve the R&Q Group's financial profile following new management's in-depth review of the R&Q Group's legacy insurance portfolio.

3. Background to and reasons for the Acquisition

As the largest existing shareholder in R&Q, Brickell has enjoyed a strong relationship with R&Q since making its initial investment through one of its affiliates in 2019. This Acquisition and New Equity Funding demonstrate Brickell's continued support of the business and represents a unique opportunity for Brickell to expand its insurance strategy into the legacy market. R&Q's program management business also represents an attractive complement to Brickell's existing program management operations, known as the Sutton National Group.

4. Recommendation

The R&Q Board believes the Acquisition and the New Equity Funding together are in the best interests of R&Q Shareholders and recommend unanimously that R&Q Shareholders vote, or procure voting, in favour of the Resolutions to be proposed at the Special General Meeting, as all of the R&Q Directors who hold R&Q Shares have irrevocably undertaken to do in respect of their beneficial holdings of 9,102,904 R&Q Shares, in aggregate, representing approximately 3.31 per cent. of the R&Q Shares in issue on 25 April 2022 (being the Latest Practicable Date).

The irrevocable undertakings provided by the R&Q Directors will cease to be binding if the Acquisition lapses or is withdrawn or if the Implementation Agreement is terminated and will remain binding if a higher competing offer is made for R&Q.

Further details of these irrevocable undertakings are set out in paragraph 13 of this letter.

5. Background to and reasons for the recommendation

The new R&Q management team took over in April 2021 and initiated an in-depth review of the R&Q Group's legacy insurance portfolio in Q4 2021. The review identified a potential c.$90 million[5] non-cash, pre-tax charge associated with impairing a structured reinsurance contract that was previously capitalised as an asset on the R&Q Group's balance sheet. The impairment is due to the likely commutation of this reinsurance contract by a subsidiary to provide liquidity to meet anticipated claims which have recently accelerated above expectations. This subsidiary was acquired over 15 years ago and management believes it is in the best interest of shareholders to commute the reinsurance policy rather than fund future claims out of the

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1 Excluding any adjustment for New Equity Funding.

2 See footnote 1.

3 See footnote 1.

4 See footnote 1.

5 Financial figures are estimates and therefore dependent on finalising YE 2021 results. Any impairment and/or reserve strengthening is a significant accounting estimate that involves management making assumptions and considering future events that are inherently uncertain. There is a risk that such judgements are not made in accordance with IFRS and thus there may be material differences once the auditors/actuaries have undertaken their review as part of the year end audit process which is yet to be completed.

R&Q Group's liquidity. Furthermore, in Q4 2021, the R&Q Group used meaningful cash capacity to fund collateral requirements upon certain reserve strengthening. The combined impact of these two items results in a need for c.$100 million of equity capital to de-lever the balance sheet and improve the R&Q Group's financial profile. The R&Q Group has received pre-emptive waivers from its bank lenders on its existing financial covenants until the earlier of a capital raise or the end of June 2022. In the absence of a capital raise (such as the New Equity Funding) or an extension of the waivers, it is likely that the R&Q Group would be in breach once the current waivers expire.

R&Q separately received an approach from Brickell and following a period of negotiations a proposal to acquire the entire issued share capital of R&Q for 175 pence per share, together with a firm commitment to provide the New Equity Funding required by R&Q. The Acquisition provides R&Q Shareholders the opportunity to crystallise the value of their holdings, in cash, at a material premium to the current share price and a substantial premium to the expected FY 2021 Tangible Net Asset Value per share[6]. The price of 175 pence per R&Q Share represents:

- a premium of approximately 20 per cent. to the Closing Price of 146 pence per R&Q Share on 31 March 2022 (being the last practicable dealing day before the date of the Announcement)[7];
- a premium of approximately 17 per cent. to the 30 day volume weighted average share price for the period ended 31 March 2022[8];
- 1.82x price to Tangible Net Asset Value per share based on estimated figures for 31 December 2021[9]; and
- 1.65x price to Net Asset Value per share based on estimated figures for 31 December 2021[10].

In the absence of the Acquisition and the New Equity Funding, R&Q intends to carry out a non-pre-emptive equity raise of c.$100 million in H1 2022.

In the days prior to the Announcement, R&Q management discussed R&Q's potential c.$100 million capital requirement with key shareholders as well as the Acquisition and the New Equity Funding.

Following these shareholder discussions, and taking into account, amongst other things, the current market environment for any potential capital raise, the R&Q Directors believe it is in the best interests of R&Q Shareholders to vote in favour of the Acquisition and the New Equity Funding. The R&Q Directors are therefore recommending unanimously that that R&Q Shareholders vote, or procure voting, in favour of the Resolutions to be proposed at the Special General Meeting.

6. New Equity Funding

Pursuant to the terms of a Purchase and Exchange Agreement, Brickell has committed to invest an additional $100 million in newly issued exchangeable preferred securities of a subsidiary of R&Q.

Purchase and Exchange Agreement

On 1 April 2022, Brickell and R&Q entered into a Purchase and Exchange Agreement with regard to the purchase by Brickell of a number of shares (the "**Preferred Stock**") to be newly issued by the Issuer, a subsidiary of R&Q.

The Preferred Stock shall be issued in two tranches: $70 million of the Preferred Stock shall be issued in June 2022 and the remaining $30 million of the Preferred Stock shall be issued in August 2022, in each case conditional on, amongst other things, the passing of the Merger Approval Resolution.

The Issuer will dividend and/or loan the proceeds from the transaction to its parent and a direct subsidiary of R&Q, RQIH Limited. Such proceeds will be applied in accordance with an agreed sources and uses budget.

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6 See footnote 1.

7 See footnote 1.

8 See footnote 1.

9 See footnote 1.

10 See footnote 1.

The Preferred Stock is not to be transferable except with R&Q's and the Issuer's prior written consent and in accordance with applicable securities laws.

In the event that the Acquisition does not complete, the Preferred Stock will either be marketed for secondary sale by R&Q on behalf of Brickell or will be redeemed (subject to necessary approvals at the time) or may, subject to any necessary regulatory or other approvals at the time, be exchanged for R&Q Shares. The Exchange Price agreed upon per R&Q Share is £1.15.

7. Carve Out Acquisition

Brickell and R&Q have agreed to cooperate, engage in discussions and use all reasonable endeavours to enable Brickell (or a subsidiary or affiliate thereof), prior to the completion of the Acquisition, to acquire parts of R&Q's business, including those entities comprising R&Q's program management business, as and when applicable Regulatory Clearances have been obtained, potentially allowing for an earlier payment to shareholders (each, a "**Carve Out Acquisition**").

The members of the R&Q Group forming part of the Carve Out Acquisition (the "**Carve Out Companies**") will be acquired by Brickell (or a subsidiary or affiliate thereof) prior to completion of the Merger and all members of the R&Q Group not so acquired will remain as subsidiaries of R&Q and will become indirect subsidiaries of Brickell following completion of the Merger on the Closing Date.

On completion of any Carve Out Acquisition, Brickell shall pay to R&Q consideration for the relevant Carve Out Companies, representing fair market value for such Carve Out Companies, as mutually determined by R&Q and Brickell (the "**Carve Out Consideration**").

The terms of any Carve Out Acquisition shall be structured so as to ensure that R&Q is able to and does pay an amount equal to such Carve Out Consideration to the R&Q Shareholders who hold R&Q Shares (such payment to be by way of dividend, distribution, return of capital or other mechanism to be agreed with Brickell pursuant to the terms of any Carve Out Acquisition).

The structure of any Carve Out Acquisition will need to be agreed by R&Q (with the approval of the R&Q Board) and Brickell. The terms of any Carve Out Acquisition will be designed to ensure that any members of the R&Q Group that are not Carve Out Companies have sufficient ongoing support (including sufficient access to financial resources and personnel) to enable such members of the R&Q Group to comply with any and all applicable legal and regulatory requirements on an ongoing basis.

In the event that Closing has not occurred following a Carve Out Acquisition, on the earlier of: (a) the date falling 12 months after the date of completion of the Carve Out Acquisition or (b) an earlier date if Brickell so elects (the "**Carve Out Acquisition Payment Date**"), Brickell shall pay an amount to R&Q sufficient to enable R&Q to make a payment equal to the Acquisition Consideration less the Carve Out Consideration and regardless of whether Closing subsequently takes place, the R&Q Shareholders shall not receive any further payment in respect of the Acquisition or the Merger.

Accordingly, if a Carve Out Acquisition is completed, relevant R&Q Shareholders shall receive amounts totaling, in aggregate, the Acquisition Consideration regardless of whether any remaining Conditions (including the obtaining of any Regulatory Clearances) are satisfied or waived.

It is not anticipated that the Acquisition, together with any Carve Out Acquisition, will constitute a 'fundamental change of business' for the purposes of AIM Rule 15 and, accordingly, R&Q and Brickell do not expect any Carve Out Acquisition to need to be conditional upon R&Q Shareholder approval. In the event that R&Q Shareholder approval is required pursuant to AIM Rule 15 (whether for the purpose of the implementation of any Carve Out Acquisition or otherwise), such shareholder approval will be sought at a subsequent special general meeting.

Under the Implementation Agreement, R&Q and Brickell have established a joint steering committee with the overriding objective of securing the successful completion of the Carve Out Acquisition.

8. Information on Brickell

Brickell is controlled by MTCP LLC, a Delaware limited liability company owned by Mr. Steven Pasko. Mr. Pasko is the Chairman of Brickell and has over thirty five years of financial services experience. Mr. Pasko is also a managing partner of 777, the principal economic investor in Brickell.

777 is a global investment firm headquartered in Miami, Florida. The firm invests across six verticals: insurance, consumer and commercial finance, litigation finance, sports media and entertainment, aviation and direct lending. Founded in 2015, 777 is focused on creating positive economic impact and long-term value for its portfolio companies and stakeholders. 777 has the benefit of deploying permanent capital with a long-term approach to all investments and has grown to over $7.5 billion in assets and over 50 portfolio companies across six business lines with interests in a broad spectrum of financial services businesses, specialty finance companies, asset originators, and financial technology and service providers. As 777's non-voting ownership interest in Brickell does not include any ability for 777 to exercise board control or any other ability to direct or cause the direction of management or policies of Brickell, 777 does not exercise control over Brickell.

Brickell Sub will be incorporated in Bermuda in 2022 for purposes of merging with R&Q. Brickell Sub will merge with and into R&Q with the result that R&Q will be the surviving company of the Merger. As a result of the Merger, R&Q will become an indirect wholly-owned subsidiary of Brickell. After completion of the Merger, R&Q would be owned by Brickell which will then be the holding company of both R&Q and Brickell's other existing insurance operations.

Brickell and its affiliates currently have a 23.2 per cent. shareholding in R&Q but 9.9 per cent. voting rights. In: (a) March 2019, an affiliate of Brickell, Brickell Insurance Holdings LLC ("**BIH**") acquired a 9.0 per cent. shareholding in R&Q; (b) April 2020, BIH purchased an additional $40 million of preferred stock in an affiliate of R&Q and transferred said stock to Brickell in June 2020; (c) July 2020, Brickell purchased an additional $40 million of preferred stock in an affiliate of R&Q; and (d) January 2021, Brickell exchanged such R&Q affiliate preferred stock for R&Q Shares. As a result of the terms of the conversion documents and the Bye-laws, Brickell and its affiliates currently only have the ability to exercise voting rights equal to 9.9 per cent. of the current total voting rights in R&Q without obtaining relevant regulatory approvals.

9. Information on R&Q

R&Q has been operating in the insurance industry for over 30 years and is a leading non-life global specialty insurance company focusing on program management and legacy insurance businesses. R&Q is incorporated in Bermuda, with operations in the US, UK, Europe and Bermuda and has 308 employees across eight offices.

FY 2021 was a pivotal year for R&Q as the legacy insurance business took a significant step towards its transformation into a capital lighter, more recurring fee-based business model through the formation of Gibson Re, a Bermuda-domiciled collateralised reinsurer with c.$300 million of third-party capital. The launch of Gibson Re as a legacy sidecar reinsurer for 80 per cent. of R&Q's legacy insurance business simplifies the legacy insurance revenue model from one that is episodic and capital intensive towards one that is capital lighter with more predictable and recurring annual fee income. However, as discussed at the time of R&Q's H1 2021 interim results, this repositioning of legacy insurance inevitably results in a temporary reduction to R&Q's reported earnings as legacy insurance transitions from upfront 'Day One' underwriting income to annual recurring fee income. Under new accounting standards due to become effective in FY 2023, 'Day One' underwriting income will not be permitted.

The R&Q Group's program management business continued its growth with gross written premium ("**GWP**") expected to reach $1 billion[11] for FY 2021, a 92 per cent. increase versus FY 2020, due to growth in new programs and the seasoning of existing programs. This is expected to drive fee income growth for program management of 133 per cent. to $56 million[12], which includes income from the R&Q Group's 40 per cent. ownership in the Tradesman Program Managers MGA. Program management pre-tax operating profit is expected to reach $21 million[13] with a pre-tax operating profit margin of c.35 per cent.

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11 See footnote 5.

12 See footnote 5.

13 See footnote 5.

The R&Q Group's legacy insurance business is currently expecting to complete 15 legacy insurance deals for FY 2021, reflecting $726 million of gross reserves acquired compared with $640 million of reserves acquired in FY 2020. Given that not all of the legacy insurance transactions have been completed, this outlook is still subject to change. Gibson Re began assuming risk in Q4 2021 representing $367 million of reserves under management ("**RUM**") at YE 2021 with annual recurring fee income of $16 million for the R&Q Group; however, these fees will not be recognized until FY 2022. Had the R&Q Group not had the benefit of Gibson Re, it would have required an additional c.$100 million of capital to fund its legacy insurance deals. Legacy insurance is expecting a pre-tax operating (loss) of c.$(5) million to $(10) million2 for FY 2021 primarily due to an unanticipated adverse reserve development of c.$30 million[14].

Given that not all of the legacy insurance transactions have completed, the outlook for the R&Q Group's FY 2021 pre-tax operating profit remains variable although management currently anticipates a R&Q Group pre-tax operating (loss) of c.$(20) million to $(30) million[15], which includes the unanticipated adverse reserve development of c.$30 million[16] and unallocated corporate and interest expense. Pre-tax operating profit is a measure of the underlying earnings power of the R&Q Group and excludes non-recurring items. The impact of the non-cash charge and other non-operating items results in a IFRS-based profit after-tax (loss) of c.$(135) million to $(145) million[17].

The R&Q Group anticipates achieving c.$90 million in run-rate pre-tax operating profit ("**PTOP**") by the end of FY 2023. This is due to significant operating leverage as the business achieves scale, which the R&Q Group believes is underpinned by the ongoing growth in its program management business and the ability to deploy Gibson Re's capital. The R&Q Group also expects to achieve $1.75 billion of program management GWP in FY 2022, one year earlier than previously reported. As R&Q continues its transformational journey to becoming primarily a recurring fee-based business by FY 2024, it currently anticipates a pre-tax operating profit for FY 2022 of between $8 million and $15 million. In FY 2022, as the business transitions to a recurring fee-based model it is expecting to incur c.$20 million of one-time expenses not included in PTOP (to automate business processes yielding meaningful annual cost savings by FY 2024) which, together with unearned program fee revenue and other items (including net intangible amortisation, net unrealised/realised gains on fixed income assets and non-recurring expenses), is expected to result in a IFRS-based post tax loss for FY 2022.

10. Financing

As a Bermuda incorporated company, R&Q is not subject to the provisions of the Code, including the requirement for the offeror's financial adviser to give a confirmation that resources are available to the offeror sufficient to satisfy full acceptance of the offer. Given that the Code does not apply, the parties have adopted an approach more consistent with US market practice which relies on contractual protection. Accordingly, Brickell has provided confirmations in the Implementation Agreement together with an equity commitment letter and has agreed that an authorised officer of 777 will provide a certificate, on a quarterly basis on request, to confirm that Brickell continues to anticipate being able to fund its payment obligations. In the event that Brickell fails to pay, when due, the Acquisition Consideration or the amounts due pursuant to the New Equity Funding, such failure would be a material breach of the Implementation Agreement which would give R&Q a right to terminate the Implementation Agreement. In the event that R&Q terminates the Implementation Agreement due to Brickell's material breach, Brickell will then be required to pay R&Q the $12,500,000 termination fee as explained in paragraph 5 of Part Three (Implementation Agreement) of this document.

11. Management and employees

Brickell has high regard for the experience of the existing management and employees of R&Q and sees the input of the existing management team of R&Q as a key element of the R&Q business strategy going forward. Consequently, Brickell does not currently intend to make any material changes to the continued employment, or the balance of the skills and functions, of R&Q's management and employees as a result of the Acquisition.

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14 See footnote 5.

15 See footnote 5.

16 See footnote 5.

17 See footnote 5.

Certain senior members of the R&Q management team hold restricted stock options in the form of issued shares which carry certain contractual restrictions but which, subject to certain terms and conditions, vest and become unrestricted over time. As a result of the Acquisition, any such restricted stock options shall become fully vested and so will be acquired by Brickell for the Acquisition Consideration pursuant to the Merger, subject to any deductions under the terms of such restricted stock options.

Management Rollover

The Implementation Agreement sets out the proposed arrangements pursuant to which 50 per cent. of the after-tax proceeds received by certain of the R&Q senior management team (the "**Managers**") from the Acquisition will be reinvested by the Managers into equity interests of R&Q (the "**Rollover**"). The terms of the Rollover are subject to agreement on documentation but will be on the same economic terms as applicable to Brickell's post-Closing equity investment in the structure for Brickell's ownership of R&Q and will include customary terms for an equity investment of this nature, including as to restrictions on transfer, leaver provisions (that provide for a sale at fair market value of the Rollover equity interests) and drag and tag-along rights.

Management Incentive Plan

Brickell has also agreed, pursuant to the terms of the Implementation Agreement, to implement a management incentive plan ("**MIP**") upon Closing. The terms of the MIP are subject to agreement on documentation, but it is the intention that under the terms of the MIP, an aggregate amount equivalent to five per cent. of the post-Closing ordinary share capital of R&Q will be allocated to certain Managers at Closing. Any equity that has been set aside for allocation under the MIP and that is not granted at Closing shall be available for future grants to senior management under the MIP.

Awards pursuant to the MIP will vest in four tranches over a four-year period on a cliff vesting basis as follows: (a) 10 per cent. year one, (b) 20 per cent. year two, (c) 30 per cent. year three and (d) 40 per cent. year four. Awards will be subject to customary provisions for an equity incentive arrangement of this nature, such as good leaver and bad leaver provisions, restrictions on transfer and a drag and tag-along rights.

Any equity received pursuant to the MIP will be non-voting and will only become entitled to an equity return once the holders of the non-MIP equity have received a return equal to the greater of (i) a coupon of eight per cent. or (ii) a multiple of invested capital equal to 1.2 times, in each case in relation to the equity value of R&Q at Closing.

Implications of a Carve Out Acquisition on the Rollover and MIP

In the event there is a Carve Out Acquisition in advance of Closing, so as to preserve the economic benefit of the Rollover and appropriately allocate any awards under the MIP, it is anticipated that the Managers will receive equity interests in respect of their Rollover and/or MIP in either R&Q and/or such separate holding company that acquires the relevant Carve Out Companies, depending on the entity to which each Manager is assigned. The allocation of the Rollover and any MIP awards and the valuation ascribed to R&Q and any Carve Out Companies shall be agreed prior to the closing of any Carve Out Acquisition.

12. Description of the Merger

It is intended that the Acquisition will be effected by means of a merger under the Bermuda Companies Act, involving the merger of Brickell Sub with and into R&Q such that R&Q is the surviving company, under Section 104H of the Bermuda Companies Act. Brickell Sub will be a Bermuda exempted company incorporated by and wholly-owned for the purposes of the Merger by Brickell.

The Merger Approval Resolution must be approved by a majority vote of 75 per cent. of those voting at the Special General Meeting. The quorum for the Special General Meeting is at least two persons, holding or representing by proxy more than one-third of the issued shares of R&Q.

13. Irrevocable undertakings

Brickell has received irrevocable undertakings to vote, or procure votes, in favour of the Resolutions to approve the Acquisition and the New Equity Funding to be proposed at the Special General Meeting (or, in

the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of such offer, or, in the event that the Acquisition is implemented by way of a Scheme, to vote, or procure votes, in favour of the Resolutions to approve the Acquisition to be proposed at the Court Meeting and any general meeting), from the directors of R&Q, in respect of 9,102,904 R&Q Shares, in aggregate, representing approximately 3.31 per cent. of the issued share capital of R&Q as at the Latest Practicable Date.

The irrevocable undertakings provided by the directors of R&Q will cease to be binding if the Acquisition lapses or is withdrawn or if the Implementation Agreement is terminated and will remain binding if a higher competing offer is made for R&Q.

The following R&Q Directors have given irrevocable undertakings:

Name	*Total number of R&Q Shares*	*Percentage of existing issued share capital*
William Spiegel	5,413,911	1.97
Alan Quilter	2,078,091	0.76
Thomas Solomon	1,610,902	0.59
Total	9,102,904	3.31

14. De-listing of R&Q Shares

Prior to the Closing Date, R&Q will apply to cancel the admission to trading on the London Stock Exchange's AIM Market of R&Q's Shares. The last day of dealings in R&Q Shares on the London Stock Exchange's AIM Market is expected to be the last Business Day before the Closing Date. In addition, with effect from the Closing Date, entitlements to R&Q Shares held within the CREST system will be cancelled.

15. UK taxation

Your attention is drawn to paragraph 13 of Part Two (Explanatory Statement) of this document headed "UK taxation". This document contains a general guide only to certain tax-related information. If you are in any doubt about your own tax position, or you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriately qualified independent professional adviser immediately.

16. Overseas Shareholders

Overseas Shareholders should refer to paragraph 14 of Part Two (Explanatory Statement) of this document.

17. Action to be taken by R&Q Shareholders

Details of the approvals being sought at the Special General Meeting and the action to be taken by R&Q Shareholders in respect of the Acquisition and New Equity Funding are set out in paragraph 11 of Part Two (Explanatory Statement) and pages 6 to 7 of this document.

Details relating to the settlement of the Acquisition Consideration are included in paragraph 12 of Part Two (Explanatory Statement) of this document.

18. Further information

Your attention is drawn to the Explanatory Statement set out in Part Two (Explanatory Statement) of this document and the notice of the Special General Meeting set out in Part Six (Notice of Special General Meeting) of this document. You should read the whole of this document and the accompanying Form of Proxy or Form of Instruction (as applicable) and not rely solely on the information contained in this letter.

A copy of this document and the Form of Proxy and Form of Instruction are and will be available, subject to certain restrictions relating to Restricted Jurisdictions, for inspection on R&Q's website at www.rqih.com.

19. Recommendation

The R&Q Board believes the Acquisition and the New Equity Funding together are in the best interests of R&Q Shareholders and recommend unanimously that R&Q Shareholders vote, or procure voting, in favour of the Resolutions to be proposed at the Special General Meeting, as all of the R&Q Directors who hold R&Q Shares have irrevocably undertaken to do in respect of their beneficial holdings of 9,102,904 R&Q Shares, in aggregate, representing approximately 3.31 per cent. of the R&Q Shares in issue as at the Latest Practicable Date.

Yours faithfully,

William Spiegel
Executive Chairman

Randall & Quilter Investment Holdings Ltd.

PART TWO

EXPLANATORY STATEMENT

1. The Acquisition

Under the terms of the Acquisition, which will be subject to the Conditions (including the passing of the Merger Approval Resolution at the Special General Meeting by the requisite majority), R&Q Shareholders will be entitled to receive for each R&Q Share 175 pence in cash. Details regarding the Acquisition are included in paragraph 2 of Part One (Letter from the Chair of R&Q) of this document.

2. Description of the Merger

Pursuant to the Bermuda Merger Agreement, Brickell Sub will merge with and into R&Q, with R&Q continuing as the surviving company. R&Q, as the surviving company, will continue in existence as a Bermuda exempted company and as a wholly-owned subsidiary of Brickell. As a result of the Merger, under Bermuda law, R&Q's and Brickell Sub's respective undertakings, property and liabilities will become vested in R&Q as the surviving company. Closing will occur as soon as reasonably practicable (but in any event no later than the third Business Day) following the satisfaction or waiver of the Conditions (other than those Conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those Conditions) or at such other date and time as R&Q and Brickell may agree in writing. The Merger will be effective upon the issuance of a certificate of merger by the Registrar and at the time and date shown on such certificate of merger (the "**Effective Time**").

3. Acquisition Consideration

At the Effective Time, each R&Q Share issued and outstanding immediately prior to the Effective Time (other than any R&Q Shares held as Treasury Shares and any R&Q Shares legally or beneficially held by Brickell or any of its affiliates) will be cancelled and converted into the right to receive 175 pence in cash, without interest and less any required withholding taxes.

For the avoidance of doubt, the Preference Shares shall remain outstanding and shall neither be cancelled nor converted into the right to receive the Acquisition Consideration.

4. The Special General Meeting

The Special General Meeting will be held on 20 May 2022 at 2.00 p.m. at 71 Fenchurch Street, Ground Floor, London EC3M 4BS. At the Special General Meeting, R&Q Shareholders will be asked to consider and vote on each of the following Resolutions:

- Resolution 1: to approve the Acquisition and to approve the Bermuda Merger Agreement and the Merger;
- Resolution 2: to amend the Bye-laws to enable Brickell to take certain actions following a Carve Out Acquisition;
- Resolution 3: to approve the cancellation of the admission to trading on the London Stock Exchange's AIM Market of R&Q Shares;
- Resolution 4: to authorise the R&Q Directors to allot shares in connection with the R&Q PS Investment;
- Resolution 5: to authorise the R&Q Directors to dis-apply pre-emption rights in connection with the R&Q PS Investment; and
- Resolution 6: to approve an adjournment of the Special General Meeting, if necessary or appropriate, to solicit additional proxies, in the event that there are insufficient votes to approve Resolution 1 at the Special General Meeting.

5. Proposed amendment of the Bye-laws

As noted in paragraph 7 of Part One (Letter from the Chair of R&Q) of this document, in the event that a Carve Out Acquisition takes place, Brickell will pay the Carve Out Consideration to R&Q on the date of completion of such Carve Out Acquisition (which will then be paid by R&Q to the R&Q Shareholders) and will then pay the balance of the Acquisition Consideration on the earlier of the Closing Date and the Carve Out Acquisition Payment Date. To the extent that the balance is paid on the Carve Out Acquisition Payment Date and Closing does not then occur, Brickell will effectively have paid for (but will not have received) the entirety of R&Q's business. Accordingly, it is proposed that the Bye-laws be amended to:

- provide that where: (i) a Carve Out Acquisition is completed but Closing does not subsequently occur for any reason; (ii) Brickell has, in aggregate, paid to R&Q an amount which is sufficient to enable R&Q to pay an aggregate amount equal to a price per R&Q Share of 175 pence in respect of each R&Q Share (other than R&Q Shares held by Brickell and its affiliates) in issue as at the date of the Implementation Agreement; and (iii) a buyer makes an offer to acquire R&Q (and the other members of the R&Q Group that have not transferred to Brickell (or a subsidiary of affiliate thereof) pursuant to a Carve Out Acquisition), Brickell will be entitled, at its absolute discretion, to serve a transfer notice on each relevant R&Q Shareholder requiring such R&Q Shareholder to sell all of its R&Q Shares to such buyer (a "**Drag Transaction**"); and
- set out the terms of such Drag Transaction (including that Brickell will be entitled to receive 100 per cent. of the proceeds of such Drag Transaction).

This amendment is intended to reflect the fact that, in the circumstances described above, R&Q will have paid the total amount of Acquisition Consideration in respect of the R&Q Shares and R&Q Shareholders should not, therefore, be able to prevent the disposal of R&Q (or benefit from the proceeds of such sale).

Details of the proposed amendment are set out in Part Four (Amendment to the Bye-laws of R&Q) of this document.

6. R&Q PS Investment

Under the terms of the Purchase and Exchange Agreement, Brickell will, subject to certain conditions, subscribe for the Preferred Stock issued by the Issuer for an aggregate subscription price of $100 million.

The Preferred Stock shall be issued in two tranches: $70 million of the Preferred Stock shall be issued in June 2022 and the remaining $30 million of the Preferred Stock shall be issued in August 2022, in each case conditional on, amongst other things, the passing of the Merger Approval Resolution.

In the event that the Acquisition does not complete, the Preferred Stock will either be marketed for secondary sale by R&Q on behalf of Brickell or will be redeemed (subject to necessary approvals at the time) or may, subject to any necessary regulatory or other approvals at the time, be exchanged for R&Q Shares for the Exchange Price ("**Exchange**").

The purpose of Resolutions 4 and 5 is to seek shareholder approval for the allotment and issue of the new R&Q Shares into which the Preferred Stock may be exchanged. As the precise number of new R&Q Shares into which the Preferred Stock may be exchanged will depend on the foreign exchange rate at the time of issue of the first tranche of Preferred Stock, the maximum number of new R&Q Shares for which authority is sought incorporates a headroom which allows for a 20 per cent. fluctuation in the foreign exchange rate from the rate as at the Latest Practicable Date.

7. Voting Record Time

In the case of registered R&Q Shareholders, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the register of members as at 6.00 p.m. on 18 May 2022 (or, if the meeting is adjourned, at the time being 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day)).

In the case of DI Holders, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the register of Depositary Interests as at 6.00 p.m.

on 17 May 2022 (or, if the meeting is adjourned, at the time being 72 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day)).

Changes to the register of members or register of Depositary Interests after such times will be disregarded in determining the rights of any person to attend or vote at the meeting or at any adjourned meeting.

8. Quorum

At the Special General Meeting, two or more persons present in person and representing in person or by proxy more than one third of the aggregate voting power of R&Q Shares as of the Voting Record Time will form a quorum for the transaction of business.

9. Required majority

The approval of Resolutions 1, 2, 3 and 5 requires the affirmative vote of 75 per cent. of the votes cast by holders of R&Q Shares present in person or represented by proxy and entitled to vote at the Special General Meeting or any adjournment thereof in accordance with the Bye-laws.

The approval of Resolutions 4 and 6 requires the affirmative vote of a majority of the votes cast by holders of R&Q Shares present in person or represented by proxy and entitled to vote at the Special General Meeting or any adjournment thereof in accordance with the Bye-laws.

10. Holders of Preference Shares

R&Q has one Preference A Share in issue and one Preference B Share in issue. Such Preference Shares were issued as part consideration for the acquisition of two companies, R&Q Reinsurance Company (UK) Limited and R&Q Reinsurance Company, in 2006.

Under the terms of the Acquisition, at the Effective Time of the Merger, the Preference Shares shall remain outstanding and shall neither be cancelled nor converted into the right to receive the Acquisition Consideration. The memorandum of association and bye-laws of the surviving company shall include provisions relating to the Preference Shares which are identical to the provisions relating to the Preference Shares which are currently set out in the Bye-laws.

The holders of the Preference Shares shall be entitled to attend and vote on Resolutions 1 to 3 and Resolution 6 at the Special General Meeting.

11. Action to be taken

(a) ***The documents***

Please check that you have received the following:

- if you are a registered R&Q Shareholder (i.e. you do not hold Depositary Interests), a Form of Proxy for use in respect of the Special General Meeting on 20 May 2022; and
- if you hold Depositary Interests, a Form of Instruction for use in respect of the Special General Meeting on 20 May 2022.

If you are a R&Q Shareholder and you have not received hard copies of, or you have not been able to access online, these documents, please contact the shareholder helpline on the number indicated below.

(b) ***Voting at the Special General Meeting***

The Merger will require the approval of the Resolutions by the R&Q Shareholders at the Special General Meeting. The Special General Meeting will be held at 71 Fenchurch Street, Ground Floor, London EC3M 4BS on 20 May 2022 at 2.00 p.m. Notice of Special General Meeting is set out in Part Six (Notice of Special General Meeting) of this document.

Approval of the Acquisition by R&Q Shareholders is necessary to complete the Acquisition and secure the New Equity Funding. Your vote is very important. Whether or not you intend to attend and/or vote at the Special General Meeting, please sign and return your Form of Proxy or Form of Instruction (as applicable) or deliver your voting instructions by one of the other methods described in this document, as soon as possible.

(c) ***Registered R&Q Shareholders***

Proxies

If you are a registered R&Q Shareholder (i.e. you do not hold Depositary Interests), you should either:

i. complete the Form of Proxy by going to the following website www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number (SRN) and PIN as provided on your proxy card and agree to certain terms and conditions. For an electronic proxy to be valid, your appointment must be received by Computershare no later than 2.00 p.m. on 18 May 2022, or 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day); or

ii. complete the Form of Proxy enclosed with this document. The Form of Proxy must be deposited in hard copy form by post or by courier at Computershare Investor Services (Bermuda) Limited c/o PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY United Kingdom no later than 2.00 p.m. on 18 May 2022, or 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day).

R&Q Shareholders will be able to attend the Special General Meeting physically in person. However, R&Q Shareholders are strongly encouraged to submit a Form of Proxy in advance of the Special General Meeting. R&Q Shareholders are encouraged to appoint the Chair of the Special General Meeting as their proxy. The Chair of the Special General Meeting will vote in accordance with the voting instructions of the appointing R&Q Shareholder.

(d) ***Depositary Interests***

Forms of Instruction

The R&Q Shares represented by the holdings of Depositary Interests by DI Holders are registered in the name of the Custodian. In order to have votes cast at the meeting on their behalf, DI Holders must complete the Form of Instruction.

The Form of Instruction must be deposited in hard copy form by post at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not later than 2.00 p.m. on 17 May 2022 or 72 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day). The Custodian will cast votes on behalf of DI Holders in accordance with instructions received pursuant to valid Forms of Instruction.

Electronic voting instructions through the CREST voting system

Alternatively, DI Holders who are CREST members may issue an instruction by using the CREST electronic voting appointment service. Further details are set out below.

i. An instruction may be issued through the CREST electronic voting appointment service by using the procedures described in the CREST manual (available from www.euroclear.com) subject to the provisions of the Bye-laws. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

ii. In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited and must contain the information required for such instructions, as described in the CREST Manual.

iii. To give an instruction through the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 2.00 p.m. on 17 May 2022. For this purpose, the time of

receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. R&Q may treat as invalid a CREST voting instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

The return of a completed Form of Instruction will not prevent you from attending the Special General Meeting and voting in person if you so wish. DI Holders wishing to attend the Special General Meeting should contact the Custodian at The Pavilions, Bridgwater, Bristol BS99 6ZY or by emailing !UKALLDITeam2@computershare.co.uk by no later than 2.00 p.m. on 17 May 2022.

(e) ***Shareholder helpline***

If you require assistance in completing the Form of Proxy or require additional Forms of Proxy, please call Computershare on +44 (0)370 702 4040. For assistance in completing the Form of Instruction or for additional Forms of Instruction, please call +44 (0)370 702 0000. Calls may be recorded and monitored randomly for security and training purposes. For legal reasons, Computershare will not be able to give advice on the merits of the matters referred to in this document or to provide legal, financial or taxation advice

12. Settlement

(a) ***Registered R&Q Shareholders***

Paying agent

Prior to the Closing Date, Brickell and R&Q shall appoint a paying agent for the payment and delivery of the aggregate Acquisition Consideration. On or prior to the Closing Date, Brickell will deposit or cause to be deposited with the paying agent cash in an amount sufficient to pay the aggregate Acquisition Consideration.

Payment process

As soon as practicable, but in no event later than three Business Days after the Effective Time, Brickell and the surviving company will cause the paying agent to mail a letter of transmittal to each holder of a share certificate, as well as instructions regarding the procedures by which holders of share certificates may receive the Acquisition Consideration. Upon the completion of such applicable procedures and the surrender of such holder's share certificates or without any action by holders of book-entry shares, the paying agent will deliver to the holder the Acquisition Consideration that the holder is entitled to receive and the share certificates or book-entry shares will be cancelled immediately. No interest will be paid or accrue on the Acquisition Consideration.

Unregistered transferees

If any Acquisition Consideration is to be paid to a person or entity other than the person or entity in whose name the surrendered R&Q certificate is registered, it will be a condition to the payment of such Acquisition Consideration to such transferee that the surrendered certificate be properly endorsed or will otherwise be in proper form for transfer and the transferee will have paid any transfer and other required taxes.

Withholding

Brickell, the surviving company or the paying agent, as applicable, will be entitled to deduct and withhold from the amounts otherwise payable such amounts as are required to be deducted and withheld with respect to the making of payments under any provision of applicable tax law. Amounts so withheld and paid over to the appropriate governmental authority will be treated for all purposes as having been paid to the person in respect of which such deduction and withholding were made.

(b) ***Depositary Interests***

The R&Q Shares represented by the holdings of Depositary Interests by DI Holders are registered in the name of the Custodian. If the Merger is completed, the Depositary Interests will cease to be capable of being held in the CREST system and will be automatically cancelled at the Effective Time and converted into the right to receive the Acquisition Consideration, which will be distributed through CREST.

Payment process

The Custodian will receive the Acquisition Consideration the first Business Day following the Closing Date and as soon as practicable upon receipt will arrange for payment to be made to the DI Holders. Payment will be made by the Custodian creating an assured payment obligation in favour of the relevant DI Holder's payment bank in accordance with the CREST assured payment arrangements.

13. UK taxation

The comments set out below summarise certain limited aspects of the UK taxation treatment of R&Q Shareholders arising from the Merger and do not purport to be a complete analysis of all tax considerations relating to the Merger. They are based on current UK legislation and the current published practice of HMRC (which may not be binding on HMRC), both of which are subject to change at any time, possibly with retrospective effect.

R&Q Shareholders should note in particular that, where a rate or amount is referred to below in relation to the 2022/23 tax year or the 2022 financial year, that rate or amount may be subject to change with effect for the 2023/24 tax year or 2023 financial year (as applicable) or possibly from an earlier date. Accordingly, it is possible that the relevant rate or amount will have changed by the Effective Time.

The comments are intended as a general guide and do not deal with certain categories of R&Q Shareholder such as (but not limited to) charities, dealers in securities, persons who have or could be treated for tax purposes as having acquired their R&Q Shares by reason of their employment or as holding their R&Q Shares as carried interest, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies. The comments relate to the Acquisition Consideration received as a result of the Merger only and do not relate to the treatment for tax purposes of any dividend payable to R&Q Shareholders (including following any Carve Out Acquisition).

References below to **UK Holders** are to R&Q Shareholders who are solely resident for tax purposes in the UK (and, in the case of individuals, domiciled in the UK and to whom "split year" treatment does not apply), who hold their R&Q Shares as an investment (other than under a personal equity plan or individual savings account) and who are the absolute beneficial owners of their R&Q Shares.

IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION, AND IN PARTICULAR IF YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UK, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISER IMMEDIATELY.

UK taxation of chargeable gains

The cancellation of R&Q Shares under the Merger in return for cash should be treated as a disposal of the UK Holder's R&Q Shares for the purposes of capital gains tax ("**CGT**") or corporation tax on chargeable gains (as applicable) and therefore may, depending on the UK Holder's particular circumstances (including the availability of exemptions, reliefs and/or allowable losses), give rise to a liability to UK tax on chargeable gains or, alternatively, an allowable capital loss.

Individual R&Q Shareholders

Subject to available reliefs or allowances, gains arising on a disposal of R&Q Shares by an individual UK Holder will generally be subject to CGT at the rate of 10 per cent. (on the basis of rates currently applicable for the 2022/23 tax year) except to the extent that the gain, when it is added to the UK Holder's other taxable income and gains in the relevant tax year, exceeds the upper limit of the income tax basic rate band (£37,700 for the 2022/23 tax year), in which case it will generally be taxed at the rate of 20 per cent. (on the basis of rates currently applicable for the 2022/23 tax year). The CGT annual exemption (£12,300 for the 2022/23 tax year) may be available to individual UK Holders to offset against chargeable gains realised on the disposal of their R&Q Shares.

Corporate R&Q Shareholders

Subject to available reliefs or allowances, gains or losses arising on a disposal of R&Q Shares by a UK Holder within the charge to UK corporation tax will form part of that UK Holder's taxable profits (or if applicable, losses) for the UK Holder's accounting period in which the Effective Time falls, such profits to be taxed at a rate of 19 per cent. (on the basis of rates currently applicable for the 2022/23 tax year). The substantial shareholding exemption may apply to exempt from corporation tax any gain arising to UK Holders within the charge to UK corporation tax where a number of conditions are satisfied, including, in some cases, that the corporate UK Holder is regarded, for the purposes of this exemption, as having held not less than 10 per cent. of the ordinary issued share capital of R&Q for a continuous period of at least 12 months beginning not more than six years before the date of disposal.

UK stamp duty and stamp duty reserve tax (SDRT)

Under current UK legislation, R&Q Shareholders will not be liable for any UK stamp duty or SDRT on the transfer of R&Q Shares under the Merger.

Carve Out Acquisitions

The terms of any Carve Out Acquisition shall be structured so as to ensure that R&Q is able to and does pay an amount equal to the Carve Out Consideration to the R&Q Shareholders who hold R&Q Shares (such payment to be by way of dividend, distribution, return of capital or other mechanism to be agreed with Brickell pursuant to the terms of any Carve Out Acquisition). R&Q Shareholders should be aware that any such payment may be treated differently for taxation purposes to the treatment described above with the treatment being dependent on the mechanism agreed.

14. Overseas Shareholders

The availability of the Acquisition to Overseas Shareholders may be affected by the laws of the relevant jurisdictions in which they are located. Overseas Shareholders should inform themselves about and should observe any applicable legal or regulatory requirements. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the full compliance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

The release, publication or distribution of this document and/or any accompanying documents in or into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the UK to vote their R&Q Shares with respect to the Special General Meeting, or to appoint another person as proxy may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This document and any accompanying documents have been prepared for the purposes of complying with Bermuda law and the AIM Rules, and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside of Bermuda.

Unless otherwise determined by Brickell and R&Q, and permitted by applicable law and regulation, no person may vote in favour of the Acquisition by any use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

15. Responsibility

(a) The R&Q Directors, whose names are set out in Part One (Letter from the Chair of R&Q), accept responsibility for the information contained in this document (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraph (b) below. To the best of the knowledge and belief of the R&Q Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

(b) The Brickell Manager accepts responsibility for the information contained in this document (including any expressions of opinion) relating to Brickell, its affiliates, the Brickell Group and 777. To the best of the knowledge and belief of the Brickell Manager (who has taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which he accepts responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

PART THREE

IMPLEMENTATION AGREEMENT

Brickell and R&Q have entered into an Implementation Agreement in relation to the Acquisition and other related matters. The Implementation Agreement contains certain undertakings, assurances and confirmations among the parties, including with respect to the implementation of the Acquisition.

Under the Implementation Agreement, the Acquisition will be implemented by Brickell Sub merging with and into R&Q with R&Q as the surviving company so that R&Q will become a wholly owned subsidiary of Brickell pursuant to Section 104H of the Bermuda Companies Act.

1. Conditions to the Acquisition

The Acquisition is conditional on:

- the passing of the Merger Approval Resolution;
- the receipt of the Regulatory Clearances by Brickell and its affiliates as set out in paragraph 8 of this Part Three;
- no Relevant Authority having entered or issued any order, judgment, decree or injunction preventing, enjoining, or making illegal the consummation of the Acquisition (or any of the other anticipated transactions) and no law having been enacted or being deemed applicable to the Acquisition (or any of the other anticipated transactions) making the consummation of the Acquisition or any other anticipated transaction illegal;
- no Material Adverse Change having occurred in relation to the R&Q Group, taken as a whole and for this purpose a "**Material Adverse Change**" or a "**MAC**" shall mean any event, occurrence, fact, condition or change that has a material adverse effect on the assets, liabilities, results of operations or financial condition of the business of R&Q and its subsidiaries, taken as a whole other than certain limited customary exclusions;
- none of the Regulatory Clearances imposing or resulting in a requirement on Brickell to:
  - provide capital or a guarantee in respect of any obligations of R&Q or one of its subsidiaries that is material in the context of the R&Q Group, taken as a whole;
  - sell, divest or dispose of any assets, property or business of Brickell and its affiliates (including R&Q and its subsidiaries following the Closing) that are material in the context of: (i) the Brickell Group, taken as a whole; or (ii) the R&Q Group, taken as a whole; or
  - agree to any restriction or requirement in relation to Brickell (or any of its affiliates) or R&Q (or any of its subsidiaries or associates) which would have a material adverse effect on the business, financial condition or results of operations of: (i) the Brickell Group, taken as a whole; and/or (ii) the R&Q Group, taken as a whole (each, a "**Burdensome Condition**"); and
- there being no ratings downgrade which is specific to R&Q (and not the industry in which R&Q and its subsidiaries operate and which is not predominantly attributable to or as a result of Brickell's involvement in the Acquisition), which is materially adverse in relation to the business of the R&Q Group, taken as a whole, and which is not cured by R&Q within 30 calendar days.

2. Undertakings

Pursuant to the Implementation Agreement, Brickell agrees to use all reasonable endeavours to obtain the Regulatory Clearances, and R&Q agrees to use all reasonable endeavours to cooperate with and assist Brickell in obtaining the Regulatory Clearances, so as to enable the Closing to occur as soon as practicable and, in any event, prior to the Long Stop Date.

Until Closing occurs or the Implementation Agreement is terminated, R&Q has agreed to carry on its business in all material respects in the ordinary course consistent with its past practice and has agreed not to take certain customary actions without Brickell's consent.

R&Q has also agreed that no dividends shall be paid up to completion of the Acquisition or the earlier termination of the Implementation Agreement.

3. R&Q non-solicitation undertakings and Brickell matching rights

Pursuant to the Implementation Agreement, R&Q has given various undertakings, broadly, not to solicit, facilitate, recommend or approve any offers or proposals by any third parties that might compete, or otherwise be inconsistent, with the Acquisition, and to promptly notify Brickell of any unsolicited offers or proposals that may be received. In addition, R&Q has also agreed that Brickell shall have the right to match any unsolicited competing offer or proposal that might be presented to the R&Q Directors or unilaterally announced by any third party.

In the event that, prior to the Special General Meeting, R&Q receives, in writing, a *bona fide* proposal which would or could be reasonably expected to lead to a superior proposal to the Acquisition (taking into account the existence of the New Equity Funding in relation to the Acquisition) then in certain circumstances (including a failure by Brickell to match the superior proposal as described above) and subject to certain customary provisions, the R&Q Board may be able to alter their recommendation and proceed to recommend such alternative proposal.

For the avoidance of doubt, the R&Q Board shall not be permitted to recommend an alternative proposal following the passing of the Merger Approval Resolution.

4. Switch to Takeover Offer or Scheme

The Implementation Agreement also sets out the circumstances in which Brickell may elect to implement the Acquisition by way of a Takeover Offer or Scheme. Brickell may elect, with the prior written consent of R&Q (not to be unreasonably withheld, conditioned or delayed), to implement the Acquisition by way of a Takeover Offer or a Scheme. Any Takeover Offer or Scheme will be implemented on the same terms, so far as applicable (subject to appropriate amendments), as those which are set out in the Implementation Agreement.

5. Termination

The Implementation Agreement may be terminated in the following circumstances:

- upon agreement in writing between Brickell and R&Q, at any time prior to the completion of the Acquisition;
- by either Brickell or R&Q if the completion of the Acquisition has not occurred by the Long Stop Date or if the approval of the R&Q Shareholders is not forthcoming at the Special General Meeting;
- by Brickell if:
  - (a) the Acquisition has not been approved by the R&Q Shareholders by the Long Stop Date;
  - (b) the Regulatory Clearances have not been received by the Long Stop Date;
  - (c) any of the Regulatory Clearances impose, require or result in a Burdensome Condition;
  - (d) a MAC has occurred after the date of the Implementation Agreement and is continuing;
  - (e) there has been a material breach by R&Q of the Implementation Agreement or the Purchase and Exchange Agreement;
  - (f) the R&Q Board withdraw, withhold or modify their recommendation of the Acquisition or if they recommend a takeover proposal from a competing offeror;
  - (g) this document has not been posted to R&Q Shareholders within 20 Business Days of the date of the Implementation Agreement (or such later date as may be agreed between Brickell and R&Q);
  - (h) the Special General Meeting has not been held within 40 Business Days of the date of the Implementation Agreement (or such later date as may be agreed between Brickell and R&Q); or
  - (i) R&Q enters into an agreement relating to the implementation of a takeover proposal from a competing offeror; or

- by R&Q if:

  (j) there has been a material breach by Brickell of the Implementation Agreement or the Purchase and Exchange Agreement; or

  (k) the R&Q Board authorises R&Q to enter into an agreement relating to the implementation of a takeover proposal from a competing offeror which is superior to the Acquisition.

If the Implementation Agreement is terminated by reason of (e) (where a material breach or material breaches could reasonably be said to have effectively frustrated Brickell's ability to consummate the Acquisition or any of the other transactions contemplated in the Implementation Agreement), (f), (g), (h), (i) or (k) above, R&Q shall pay to Brickell a termination fee of $12,500,000 (plus any applicable VAT).

If the Implementation Agreement is terminated because (i) completion of the Acquisition has not occurred by the Long Stop Date or (ii) by reason of (b) above, in each case in circumstances where: (i) all of the Conditions (excluding the receipt of Regulatory Clearances) have been satisfied or waived; and (ii) there has been a material breach by Brickell of its obligations use all reasonable endeavours to obtain the Regulatory Clearances; and (iii) with the exception of any Burdensome Condition that could reasonably be said to have arisen as a result of or be a consequence of a material breach or a collection of material breaches, on the part of Brickell, of the Implementation Agreement, no Burdensome Condition has been required or imposed, then Brickell shall pay to R&Q a termination fee of $12,500,000 (plus any applicable VAT).

6. Carve Out Acquisition

Details relating to any Carve Out Acquisition are included in paragraph 7 of Part One (Letter from the Chair of R&Q) of this document.

7. Management Rollover and Management Incentive Plan

Details relating to the Management Rollover and Management Incentive Plan are included in paragraph 11 of Part One (Letter from the Chair of R&Q) of this document.

8. Regulatory Clearances

The Regulatory Clearances which the Acquisition is conditional on include, but are not limited to, the following:

Regulatory

I. *Barbados*

An application to and prior approval from the Financial Services Commission in Barbados with respect to the acquisition of significant interest in (i) Distinguished Re Ltd. and (ii) Oleum Insurance Company Limited.

II. *Bermuda*

a. Section 30E, 30EA and 30J notification filings and prior approvals (or no objections) from the Bermuda Monetary Authority ("**BMA**") with respect to the acquisition of R&Q Re (Bermuda) Ltd.

b. Filings requesting confirmation of no objection from the BMA with respect to Brickell becoming a 50 per cent. shareholder controller of each R&Q subsidiary registered under the Bermuda Insurance Act 1978.

III. *Cayman Islands*

An application to and prior approval from the Cayman Islands Monetary Authority pursuant to Section 12 of the Cayman Islands Insurance Act 2010 with respect to the indirect acquisition and change of ownership of R&Q Re (Cayman) Ltd.

IV. *Guernsey*

A notification to, and confirmation of no objection from, the Guernsey Financial Services Commission pursuant to Sections 25 and 49B of the Insurance Business (Bailiwick of Guernsey) Law, 2002 with respect to the acquisition of further indirect control of Capstan Insurance Company Limited.

V. *Ireland*

A change of control application to and prior approval from the Central Bank of Ireland with respect to the acquisition of R&Q Theta Designated Activity Company.

VI. *Isle of Man*

Prior written notice to be given to the Isle of Man Financial Services Authority by (i) R&Q Insurance Management (IOM) Limited, (ii) Pender Mutual Insurance Company Limited and (iii) Hickson Insurance Limited in respect of the proposed increase in Brickell's indirect shareholding in each of the aforementioned entities, such notice to be drafted to comply with paragraph 14 of the Isle of Man Insurance Regulations 2021 in the event that Closing occurs on or after 30 June 2022.

VII. *Malta*

An application to and prior approval from the Malta Financial Services Authority pursuant to Section 38 of the Insurance Business Act (Chapter 403 of the laws of Malta) with respect to the acquisition of Accredited Insurance (Europe) Limited.

VIII. *United Kingdom*

a. Section 178 change of control applications to and prior approvals from the PRA and the FCA with respect to the acquisition of (i) R&Q Eta Company Limited, (ii) R&Q Gamma Company Limited, (iii) R&Q Reinsurance Company (UK) Limited, (iv) Inceptum Insurance Company Limited, (v) The World Marine & General Insurance plc, (vi) Vibe Syndicate Management Limited and (vii) (to the extent authorised prior to Closing) the United Kingdom branch of Accredited Insurance (Europe) Limited.

b. Change of control notifications to and prior approvals from Lloyd's with respect to (i) R&Q Capital No. 1 Limited, (ii) R&Q Capital No. 6 Limited, (iii) R&Q Capital No. 7 Limited, (iv) R&Q Capital No. 8 Limited and (v) Vibe Syndicate Management Limited.

IX. *United States*

a. Form A change of control applications (or equivalent filings) to and prior approvals from:

   i. The Arizona Department of Insurance with respect to the acquisition of Accredited Specialty Insurance Company;

   ii. The Florida Office of Insurance Regulation with respect to the acquisition of Accredited Surety & Casualty Company, Inc.;

   iii The New York Department of Financial Services with respect to the acquisition of GLOBAL Reinsurance Corporation of America;

   iv. The Ohio Department of Insurance with respect to the acquisition of Transport Insurance Company;

   v. The Oklahoma Insurance Department with respect to the acquisition of National Legacy Insurance Company; and

   vi. The Pennsylvania Insurance Department with respect to R&Q Reinsurance Company.

b. A captive insurer change of control application with the Vermont Department of Financial Regulation with respect to the acquisition of ICDC, Ltd.

c. Texas FIN 531 filings to and confirmation of no objection from the Texas Department of Insurance with respect to the acquisition of Accredited Bond Agencies, Inc. and Risk Transfer Underwriting Inc.

Antitrust

X. A filing to and approval from the Irish Competition and Consumer Protection Commission under the Irish Competition Act 2002 (as amended), filings required under, and compliance with other applicable requirements of, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the

rules and regulations promulgated thereunder, and such other Consents, filings, declarations or registrations as are required to be made or obtained under any other Antitrust Laws.

9. Amendment

The Implementation Agreement provides that Brickell shall be entitled to amend the terms of the Acquisition at any time and from time to time (subject to applicable law and regulation) (save that the terms: (i) applicable to; (ii) for the benefit of; or (iii) that place obligations on, the members of the R&Q Group and the R&Q Shareholders shall always be: (a) equivalent to; (b) equal to or better than; or (c) equal to or less onerous than, respectively, those contained in the Announcement).

PART FOUR

AMENDMENT TO THE BYE-LAWS OF R&Q

This Part Four sets out in full the text of the proposed amendments to the Bye-laws. The proposed amendments are highlighted in **bold** and underlined. No other changes are proposed to the Bye-laws.

INTERPRETATION

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

2. Definitions:

WORD	MEANING
BB Sub	**a Bermuda exempted company to be incorporated as a wholly owned subsidiary of Brickell (or an Affiliate thereof)**
Bermuda Merger Agreement	**the agreement effecting the merger of BB Sub and the Company pursuant to section 104H of the Act between BB Sub, Brickell and the Company**
Brickell	**Brickell PC Insurance Holdings LLC**
Carve Out Acquisition	**a transaction involving the sale of one or more of the Company's subsidiaries to Brickell (or a subsidiary or Affiliate thereof) prior to Closing which is a Carve Out Acquisition (as more particularly described in the Circular) for the purposes of the Implementation Agreement**
Circular	**the notice of a special general meeting of the Company to be held at 2.00 p.m. on 20 May 2022 circulated to the shareholders on 27 April 2022**
Closing	**the closing of the transaction envisaged by the Implementation Agreement whether by way of: (a) merger in accordance with the Bermuda Merger Agreement, pursuant to which BB Sub will merge with and into the Company with the Company as the surviving company so the Company will become a wholly owned subsidiary of Brickell pursuant to section 104H of the Act; or (b) such other means as is envisaged in the Implementation Agreement**
Implementation Agreement	**the implementation agreement entered into between the Company and Brickell on 1 April 2022 (as more particularly described in the Circular)**

RIGHTS ATTACHED TO ORDINARY SHARES

40. Subject to **Byelaw 40A and to** any resolution of the shareholders or the terms of issue of any existing shares or class of shares to the contrary and without prejudice to any special rights conferred on the holders of any existing shares or class of shares or any other provisions of the Bye-laws, the holders of the Ordinary Shares shall have the following rights:

    (a) as regards ranking: the Ordinary Shares shall rank equally as between themselves without preference or difference of any kind save as specifically provided otherwise in the Bye-laws;

    (b) as regards dividend: after making all necessary provisions, where relevant for payment of any preferred dividend in respect of any preference shares in the Company then outstanding the Company shall apply any profits or reserves which the Board resolves to distribute in paying such profits or reserves to the holders of the Ordinary Shares in respect of their holding of such shares *pari passu* and *pro rata* to the number of Ordinary Shares held by each of them;

    (c) as regards capital: on a return of assets on liquidation, reduction of capital or otherwise, the holders of the Ordinary Shares shall be entitled to be paid the surplus assets of the Company remaining after payment of its liabilities (subject to the rights of holders of any preference shares in the Company then in issue having preferred rights in the return of capital) in respect of their holdings of Ordinary Shares *pari passu* and *pro rata* to the number of Ordinary Shares held by each of them; and

    (d) as regards voting in general meetings: the holders of the Ordinary Shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company; every holder of Ordinary Shares present in person or by proxy shall on a poll have one vote for each Ordinary Share held by him.

40A. To the extent that:

(a) pursuant to the Implementation Agreement, a Carve Out Acquisition is completed and Closing has not subsequently occurred; and

(b) Brickell has, in aggregate, paid to the Company an amount which is sufficient to enable the Company to pay, in aggregate, an amount equal to £1.75 in respect of each Ordinary Share (other than any Ordinary Shares held by Brickell and its Affiliates) in issue as at the date of the Implementation Agreement (and such amount has, in aggregate, been paid by the Company in respect of such Ordinary Shares, whether by way of dividend, distribution, return of capital or other mechanism to be agreed with Brickell pursuant to the terms of any Carve Out Acquisition),

the shareholders of the Company from time to time (the "Relevant Shareholders") shall no longer be entitled to the rights set out in Bye-law 40(b) and 40(c) (an "Economic Disenfranchisement Event"). If following an Economic Disenfranchisement Event a person or persons (a "Buyer") makes an offer to acquire the Company (and its subsidiaries that have not transferred to Brickell (or a subsidiary or Affiliate thereof) pursuant to a Carve Out Acquisition) (a "Drag Transaction"), Brickell shall have the right to serve a written notice (a "Drag Notice") on such Relevant Shareholders requiring each Relevant Shareholder to sell and transfer all its Ordinary Shares to the Buyer or as the Buyer directs, and Brickell shall have the right to receive 100 per cent. of the proceeds of such Drag Transaction.

40B. The effect of the service of a Drag Notice is to require each Relevant Shareholder to sell all (but not part only) of its Ordinary Shares (the "Dragged Shares") to the Buyer at the same time and no warranties, representations or indemnities shall be given except as to the Relevant Shareholder's title to and capacity and obligation to sell the relevant Dragged Shares as are set out in the Drag Notice.

40C. A Drag Notice shall lapse if, for any reason, the Buyer does not acquire the Dragged Shares on the date specified in the Drag Notice. Brickell may serve further Drag Notices following the lapse of any particular Drag Notice.

40D. **Each Drag Notice must be accompanied by copies of all documents required to be executed by the Relevant Shareholder to give effect to the transfer of the Dragged Shares and the Drag Transaction. Within ten Business Days of Brickell serving the Drag Notice or at such other time as Brickell shall direct, the Relevant Shareholder must deliver executed copies of those documents to the Company. If the Relevant Shareholder does not deliver such documents to the Company within the stipulated period, Brickell shall be entitled to authorise and instruct a person to execute and deliver all documents required to be executed by the Relevant Shareholder to give effect to the transfer of the Dragged Shares by the Relevant Shareholder.**

40E. **Completion of the sale of the Dragged Shares ("Drag Completion") shall take place on the date specified for the sale of the Relevant Shareholder's Dragged Shares to the Buyer in the Drag Notice or as otherwise specified by Brickell (the "Drag Completion Date").**

40F. **If a Dragged Shareholder does not, on or before the Drag Completion Date, execute and deliver in accordance with Bye-law 40D transfer(s) in respect of all of the Dragged Shares held by it, it shall be deemed to have irrevocably appointed any person nominated for the purpose by Brickell to be its agent to execute all necessary transfer(s) on its behalf, and to deliver such transfer(s) to the Buyer (or as it may direct) as the holder thereof. After the Buyer (or its nominee) has been registered as the holder of the Dragged Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of Dragged Shares under this Bye-law 40.**

40G. **If, following an Economic Disenfranchisement Event, a proposed transaction will result in: (i) the Buyer acquiring all of the Company's subsidiaries but not the Company; or (ii) the Buyer acquiring only certain of the Company's subsidiaries in circumstances where it has been agreed that Brickell or the Company will retain all of the remaining subsidiaries, such transaction may also be structured so that (subject to applicable law and regulation) Brickell or an Affiliate or other person nominated by Brickell (or some or all of them) (a "Relevant Purchaser") also effects the purchase of all of the Ordinary Shares of the Company not held by Brickell and its Affiliates for nil consideration as part of the Drag Transaction so that all Ordinary Shares of the Company are held by such Relevant Purchaser, and the term "Drag Transaction" in this Bye-law 40 shall be construed so as to include such transaction. Without prejudice to the foregoing, to give effect to any such sale to a Relevant Purchaser, Brickell shall be entitled to authorise and instruct a person to transfer the said Ordinary Shares, and the registered holder or the person entitled by transmission to such Ordinary Shares shall be deemed to have irrevocably appointed such person to be its agent to execute and deliver all necessary transfer(s) on its behalf, and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such Ordinary Shares, and the Relevant Purchaser's title to the Ordinary Shares shall not be affected by any irregularity or invalidity in the proceedings relating to the sale. Any sale under this Bye-law shall be valid and effective notwithstanding that the person holding the Ordinary Shares sold is insolvent, dead, bankrupt or otherwise under any legal disability or incapacity.**

PART FIVE

DEFINITIONS

"**777**"	777 Partners LLC
"**Acquisition**"	together: (i) the acquisition by Brickell or Brickell Sub of the entire issued share capital of R&Q, not already owned by Brickell and its affiliates, for the Acquisition Consideration, to be effected in accordance with the Implementation Agreement by means of a Merger or, in the event that Brickell elects to proceed with such Acquisition by way of a Takeover Offer or Scheme, in accordance with the terms of the Implementation Agreement, a Takeover Offer or acquisition via a Scheme; and (ii) any Carve Out Acquisition
"**Acquisition Consideration**"	175 pence in cash for each R&Q Share, excluding any R&Q Shares legally or beneficially held by Brickell or any of its affiliates and any Treasury Shares (less any Carve Out Consideration previously paid by Brickell)
"**AIM Market**"	the market of that name operated by the London Stock Exchange
"**AIM Rules**"	the AIM rules for companies published by the London Stock Exchange from time to time
"**Announcement**"	the joint press announcement of the signing of the Implementation Agreement and the intention to proceed with the Acquisition and, in principle, the Carve Out Acquisition released by R&Q with the approval of Brickell on 1 April 2022 (such announcement containing details of the terms and conditions of the Acquisition and the potential Carve Out Acquisition)
"**Antitrust Laws**"	all applicable antitrust Laws issued by a Relevant Authority that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolisation or restraint of trade or lessening of competition through merger or acquisition
"**Barclays**"	Barclays Bank PLC, acting through its investment bank
"**Bermuda Companies Act**"	Bermuda Companies Act 1981, as amended
"**Bermuda Court**"	the Supreme Court of Bermuda
"**Bermuda Merger Agreement**"	the agreement effecting the merger of Brickell Sub and R&Q pursuant to Section 104H of the Bermuda Companies Act among Brickell, Brickell Sub and R&Q, a draft copy of which is attached to this document
"**BIH**"	has the meaning given in paragraph 8 of Part One (Letter from the Chair of R&Q) of this document
"**BMA**"	has the meaning given in paragraph 8 of Part Three (Implementation Agreement) of this document
"**Brickell**"	Brickell PC Insurance Holdings LLC
"**Brickell Manager**"	Steven Pasko
"**Brickell Group**"	Brickell and its subsidiaries and subsidiary undertakings from time to time
"**Brickell Sub**"	Brickell PC2 Insurance Holdings Limited, a Bermuda exempted company to be incorporated by Brickell for the purposes of the Merger

"**Burdensome Condition**"	has the meaning given in paragraph 1 of Part Three (Implementation Agreement) of this document
"**Business Day**"	a day (other than Saturday, Sunday or a public holiday) on which banks in the City of London are open for business generally
"**Bye-laws**"	the bye-laws of R&Q (as amended from time to time)
"**Carve Out Acquisition**"	has the meaning given in paragraph 7 of Part One (Letter from the Chair of R&Q) of this document
"**Carve Out Acquisition Payment Date**"	has the meaning given in paragraph 7 of Part One (Letter from the Chair of R&Q) of this document
"**Carve Out Companies**"	has the meaning given in paragraph 7 of Part One (Letter from the Chair of R&Q) of this document
"**Carve Out Consideration**"	has the meaning given in paragraph 7 of Part One (Letter from the Chair of R&Q) of this document
"**Certificate**"	a certificate that immediately prior to the Effective Time evidenced any R&Q Shares
"**CGT**"	has the meaning given in paragraph 13 of Part Two (Explanatory Statement) of this document
"**Closing**"	the closing of the Merger
"**Closing Date**"	the date on which Closing occurs
"**Closing Price**"	the closing middle market price of an R&Q Share on a particular trading day
"**Code**"	the City Code on Takeovers and Mergers (including the General Principles therein and the Appendices)
"**Computershare**"	Computershare Investor Services Plc (as depositary) and Computershare Investor Services (Bermuda) Limited (as R&Q registrar)
"**Conditions**"	the conditions to the completion of the Acquisition set out in paragraph 1 of Part Three (Implementation Agreement) of this document
"**Consent**"	any consent, waiver, approval, license, permit, order, non-objection or authorisation
"**Court Meeting**"	in the event that the Acquisition proceeds by means of a Scheme such meeting or meetings of R&Q Shareholders (or any class or classes thereof) as may be convened pursuant to an order of the Bermuda Court for the purpose of considering and, if thought fit, approving the Scheme (with or without modification), including any adjournment, postponement or reconvention thereof
"**CREST**"	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the Regulations)
"**Custodian**"	Computershare Company Nominees Limited in its capacity as custodian of the Depositary Interests

"**Depositary Interests**"	the dematerialised depositary interests issued in CREST in respect of R&Q Shares
"**DI Holders**"	the holders of Depositary Interests
"**Drag Transaction**"	has the meaning given in paragraph 5 of Part Two (Explanatory Statement) of this document
"**Effective**"	(i) if the Acquisition is implemented by way of the Merger, the issuance of a certificate of merger by the Registrar (ii) if the Acquisition is implemented by way of a Scheme, the Scheme having become effective pursuant to its terms (iii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or becoming unconditional in all respects in accordance with the requirements of the Bermuda Companies Act
"**Effective Time**"	has the meaning given in paragraph 2 of Part Two (Explanatory Statement) of this document
"**Exchange**"	has the meaning given in paragraph 6 of Part Two (Explanatory Statement) of this document
"**Exchange Price**"	a value equal to £1.15 per R&Q Share
"**FCA**"	the U.K. Financial Conduct Authority or its successor from time to time
"**Form of Instruction**"	the form of instruction for the DI Holders for use in relation to the Special General Meeting, which accompanies this document
"**Form of Proxy**"	the form of proxy for use at the Special General Meeting, which accompanies this document
"**GS Securities**"	MMC Securities Limited (trading as "GC Securities")
"**GWP**"	has the meaning given in paragraph 9 of Part One (Letter from the Chair of R&Q) of this document
"**HMRC**"	HM Revenue & Customs
"**IFRS**"	International Financial Reporting Standards
"**Implementation Agreement**"	the agreement among Brickell and R&Q dated 1 April 2022, in relation to the implementation of the Acquisition
"**Issuer**"	Randall & Quilter PS Holdings Inc.
"**Latest Practicable Date**"	25 April 2022 (being the latest practicable date before the publication of this document)
"**Lloyd's**"	the Society incorporated by the Lloyd's Act 1871 by the name of "Lloyd's"
"**London Stock Exchange**"	London Stock Exchange plc
"**Long Stop Date**"	(i) (where Brickell elects to undertake a Carve Out Acquisition) the date that is 24 months following the date of the Implementation Agreement (i.e. 1 April 2024) or such later date as Brickell may determine; or

	(ii) (otherwise) the date that is 12 months following the date of the Implementation Agreement (i.e. 1 April 2023), or such later date as Brickell and R&Q may agree in writing, provided that if: (a) all Conditions have been satisfied other than the Condition relating to Regulatory Clearances; and (b) Brickell is complying with its obligations to use all reasonable endeavours to obtain the Regulatory Clearances, either R&Q or Brickell shall be entitled, by service of written notice on the other, to require: (1) an automatic 2 month extension such that the "Long Stop Date" shall be the date that is 14 months following the execution of the Implementation Agreement (i.e. 1 June 2023) (a "**first extension request**"); and (2) provided a first extension request has been made (by either party), a further automatic 2 month extension such that the "Long Stop Date" shall be the date that is 16 months following (i.e. 1 August 2023) the execution of the Implementation Agreement
"**MAC**" or "**Material Adverse Change**"	has the meaning given in paragraph 1 of Part Three (Implementation Agreement) of this document
"**Managers**"	has the meaning given in paragraph 11 of Part One (Letter from the Chair of R&Q) of this document
"**Merger**"	the merger of Brickell Sub with and into R&Q with R&Q as the surviving company so that R&Q will become a wholly owned subsidiary of Brickell pursuant to Section 104H of the Bermuda Companies Act
"**Merger Application**"	the application for the registration of R&Q as the surviving company, to be executed and delivered to the Registrar under and in accordance with Section 108 of the Bermuda Companies Act
"**Merger Approval Resolution**"	Resolution 1 to be proposed at the Special General Meeting, as set out in the notice of Special General Meeting set out in Part Six (Notice of Special General Meeting) of this document
"**MIP**"	has the meaning given in paragraph 11 of Part One (Letter from the Chair of R&Q) of this document
"**New Equity Funding**"	the US$100 million to be invested in two tranches, pursuant to the Purchase and Exchange Agreement, in newly issued exchangeable preferred securities of the Issuer, a subsidiary of R&Q
"**Numis**"	Numis Securities Limited
"**Overseas Shareholders**"	R&Q Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside of the UK or who are nominees of, or custodians or trustees for, citizens or nationals of countries other than the UK
"**PRA**"	the U.K. Prudential Regulation Authority or its successor from time to time
"**Preference Shares**"	the Preference A Share and Preference B Share
"**Preference A Share**"	the Preference A Share of par value £1.00
"**Preference B Share**"	the Preference B Share of par value £1.00
"**Preferred Stock**"	has the meaning given in paragraph 6 of Part One (Letter from the Chair of R&Q) of this document

"**PTOP**"	has the meaning given in paragraph 9 of Part One (Letter from the Chair of R&Q) of this document
"**Purchase and Exchange Agreement**"	the agreement dated 1 April 2022 with regard to the purchase by Brickell of a number of shares of Preferred Stock to be newly issued by the Issuer, a subsidiary of R&Q
"**R&Q**"	Randall & Quilter Investment Holdings Ltd
"**R&Q Board**"	the board of directors of R&Q
"**R&Q Directors**"	the directors of R&Q
"**R&Q Group**"	R&Q and its subsidiaries and subsidiary undertakings from time to time
"**R&Q PS Investment**"	a $100 million subscription by Brickell for the Preferred Stock to be newly issued by the Issuer, a subsidiary of R&Q, which are exchangeable, subject to necessary regulatory or other approvals at the time, for ordinary shares in the capital of R&Q at the Exchange Price
"**R&Q Shareholders**"	holders of R&Q Shares (including, for the avoidance of doubt, DI Holders) and, for the purposes of attending and voting at the Special General Meeting and exercising appraisal rights only, holders of Preference Shares
"**R&Q Shares**"	the ordinary shares of par value 2 pence each in the capital of R&Q, including the Depositary Interests in respect of such shares (other than any such shares that may be Treasury Shares while held by R&Q)
"**Registrar**"	the Registrar of Companies of Bermuda
"**Regulations**"	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
"**Regulatory Information Service**"	a regulatory information service approved by the FCA and on the list of Regulatory Information Services maintained by the FCA
"**Regulatory Clearances**"	the consents of, or declarations, notifications, or filings with, and the other terminations or expirations of waiting periods required from, the Relevant Authorities, as set forth in the Implementation Agreement, having been filed, having occurred, or having been obtained and, if applicable, being in full force and effect
"**Relevant Authority**"	any court, tribunal, government or governmental, quasi-governmental, supranational, statutory, regulatory, self-regulatory, environmental or investigative body, person, court, trade or regulatory agency, authority, association or institution or any competition, antitrust or supervisory body, in each case in any jurisdiction
"**Resolutions**"	the resolutions to be proposed at the Special General Meeting, as set out in the notice of Special General Meeting set out in Part Six (Notice of Special General Meeting) of this document
"**Restricted Jurisdictions**"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to R&Q Shareholders in that jurisdiction
"**Rollover**"	has the meaning given in paragraph 11 of Part One (Letter from the Chair of R&Q) of this document
"**RUM**"	has the meaning given in paragraph 9 of Part One (Letter from the Chair of R&Q) of this document

"**SEC**"	the Securities and Exchange Commission
"**Scheme**"	if Brickell elects to implement the Acquisition by way of a scheme (pursuant to the Bermuda Companies Act) the scheme of arrangement under Section 99 of the Bermuda Companies Act to be proposed by R&Q to R&Q Shareholders in order to implement the Acquisition
"**SDRT**"	Stamp duty reserve tax
"**Special General Meeting**"	the special general meeting of R&Q to be convened in order for R&Q Shareholders to consider, and if thought fit approve, certain matters in connection with the Acquisition, notice of which is set out in Part Six (Notice of Special General Meeting) of this document (including, where the context requires, any adjournment, postponement or reconvention thereof)
"**subsidiary**", "**subsidiary undertaking**" and "**undertaking**"	have the meanings given by the UK Companies Act 2006, as amended
"**Takeover Offer**"	if Brickell elects to implement the Acquisition by way of a takeover offer (pursuant to the Bermuda Companies Act) in accordance with and subject to the Implementation Agreement, the offer to be made by Brickell or Brickell Sub to acquire the entire issued share capital of R&Q
"**Treasury Shares**"	any R&Q Shares which are for the time being held by R&Q as treasury shares (within the meaning of the Bermuda Companies Act)
"**UK Holders**"	has the meaning given in paragraph 13 of Part Two (Explanatory Statement) of this document
"**U.K.**" or "**UK**" or "**United Kingdom**"	the United Kingdom of Great Britain and Northern Ireland
"**U.S.**" or "**US**" or "**United States**" or "**United States of America**"	the United States of America, its territories and possessions, any State of the United States and the District of Columbia
"**US Exchange Act**"	the Securities Exchange Act of 1934
"**Voting Record Time**"	(i) for registered R&Q Shareholders, 6.00 p.m. on the day which is two days (excluding any part of a day that is not a Business Day) before the date of the Special General Meeting or any adjournment of it (as the case may be) (ii) for DI Holders, 6.00 p.m. on the day which is three days (excluding any part of a day that is not a Business Day) before the date of the Special General Meeting or any adjournment of it (as the case may be)

In this document:

(i) Unless otherwise stated, financial information concerning R&Q has been extracted from the Annual Report and Accounts of R&Q for the year ended 31 December 2020.

(ii) The value of the Acquisition is based upon an assumed 275,211,268 R&Q Shares (net of Treasury Shares) in issue on the date of completion of the Acquisition. The actual number of R&Q Shares in issue on the date of completion of the Acquisition may vary from the foregoing.

(iii) Unless otherwise stated, all prices for R&Q Shares are the Closing Price for the relevant date.

PART SIX

NOTICE OF SPECIAL GENERAL MEETING

Randall & Quilter Investment Holdings Ltd.

(Registered in Bermuda with the company number 47341)

(the "**Company**")

NOTICE IS HEREBY GIVEN that a **SPECIAL GENERAL MEETING** of the Company will be held at 71 Fenchurch Street, Ground Floor, London, EC3M 4BS on 20 May 2022 at 2.00 p.m. (London time) for the purposes of considering and, if thought fit, passing the following resolutions (the "**Resolutions**"). Resolutions 1, 2, 3 and 5 will be proposed as special resolutions and Resolutions 4 and 6 as ordinary resolutions.

The bye-laws of the Company stipulate that a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by members present in person or represented by proxy and entitled to vote at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been given.

The bye-laws of the Company stipulate that a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by members present in person or represented by proxy and entitled to vote at a general meeting.

SPECIAL RESOLUTIONS

1. To approve the Acquisition (as defined in the circular dated 27 April 2022 to which this notice of meeting is attached (the "**Circular**")) and to approve and adopt the statutory merger agreement required in accordance with Section 105 of the Bermuda Companies Act 1981 (the "**Companies Act**") between the Company, Brickell PC Insurance Holdings LLC and "BB Sub" a Bermuda exempted company to be incorporated as a wholly owned subsidiary of Brickell (the "**Merger Agreement**"), as may be amended from time to time, a draft copy of which is appended to this notice of meeting, and to approve and adopt the merger contemplated thereby (the "**Merger Proposal**").

2. Subject to and conditional upon the passing of Resolution 1 above, to approve and adopt, immediately following the passing of Resolution 1 above, the bye-laws in the form appended to this notice in substitution for and to the exclusion of the existing bye-laws of the Company.

3. Subject to and conditional upon the passing of Resolution 1 above, to approve pursuant to Rule 41 of the AIM Rules (as defined in the Circular) the cancellation of the admission to trading on the AIM Market (as defined in the Circular) of the ordinary shares of £0.02 each in the capital of the Company ("**Ordinary Shares**") following Closing (as defined in the Circular) or, if earlier, payment by the Company, in aggregate, of an amount equal to £1.75 in respect of each Ordinary Share (other than any Ordinary Shares held by Brickell and its Affiliates (as defined in the bye-laws of the Company)) in issue as at the date of the Implementation Agreement (as defined in the Circular), and to authorise the directors of the Company to take all actions which are necessary or desirable in order to effect such cancellation.

ORDINARY RESOLUTION

4. Subject to and conditional upon the passing of Resolution 1 above, that the directors of the Company be and are hereby authorised pursuant to and in accordance with bye-law 42 of the Company's bye-laws to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount of £1,637,471 (being 81,873,539 Ordinary Shares) in connection with the R&Q PS Investment (as defined in the Circular).

SPECIAL RESOLUTION

5. Subject to and conditional upon the passing of Resolution 1 above, that, subject to the passing of Resolution 4, the directors of the Company be and are hereby empowered in accordance with bye-law 54(b) of the Company's bye-laws to allot Ordinary Shares in connection with the R&Q PS Investment under the authority given by Resolution 4 as if bye-law 50 did not apply to any such allotment.

ORDINARY RESOLUTION

6. To approve an adjournment of the special general meeting, if necessary or appropriate, to solicit additional proxies, in the event that there are insufficient votes to approve Resolution 1 at the special general meeting.

The Board of Directors believes the Acquisition (as defined in the Circular) and the New Equity Funding (as defined in the Circular) together are in the best interests of shareholders and recommend unanimously that shareholders vote, or procure voting, in favour of the Resolutions 1 to 6, as all of the Directors who hold Ordinary Shares have irrevocably undertaken to do in respect of their beneficial holdings of 9,102,904 Ordinary Shares, in aggregate, representing approximately 3.31 per cent. of the issued Ordinary Share capital as at the date of this notice of meeting.

For the purposes of Section 106(2)(b)(i) of the Bermuda Companies Act, the Board of Directors considers: (i) 175 pence, without interest and less any applicable withholding taxes, to be fair value for each Ordinary Share, taking into account the New Equity Funding; and (ii) the receipt of a share with identical rights in the surviving company, to be fair value for each Preference Share (as defined in the Circular). Shareholders who are not satisfied that they have been offered fair value for their Ordinary Shares or Preference Shares (as applicable) and whose Ordinary Shares or Preference Shares (as applicable) are not voted in favour of the Merger Proposal may exercise their appraisal rights under the Bermuda Companies Act to have the fair value of their shares appraised by the Supreme Court of Bermuda (the "**Bermuda Court**"). Shareholders intending to exercise appraisal rights **MUST** file their application for appraisal of the fair value of their Ordinary Shares or Preference Shares (as applicable) with the Bermuda Court within **ONE MONTH** of the giving of the notice convening the special general meeting.

David Gormley
Company Secretary

Registered Office
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

27 April 2022

NOTES TO THE NOTICE OF SPECIAL GENERAL MEETING

Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the register of members as at 6.00 p.m. 18 May 2022 (or, if the meeting is adjourned, at the time being 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day, as defined in the Circular)) and, in the case of DI Holders (as defined in the Circular), entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the register of Depositary Interests (as defined in the Circular) as at 6.00 p.m. on 17 May 2022 (or, if the meeting is adjourned, at the time being 72 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day)). Changes to the register of members or register of Depositary Interests after such times will be disregarded in determining the rights of any person to attend or vote at the meeting or at any adjourned meeting.

1. Registered Shareholders

Proxies

Registered shareholders should either:

i. complete the Form of Proxy (as defined in the Circular) by going to the following website www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number (SRN) and PIN as provided on your proxy card and agree to certain terms and conditions. For an electronic proxy to be valid, your completed Form of Proxy must be received by Computershare (as defined in the Circular) by no later than 2.00 p.m. on 18 May 2022, or 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day); or

ii. complete the Form of Proxy enclosed with this notice of the Special General Meeting. The Form of Proxy must be deposited in hard copy form by post or by courier at Computershare Investor Services (Bermuda) Limited c/o PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY United Kingdom by no later than 2.00 p.m. on 18 May 2022, or 48 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day).

Your proxy could be the Chairman, another director of the Company or another person who has agreed to attend to represent you. Every shareholder entitled to attend and vote at the meeting may appoint one or more persons as his/her proxy to attend and vote thereat instead of him/her, provided that each proxy is appointed to exercise the rights attaching to different shares held by the member.

Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chairman or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from attending the meeting and voting in person. If you attend the meeting in person, your proxy appointment will automatically be terminated.

To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Registrar at Computershare Investor Services (Bermuda) Limited c/o PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY United Kingdom. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions.

2. Depositary Interests

Forms of Instruction

The Ordinary Shares represented by the holdings of Depositary Interests by DI Holders (as defined in the Circular) are registered in the name of the Custodian (as defined in the Circular). In order to have votes cast at the meeting on their behalf, DI Holders must complete the Form of Instruction (as defined in the Circular). The Form of Instruction must be deposited in hard copy form by post at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not later than 2.00 p.m. on 17 May 2022 or 72 hours before the time of any adjourned meeting (without taking into account any part of a day that is not a Business Day). The Custodian will cast votes on behalf of DI Holders in accordance with instructions received pursuant to valid Forms of Instruction.

Electronic voting instructions through the CREST voting system

Alternatively, DI Holders who are CREST (as defined in the Circular) members may issue an instruction by using the CREST electronic voting appointment service. Further details are set out below.

i. An instruction may be issued through the CREST electronic voting appointment service by using the procedures described in the CREST manual (available from www.euroclear.com) subject to the provisions of the bye-laws. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

ii. In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited and must contain the information required for such instructions, as described in the CREST Manual.

iii. To give an instruction through the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 2.00 p.m. on 17 May 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a CREST voting instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations (as defined in the Circular).

The return of a completed Form of Instruction will not prevent you from attending the Special General Meeting and voting in person if you so wish. DI Holders wishing to attend the Special General Meeting should contact the Custodian at The Pavilions, Bridgwater, Bristol BS99 6ZY by no later than 2.00 p.m. on 17 May 2022.

3. Corporate representatives

A registered shareholder that is a corporation and/or Computershare in its capacity as custodian of the Depositary Interests may, by written authorisation, elect to appoint a corporate representative in accordance with bye-law 188 of the Company's bye-laws to attend and vote at the meeting, in which case the Company will require written proof of the representative's appointment and such requests must be submitted to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY United Kingdom or via email at !ukallditeam2@computershare.co.uk not less than 72 hours before the time appointed for holding the said meeting or any adjourned meeting and Computershare will issue the appropriate Letter of Representation.

Any corporation which is a member can appoint more than one corporate representative who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Appendix

Merger Agreement

THIS STATUTORY MERGER AGREEMENT is dated _____ (this "**Agreement**").

BETWEEN:

(1) **RANDALL & QUILTER INVESTMENT HOLDINGS LTD**, an exempted company limited by shares incorporated under the laws of Bermuda having its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda (hereinafter called "**R&Q**");

(2) **BRICKELL PC INSURANCE HOLDINGS LLC**, a Delaware limited liability company having its principal office at 600 Brickell Avenue, Suite 1900, Miami, Florida 33131, United States of America (hereinafter called "**Brickell**");

(3) [**BB SUB**], an exempted company limited by shares incorporated under the laws of Bermuda having its registered office at [●] (hereinafter called "**BB Sub**").

WHEREAS:

(A) BB Sub is a wholly-owned subsidiary of Brickell;

(B) This Agreement is the Bermuda Merger Agreement referred to in the Implementation Agreement among Brickell and R&Q, dated April 1, 2022 (the "**Implementation Agreement**"); and

(C) Brickell, BB Sub and R&Q have agreed that BB Sub will, subject to the terms and conditions set forth herein and in the Implementation Agreement, merge with and into R&Q, with R&Q continuing as the Surviving Company, in accordance with the provisions of the Bermuda Companies Act 1981 of Bermuda, as amended (the "**Bermuda Companies Act**").

NOW THEREFORE THE PARTIES HAVE AGREED AS FOLLOWS:

1. DEFINITIONS

Unless otherwise defined herein, capitalised terms have the same meaning as used and defined in the Implementation Agreement.

2. EFFECTIVENESS OF MERGER

2.1 The parties to this Agreement agree that, on the terms and subject to the conditions of this Agreement and the Implementation Agreement and in accordance with the Bermuda Companies Act, at the Effective Time, BB Sub shall be merged with and into R&Q, with R&Q surviving such Merger and continuing as the surviving company (the "**Surviving Company**").

2.2 The Merger shall be conditional on the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Closing Date of each of the conditions to the Merger identified in Clauses 5.1 and 5.2 of the Implementation Agreement.

2.3 The Merger shall become effective at the Effective Time.

3. NAME OF SURVIVING COMPANY

The Surviving Company shall be named Randall & Quilter Investment Holdings Ltd.

4. MEMORANDUM OF ASSOCIATION

The memorandum of association of the Surviving Company shall, at the Effective Time, by virtue of the Merger and without any further action, be amended and restated to be in the form of the memorandum of association of BB Sub as in effect immediately prior to the Effective Time until thereafter changed or

amended as provided therein or by applicable Law, except that references to the name of BB Sub shall be replaced by references to the name of the Surviving Company.

5. BYE-LAWS

The bye-laws of the Surviving Company shall, at the Effective Time, by virtue of the Merger and without any further action, be amended and restated to be in the form of the bye-laws of BB Sub as in effect immediately prior to the Effective Time until thereafter changed or amended as provided therein or by applicable Law, except that references to the name of BB Sub shall be replaced by references to the name of the Surviving Company.

6. DIRECTORS AND OFFICERS

The names and addresses of the directors of the Surviving Company, being the directors of BB Sub immediately prior to the Effective Time, and who shall be the directors of the Surviving Company until the earlier of their death, resignation or removal or until their respective successors are duly elected and qualified, as the case may be, in accordance with the bye-laws of the Surviving Company are as follows: [Insert name and address of each director.]

7. CONVERSION OF SECURITIES

7.1 At the Effective Time, by virtue of the Merger and without any action on the part of Brickell, BB Sub, R&Q or the holder of any share capital of BB Sub or R&Q:

7.1.1 each common share, par value [●] per share, of BB Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one (1) duly authorised, validly issued, fully paid and non-assessable common share, par value [●] per share, of the Surviving Company and such converted shares shall, together with the Preference Shares, constitute the only issued and outstanding shares of the Surviving Company. The Surviving Company Shares and the Preference Shares shall constitute the only class of authorised share capital of the Surviving Company;

7.1.2 all R&Q Shares legally or beneficially held by Brickell or any of its Affiliates and any Treasury Shares issued and outstanding immediately prior to the Effective Time shall automatically be cancelled and shall cease to exist and be outstanding and no consideration shall be delivered in exchange therefor;

7.1.3 subject to clauses 7.1.2 and 7.1.4 and the terms of the Implementation Agreement (including clause 10.6 of the Implementation Agreement), each R&Q Share that is issued and outstanding immediately prior to the Effective Time shall automatically be cancelled and converted into and shall thereafter represent the right to receive the Per Share Price (and all such R&Q Shares shall no longer be issued and outstanding and shall automatically be cancelled and shall cease to exist, and each holder of a Certificate or a Book-Entry Share shall cease to have any rights with respect thereto, except the right to receive the Per Share Price to be paid in consideration therefor, without interest);

7.1.4 notwithstanding anything in this Agreement to the contrary, any Dissenting Shares shall automatically be cancelled and, unless otherwise required by applicable Law, converted into the right to receive the Per Share Price as set out in the Implementation Agreement and, in the event that the fair value of a Dissenting Share as appraised by the Supreme Court of Bermuda under Section 106(6) of the Bermuda Companies Act is greater than the Per Share Price, any holder of Dissenting Shares shall be entitled to receive such difference from the Surviving Company by payment made within 30 days after such fair value is finally determined pursuant to such appraisal procedure;

7.1.5 the Preference A Share of R&Q issued and outstanding immediately prior to the Effective Time (the "**R&Q Preference A Share**") shall be converted into a Preference A Share of the Surviving Company (the "**Surviving Company Preference A Share**") with the same rights, preferences, and voting powers as the R&Q Preference A Share; and

7.1.6 the Preference B Share of R&Q issued and outstanding immediately prior to the Effective Time (the "**R&Q Preference B Share**") shall be converted into a Preference B Share of the Surviving Company (the "**Surviving Company Preference B Share**") with the same rights, preferences, and voting powers as the R&Q Preference B Share.

8. EXECUTION IN COUNTERPARTS

This Agreement may be executed in counterparts each of which when executed and delivered shall constitute an original but all such counterparts together shall constitute one and the same instrument.

9. NOTICES

All notices, requests and other communications to any party hereunder shall be in writing and shall be deemed given if delivered personally, emailed or sent by overnight courier (providing proof of delivery) to the parties at the following addresses:

IF TO BRICKELL OR BB SUB, TO:

For the attention of:	Gayle Levy, General Counsel
Address:	600 Brickell Ave, 19th Floor, Miami, FL 33131
Email:	glevy@777part.com
Copied to (but shall not constitute notice to Brickell or BB Sub):	Norton Rose Fulbright LLP Attention: Nicholas Berry
Address:	3 More London Riverside, London SE1 2AQ
Email:	Nicholas.Berry@nortonrosefulbright.com

IF TO R&Q, TO:

For the attention of:	William Spiegel, Executive Chairman
Address:	Clarendon House, 2 Church Street, Hamilton HM11, Bermuda
Email:	william.spiegel@rqih.com
Copied to (but shall not constitute notice to R&Q):	Mills & Reeve LLP Attention: Stephen Hamilton
Address:	Botanic House, 100 Hills Road, Cambridge, CB2 1PH
Email:	stephen.hamilton@mills-reeve.com

or such other address or email address as such party may hereafter specify by like notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of actual receipt by the recipient thereof if received prior to 5.00 p.m. local time in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

10. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of Bermuda and the parties hereto submit to the exclusive jurisdiction of the courts of Bermuda.

[Signature Page Follows]

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first written above.

SIGNED for and on behalf of

RANDALL & QUILTER INVESTMENT HOLDINGS LTD

By:

Name:

Title:

Witnessed:

By:

SIGNED for and on behalf of

BRICKELL PC INSURANCE HOLDINGS LLC

By:

Name:

Title:

Witnessed:

By:

SIGNED for and on behalf of

[BB SUB]

By:

Name:

Title:

Witnessed:

By:

[Signature Page to Statutory Merger Agreement]

Appendix

New bye-laws

AMENDED AND RESTATED

BYE-LAWS

OF

RANDALL & QUILTER INVESTMENT HOLDINGS LTD.

(Adopted by resolution of the Directors dated 21 April 2022 and by resolution of the Members dated [●])

INDEX

INTERPRETATION

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

2. Definitions:

WORD	MEANING
"Act"	the Companies Act 1981 of Bermuda as amended from time to time.
"AIM"	the AIM market operated by the London Stock Exchange.
"AIM Rules"	the Rules of the London Stock Exchange governing admission to and the operation of AIM, as amended from time to time.
"Affiliate"	of a specified person means a person that (at the time when the determination is to be made) directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the specified person. As used in the foregoing sentence, the terms "control" (including, with correlative meaning, in terms "controlling," "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise.
"Auditor"	the auditor of the Company for the time being and may include any individual or partnership.
"BB Sub"	a Bermuda exempted company to be incorporated as a wholly owned subsidiary of Brickell (or an Affiliate thereof)
"Bermuda Merger Agreement"	the agreement effecting the merger of BB Sub and the Company pursuant to section 104H of the Act between BB Sub, Brickell and the Company
"Board" or "Directors"	the board of directors of the Company appointed or elected pursuant to these Bye-laws and acting by, or pursuant to, a resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum.
"Brickell"	Brickell PC Insurance Holdings LLC
"Business Day"	any day other than a Saturday, Sunday or public holiday in Bermuda.
"Bye-laws"	these Bye-laws in their present form or as supplemented or amended or substituted or restated from time to time.
"capital"	the share capital from time to time of the Company.
"Carve Out Acquisition"	a transaction involving the sale of one or more of the Company's subsidiaries to Brickell (or a subsidiary or Affiliate thereof) prior to Closing which is a Carve Out Acquisition (as more particularly described in the Circular) for the purposes of the Implementation Agreement

"Circular"	the notice of a special general meeting of the Company to be held at 2.00 p.m. on 20 May 2022 circulated to the shareholders on 27 April 2022
"clear days"	in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
"Closing"	the closing of the transaction envisaged by the Implementation Agreement whether by way of: (a) merger in accordance with the Bermuda Merger Agreement, pursuant to which BB Sub will merge with and into the Company with the Company as the surviving company so the Company will become a wholly owned subsidiary of Brickell pursuant to section 104H of the Act; or (b) such other means as is envisaged in the Implementation Agreement
"committee"	a committee of the Board.
"Company"	Randall & Quilter Investment Holdings Ltd.
"competent regulatory authority"	a competent regulatory authority in a territory in which the shares of the Company are listed or quoted on a stock exchange in such territory.
"CREST"	the electronic settlement system operated by Euroclear UK & Ireland Limited and being a Relevant System for the purpose of the Regulations.
"CREST Rules"	the operating rules of CREST.
"debenture" and "debenture holder"	include debenture stock and debenture stockholder respectively.
"Depositary**"**	any person who is a shareholder by virtue of its holding shares as a trustee for those individuals who have elected to hold shares in dematerialised form through depositary interests.
"Director"	a director of the Company and shall include, unless the context otherwise requires, an alternate director.
"Employees' Share Scheme"	any scheme adopted or arrangement made for encouraging or facilitating the holding of shares in the Company by or on behalf of: (a) employees or former employees of the Company, any subsidiary of the Company, or the Company's holding company or any of its subsidiaries; or (b) directors or former directors of the Company, any subsidiary of the Company, or the Company's holding company or any of its subsidiaries; or (b) the spouses, civil partners, surviving spouses, surviving civil partners, or minor children or step children of such employees, former employees, directors or former directors.
"FCA"	the Financial Conduct Authority, the competent authority for the purposes of Part VI of FSMA.
"FSMA"	the Financial Services and Markets Act 2000.
"head office"	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.

"Implementation Agreement"	the implementation agreement entered into between the Company and Brickell on 1 April 2022 (as more particularly described in the Circular)
"London Stock Exchange"	London Stock Exchange plc or other principle stock exchange in the United Kingdom for the time being.
"Member" or "shareholder"	a duly registered holder from time to time of the shares in the capital of the Company.
"Memorandum"	the memorandum of association of the Company in its present form or as supplemented or amended or substituted or restated from time to time.
"month"	a calendar month.
"Notice"	written notice unless otherwise specifically stated and as further defined in these Bye-laws.
"Office"	the registered office of the Company for the time being.
"Ordinary Shares"	the ordinary shares of £0.02 each in the capital of the Company.
"paid up"	paid up or credited as paid up.
"person"	an individual, a company or a firm.
"person entitled by transmission"	a person whose entitlement to a share in consequence of the death or bankruptcy of a Member or of any other event giving rise to its transmission by operation of law has been noted in the Register.
"Preference A Shareholder"	the person whose name is registered as the holder of the Preference A Share.
"Preference A Share"	the cumulative redeemable Preference A Share of £1 in the capital of the Company.
"Preference B Shareholder"	the person whose name is registered as the holder of the Preference B Share.
"Preference B Share"	the cumulative redeemable Preference B Share of £1 in the capital of the Company.
"registered address"	in relation to a Member, the most recent address of that Member recorded in the Register.
"Register"	the principal register and, where applicable, any branch register of Members to be kept pursuant to the provisions of the Act.
"Registration Office"	in respect of any class of share capital such place as the Board may from time to time determine in accordance with the Act to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.
"Regulations"	the United Kingdom Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended from time to time) relating to the operation of CREST, being the paperless settlement of trades and the holdings of uncertificated shares of which Euroclear UK & Ireland Limited is the operator.

"Regulatory Information Service"	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements.
"Relevant Change"	changes to the holding of any class of shares (excluding Treasury Shares) of a Significant Shareholder above three per cent. (3 per cent.) which increase or decrease such holding through any single percentage (or such other levels as may be prescribed by the AIM Rules and/or the FCA from time to time).
"Relevant System"	a computer-based system and procedures which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters in accordance with the Regulations.
"Resident Representative"	any person appointed to act as resident representative and includes any deputy or assistant resident representative.
"rights issue"	an offer or issue of equity securities to or in favour of holders of Ordinary Shares on the Register on a date fixed by the Board where the number of equity securities offered or issued to or in favour of those shareholders is proportionate (as nearly as practicable) to the respective number of Ordinary Shares held by them on that date subject to such exclusions or other arrangements as the Board considers expedient in relation to fractional entitlements or legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange.
"Seal"	common seal of the Company or any official seal or securities seal which the Company may have or be permitted to have under the Statutes.
"Secretary"	the secretary of the Company and includes an assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary of the Company.
"Significant Shareholder"	any person other than the Depositary with any legal or beneficial interest, whether direct or indirect, of three per cent. (3 per cent.) or more of any class of shares (excluding Treasury Shares) (or such other levels as may be prescribed by the AIM Rules and/or the FCA from time to time).
"Statutes"	the Act, and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.
"Sterling" and "GBP"	Pounds Sterling, the legal currency for the time being of Great Britain.
"Treasury Share"	(i) a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled; or (ii) a share of the Company held by or on behalf of the Company that is designated by the Directors as being a Treasury Share.
"United Kingdom"	the United Kingdom of Great Britain and Northern Ireland.
"year"	a calendar year.

3. In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:

(a) the expressions "**Operator**", "**participating security**", "**properly authenticated dematerialised instruction**" and "**relevant system**" have the same meanings as are respectively ascribed to them in the Regulations;

(b) words importing the singular include the plural and vice versa;

(c) words importing a gender include both gender and the neuter;

(d) words importing persons include companies, associations and bodies of persons whether corporate or not;

(e) the words:

(i) "may" shall be construed as permissive;

(ii) "shall" or "will" shall be construed as imperative;

(f) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member's election comply with all applicable Statutes, rules and regulations;

(g) references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;

(h) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;

(i) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting, of which Notice specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Subject to the provisions of the Statutes a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under these Bye-laws;

(j) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting;

(k) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;

(l) any reference to shares held in "uncertificated form" means shares, the title of which is recorded in the Register as being held in such form and which by virtue of the Regulations may be transferred by means of a Relevant System and any reference to shares in "certificated form" means shares, the title of which is recorded on the Register as being held in such form;

(m) any reference to a document being sealed or executed under seal or under the common seal of any body corporate (including the Company) or any similar expression includes a reference to it being executed in any other manner which has the same effect as if it were executed under seal;

(n) headings to these Bye-laws are inserted for convenience only and shall not affect their construction; and

(o) in these Bye-laws, a reference to the AIM Rules or AIM has effect if, and only if, at the relevant time shares are admitted to trading on AIM.

4. While any shares of the Company are admitted to trading on AIM, the Company must comply with the obligations imposed under the AIM Rules and the CREST Rules.

5. The obligations in Bye-law 4 do not detract from or alter the power of the Company to seek to have its shares removed from trading on AIM.

SHARES

6. The liability of the Members is limited.

7. Subject to the Act and to the AIM Rules (if applicable), and to these Bye-laws and to any resolution of the Members to the contrary and without prejudice to any special rights or restrictions for the time being attached to any shares or any class or series of shares, the unissued shares of the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine.

8. The Company may, in connection with the issue of any shares, exercise all powers of paying commission and brokerage conferred or permitted by the Act. Subject to the Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.

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

10. Subject to these Bye-laws, the Board may issue warrants conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

RIGHTS ATTACHED TO PREFERENCE A SHARE AND PREFERENCE B SHARE

Preference A Share

11. The Preference A Shareholder shall be entitled as follows (and no rights shall attach to the Preference A Share other than as expressly set out in Bye-laws 12 to 22 (inclusive)).

Preference A Share – Voting

12. Subject to the provisions of the Act, the Preference A Shareholder shall not be entitled to receive notice of, attend or vote at general meetings of the Company (and shall not be counted in any quorum at any general meeting of the Company).

Preference A Share – Income

13. The Preference A Shareholder shall be entitled, in priority to any shareholder other than the Preference B Shareholder (and, as between the Preference A Shareholder and the Preference B Shareholder, the order of priority set out in Bye-laws 35 to 39 (inclusive) shall apply) to be paid out of any profits of the Company which are lawfully available for distribution a cumulative preferential cash dividend(s) in US dollars (the "**Preference A Dividend**") in an amount in aggregate equal to 50 per cent. of any sums received by the Company, any of its Affiliates or any person acting on its or their behalf (net of any tax payable thereon) in respect of the capital stock or surplus of R&Q Reinsurance Company (previously known as ACE American Reinsurance Company), a US corporation ("**AARe**"), whether such sums are received as a dividend, return of capital, distribution on a winding-up or other distribution on the capital stock of AARe (but not, for the avoidance of doubt, sums received by the Company, any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as payment by a third party in consideration for its acquisition of

any portion of the equity interest in AARe provided that the maximum aggregate amount of the Preference A Dividend payments (including any amounts received prior to the date of adoption of these Bye-laws) shall not exceed US$5 million. Any sums received by the Company, any of its Affiliates or any person acting on its or their behalf in a currency other than US dollars shall, for the purposes of determining the amount of the Preference A Dividend, be converted into US dollars at the noon buying rate certified by the Federal Reserve Bank of New York for customs purposes for cable transfers payable in foreign currencies as at the Business Day immediately prior to payment of the Preference A Dividend.

14. The Preference A Dividend shall be due and payable and, unless the Company is prevented from paying it pursuant to the Act or these Bye-laws, shall be paid by the Company within twenty (20) Business Days of the date(s) upon which the sums referred to in Bye-law 13 were received by the Company, its Affiliates or any person acting on its or their behalf (as the case may be).

15. Where the Company is precluded by the Act or these Bye-laws from paying in full any Preference A Dividend within the period specified in Bye-law 14, then in respect of any Preference A Dividend which would otherwise require to be paid pursuant to Bye-law 13 within that period:

    (a) the Company shall pay on or before expiry of that period to the Preference A Shareholder on account of the Preference A Dividend the maximum sum (if any) which can then, consistently with the Act and these Bye-laws (and subject always to the order of priority set out in Bye-laws 35 to 39 (inclusive)), be paid by the Company; and

    (b) as soon as the Company is no longer precluded from doing so, the Company shall in respect of the Preference A Share pay on account of the balance of the Preference A Dividend for the time being remaining outstanding and until all arrears and deficiencies of such Preference A Dividend have been paid in full, the maximum amount which can, consistently with the Act and these Bye-laws (and subject always to the order of priority set out in Bye-laws 35 to 39 (inclusive)), be paid by the Company at that time.

    Any Preference A Dividend not paid in full when due shall be increased by the addition of interest (calculated daily on the unpaid amount and compounded as at 31 December in each year) at a rate equal to LIBOR plus 4.5 per cent., from the due date for payment up to and including the day prior to payment. If any Preference A Dividend has not been paid in full when due (whether because such payment is precluded by the Act, these Bye-laws, or otherwise), no dividend may be declared or paid on any other class of shares (other than the Preference B Share where so provided in accordance with Bye-laws 35 to 39 (inclusive)) issued by the Company and the Company may not redeem, purchase or otherwise acquire in any way any other class of shares issued by the Company until (in either case) all arrears and deficiencies of the Preference A Dividend (and any interest accruing thereon) have been paid in full.

16. Save as provided in Bye-laws 13 to 15 (inclusive) and in Bye-laws 35 to 39 (inclusive), the Preference A Shareholder shall have no right to participate in the profits of the Company.

Preference A Share – Capital

17. On a return of capital (whether or not on liquidation) or capital reduction or otherwise, unless the amount being returned is to be distributed to shareholders as if it were a dividend, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in paying to the Preference A Shareholder, in priority to any other shareholder (including, without limitation, any other preference shareholder) other than the Preference B Shareholder, in which case (as between the Preference A Shareholder and the Preference B Shareholder) the order of priority set out in Bye-laws 35 to 39 (inclusive) shall apply:

    (a) all unpaid arrears, accruals and deficiencies of the Preference A Dividend referred to in Bye-law 13 and any interest accrued thereon pursuant to Bye-law 15; and

    (b) an amount equal to the nominal value paid up on the Preference A Share held by the Preference A Shareholder.

18. Save as provided in Bye-law 17 the Preference A Shareholder shall have no right to participate in the assets of the Company.

Preference A Share – Redemption

19. Upon satisfaction in full of the rights of the Preference A Shareholder as set forth in Bye-laws 13 to 18 (inclusive) above (but not beforehand unless mutually agreed by the Company and the Preference A Shareholder), the Company shall be entitled to redeem the Preference A Share for nil consideration whereupon the Preference A Share shall be cancelled.

Preference A Share – Miscellaneous

20. The Preference A Share shall not be capable of transfer or assignment.

21. The rights attaching to the Preference A Share will be deemed to be varied, for the purposes of the Act and Bye-laws 64 to 65 (inclusive) if:

    (a) the Company seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class ranking as regards rights to participate in the profits or assets of the Company in priority to or equally (in some or all respects) with the Preference A Share;

    (b) AARe seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class to any person who is either not an Affiliate or who is an Affiliate but who will not, following that issue or allotment, be a direct parent company of AARe holding no material assets other than investments in AARe and/or BRUK (as defined below);

    (c) there is a transfer or sale by the Company (or any of its Affiliates) of all or part of the issued shares in AARe to an Affiliate which is not a direct parent company of AARe holding no material assets other than investments in AARe and/or BRUK or to any other person where the transaction is not conducted on arms' length terms;

    (d) any resolution is passed by AARe or any Affiliate which is a direct parent of AARe to return capital to shareholders or to reduce its capital or to capitalise all or any part of any amount standing to the credit of any reserve or fund (including, without limitation, the profit and loss account and/or share premium account) or to make any other distribution where (in each case) the amount in question is either not set free for distribution among members or is so set free but is to be distributed otherwise than to the same members and in the same priority as would be the case, if it were to be distributed as a dividend;

    (e) any resolution is passed the purpose or effect of which is to vary the rights attaching to any other class of shares in the Company where that variation gives any other person rights in priority to, or which rank equally with, the rights of the Preference A Shareholder in relation to the profits or assets which generate entitlement to the Preference A Dividend;

    (f) any resolution is passed for the voluntary winding up of the Company, AARe or any Affiliate which is a direct parent of AARe; or

    (g) any resolution is passed for the amendment of the Company's memorandum and/or Bye-laws where that amendment gives any other person rights in priority to, or which rank equally with, the rights of the Preference A Shareholder in relation to the profits or assets which generate entitlement to the Preference A Dividend.

22. Subject always to the requirements of the Act, if any of the Company's Affiliates or any person acting on the Company's or such Affiliates' behalf receive any sums in respect of the capital stock or surplus of AARe, whether such sums are received as a dividend, return of capital, distribution on a winding up or other distribution on the capital stock of AARe (but not, for the avoidance of doubt, sums received by the Company or any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as a payment by a third party in consideration for its acquisition of any portion of the equity interest in AARe, the Company shall:

    (a) cause its Affiliates and/or any person acting on its or their behalf to declare and pay sufficient and timely dividends, returns of capital or other distributions; and/or

    (b) take such other reasonable steps (and shall cause its Affiliates and/or any person acting on its or their behalf to take such other reasonable steps) as may be lawfully available to it or them,

    to enable the Preference A Shareholder to receive the amounts to which it is entitled according to the rights attaching to the Preference A Share.

Preference B Share

23. The Preference B Shareholder shall be entitled as follows (and no rights shall attach to the Preference B Share other than as expressly set out in Bye-laws 24 to 34 (inclusive)).

Preference B Share – Voting

24. Subject to the Act, the Preference B Shareholder shall not be entitled to receive notice of, attend or vote at general meetings of the Company (and shall not be counted in any quorum at any general meeting of the Company).

Preference B Share – Income

25. The Preference B Shareholder shall be entitled, in priority to any other shareholder other than the Preference A Shareholder (and, as between the Preference B Shareholder and the Preference A Shareholder, the order of priority set out in Bye-laws 35 to 39 (inclusive) shall apply) to be paid out of any profits of the Company which are lawfully available for distribution a cumulative preferential cash dividend(s) in US dollars ("**the Preference B Dividend**") in an amount in aggregate equal to 50 per cent. of any sums received by the Company, any of its Affiliates or any person acting on its or their behalf (net of any tax payable thereon) in respect of the capital stock or surplus of R&Q Reinsurance Company (UK) Limited (a company registered in England under number 01315641 and previously known as Brandywine Reinsurance Company (UK) Limited) ("**BRUK**"), whether such sums are received as a dividend, return of capital, distribution on a winding-up or other distribution on the capital stock of BRUK (but not, for the avoidance of doubt, sums received by the Company, any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as payment by a third party in consideration for its acquisition of any portion of the equity interest in BRUK provided that the maximum aggregate amount of the Preference B Dividend payments (including any amounts received prior to the date of adoption of these Bye-laws) shall not exceed US$10 million. Any sums received by the Company, any of its Affiliates or any person acting on its or their behalf in a currency other than US dollars shall, for the purposes of determining the amount of the Preference B Dividend, be converted into US dollars at the noon buying rate certified by the Federal Reserve Bank of New York for customs purposes for cable transfers payable in foreign currencies as at the Business Day immediately prior to payment of the Preference B Dividend.

26. The Preference B Dividend shall be due and payable and, unless the Company is prevented from paying it pursuant to the Act or these Bye-laws, shall be paid by the Company within twenty (20) Business Days of the date(s) upon which the sums referred to in Bye-law 25 were received by the Company, its Affiliates or any person acting on its or their behalf (as the case may be).

27. Where the Company is precluded by the Act or these Bye-laws from paying in full any Preference B Dividend within the period specified in Bye-law 26, then in respect of any Preference B Dividend which would otherwise require to be paid pursuant to Bye-law 25 within that period:

    (a) the Company shall pay on or before expiry of that period to the Preference B Shareholder on account of the Preference B Dividend the maximum sum (if any) which can then, consistently with the Act and these Bye-laws (and subject always to the order of priority set out in Bye-law 35 to 39 (inclusive)), be paid by the Company; and

    (b) as soon as the Company is no longer precluded from doing so, the Company shall in respect of the Preference B Share pay on account of the balance of the Preference B Dividend for the time being remaining outstanding and until all arrears and deficiencies of such Preference B Dividend have been paid in full, the maximum amount which can, consistently with the Act and these Bye-laws (and subject always to the order of priority set out in Bye-laws 35 to 39 (inclusive)), be paid by the Company at that time.

    Any Preference B Dividend not paid in full when due shall be increased by the addition of interest (calculated daily on the unpaid amount and compounded as at 31 December in each year) at a rate equal to LIBOR plus 4.5 per cent., from the due date for payment up to and including the day prior to payment. If any Preference B Dividend has not been paid in full when due (whether because such payment is precluded by the Act, these Bye-laws or otherwise), no dividend may be declared or paid on any other class of shares (other than the Preference A Share where so provided in accordance with Bye-law 35 to 39 (inclusive))

issued by the Company and the Company may not redeem, purchase or otherwise acquire in any way any other class of shares issued by the Company until (in either case) all arrears and deficiencies of the Preference B Dividend (and any interest accruing thereon) have been paid in full.

28. Save as provided in Bye-laws 25 to 27 (inclusive) and in Bye-laws 35 to 39 (inclusive), the Preference B Shareholder shall have no right to participate in the profits of the Company.

Preference B Share – Capital

29. On a return of capital (whether or not on liquidation) or capital reduction or otherwise, unless the amount being returned is to be distributed to shareholders as if it were a dividend, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in paying to the Preference B Shareholder, in priority to any other shareholder (including, without limitation, any other preference shareholder) other than the Preference A Shareholder, in which case (as between the Preference B Shareholder and the Preference A Shareholder) the order of priority set out in Bye-laws 35 to 39 (inclusive) shall apply:

    (a) all unpaid arrears, accruals and deficiencies of the Preference B Dividend referred to in Bye-law 25 and any interest accrued thereon pursuant to Bye-law 27; and

    (b) an amount equal to the nominal value paid up on the Preference B Share held by the Preference B Shareholder.

30. Save as provided in Bye-law 29 the Preference B Shareholder shall have no right to participate in the assets of the Company.

Preference B Share – Redemption

31. Upon satisfaction in full of the rights of the Preference B Shareholder as set forth in Bye-laws 25 to 30 (inclusive) above (but not beforehand unless mutually agreed by the Company and the Preference B Shareholder), the Company shall be entitled to redeem the Preference B Share for nil consideration whereupon the Preference B Share shall be cancelled.

Preference B Share – Miscellaneous

32. The Preference B Share shall not be capable of transfer or assignment.

33. The rights attaching to the Preference B Share will be deemed to be varied, for the purposes of the Act and Bye-laws 64 to 65 (inclusive), if:

    (a) the Company seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class ranking as regards rights to participate in the profits or assets of the Company in priority to or equally (in some or all respects) with the Preference B Share;

    (b) BRUK seeks to issue or allot any shares or options over shares (or any security convertible into shares) of any class to any person who is either not an Affiliate or who is an Affiliate but who will not, following that issue or allotment, be a direct parent company of BRUK holding no material assets other than investments in AARe and/or BRUK;

    (c) there is a transfer or sale by the Company (or any of its Affiliates) of all or part of the issued shares in BRUK to an Affiliate which is not a direct parent company of BRUK holding no material assets other than investments in AARe and/or BRUK or to any other person where the transaction is not conducted on arms' length terms;

    (d) any resolution is passed by BRUK or any Affiliate which is a direct parent of BRUK to return capital to shareholders or to reduce its capital or to capitalise all or any part of any amount standing to the credit of any reserve or fund (including, without limitation, the profit and loss account and/or share premium account) or to make any other distribution where (in each case) the amount in question is either not set free for distribution among members or is so set free but is to be distributed otherwise than to the same members and in the same priority as would be the case, if it were to be distributed as a dividend;

(e) any resolution is passed the purpose or effect of which is to vary the rights attaching to any other class of shares in the Company where that variation gives any other person rights in priority to, or which rank equally with, the rights of the Preference B Shareholder in relation to the profits or assets which generate entitlement to the Preference B Dividend;

(f) any resolution is passed for the voluntary winding up of the Company, BRUK or any Affiliate which is a direct parent of BRUK; or

(g) any resolution is passed for the amendment of the Company's memorandum and/or Bye-laws where that amendment gives any other person rights in priority to, or which rank equally with, the rights of the Preference B Shareholder in relation to the profits or assets which generate entitlement to the Preference B Dividend.

34. Subject always to the requirements of the Act, if any of the Company's Affiliates or any person acting on the Company's or such Affiliates' behalf receive any sums in respect of the capital stock or surplus of BRUK, whether such sums are received as a dividend, return of capital, distribution on a winding up or other distribution on the capital stock of BRUK (but not, for the avoidance of doubt, sums received by the Company or any of its Affiliates or any person acting on its or their behalf in respect of service fees, group relief payments or other commercial intercompany charges) or as a payment by a third party in consideration for its acquisition of any portion of the equity interest in BRUK, the Company shall:

(a) cause its Affiliates and/or any person acting on its or their behalf to declare and pay sufficient and timely dividends, returns of capital or other distributions; and/or

(b) take such other reasonable steps (and shall cause its Affiliates and/or any person acting on its or their behalf to take such other reasonable steps) as may be lawfully available to it or them,

to enable the Preference B Shareholder to receive the amounts to which it is entitled according to the rights attaching to the Preference B Share.

Order of Priority of Dividend Payments as between Preference A Share and Preference B Share

35. If and to the extent that:

(a) any profits of the Company which are lawfully available for distribution are attributable to sums received by the Company, its Affiliates or any person acting on its or their behalf in respect of the capital stock or surplus of BRUK; and

(b) the Preference B Shareholder is at that time entitled to any Preference B Dividend in accordance with Bye-law 25 or to any arrears of the Preference B Dividend and interest thereon in accordance with Bye-law 27,

then the Preference B Shareholder shall be entitled to be paid the Preference B Dividend (and/or any arrears of and interest on the Preference B Dividend, as the case may be) out of such profits as are referred to in (a) above in priority to the Preference A Shareholder. For the avoidance of doubt, any profits of the Company which fall within (a) above and which are not required for payment of the Preference B Dividend (and/or any arrears of and interest on the Preference B Dividend, as the case may be) shall be payable to the Preference A Shareholder, to the extent (if any) required to discharge the Company's obligations under Bye-laws 13 to 15 (inclusive) in respect of the Preference A Dividend, in priority to any other shareholder.

36. If and to the extent that:

(a) any profits of the Company which are lawfully available for distribution are attributable to sums received by the Company, its Affiliates or any person acting on its or their behalf in respect of the capital stock or surplus of AARe; and

(b) the Preference A Shareholder is at that time entitled to any Preference A Dividend in accordance with Bye-law 13 or to any arrears of the Preference A Dividend and interest thereon in accordance with Bye-law 15,

then the Preference A Shareholder shall be entitled to be paid the Preference A Dividend (and/or any arrears of and interest on the Preference A Dividend, as the case may be) out of such profits as are referred to in (a) above in priority to the Preference B Shareholder. For the avoidance of doubt, any profits of the Company which fall within (a) above and which are not required for payment of the Preference A Dividend (and/or any arrears of and interest on the Preference A Dividend, as the case may be) shall be payable to the Preference B Shareholder, to the extent (if any) required to discharge the Company's obligations under Bye-laws 25 to 27 (inclusive) in respect of the Preference B Dividend, in priority to any other shareholder.

37. In respect of any profits of the Company which are lawfully available for distribution and which are not (or cannot be specifically identified as being) of the type referred to in either Bye-law 35 or 36, such profits shall be applied (in priority to any other shareholder), as between the Preference A Shareholder and the Preference B Shareholder, in the following order of priority:

    (a) payment in full of all arrears of and deficiencies in (and interest on) the Preference A Dividend; then

    (b) payment in full of all arrears of and deficiencies in (and interest on) the Preference B Dividend; then

    (c) payment of any Preference A Dividend which has become due but which is not yet in arrears; then

    (d) payment of any Preference B Dividend which has become due but which is not yet in arrears.

38. For the avoidance of doubt:

    (a) nothing in Bye-law 35 to 37 (inclusive) shall operate in any way so as to relieve the Company of its obligations to pay the Preference A Dividend and the Preference B Dividend when due in accordance with Bye-laws 13 and 25 respectively; and

    (b) nothing in this Bye-law 38 shall operate so as to require the Company to make any payment to the Preference A Shareholder or the Preference B Shareholder other than as expressly set out in Bye-laws 13 to 34 (inclusive) (as the case may be).

39. Subject to the provisions of the Statutes and to any special rights conferred on the holders of any other shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may decide.

RIGHTS ATTACHED TO ORDINARY SHARES

40. Subject to Byelaw 40A and to any resolution of the shareholders or the terms of issue of any existing shares or class of shares to the contrary and without prejudice to any special rights conferred on the holders of any existing shares or class of shares or any other provisions of the Bye-laws, the holders of the Ordinary Shares shall have the following rights:

    (a) as regards ranking:

        the Ordinary Shares shall rank equally as between themselves without preference or difference of any kind save as specifically provided otherwise in the Bye-laws;

    (b) as regards dividend:

        after making all necessary provisions, where relevant for payment of any preferred dividend in respect of any preference shares in the Company then outstanding the Company shall apply any profits or reserves which the Board resolves to distribute in paying such profits or reserves to the holders of the Ordinary Shares in respect of their holding of such shares *pari passu* and *pro rata* to the number of Ordinary Shares held by each of them;

(c) as regards capital:

on a return of assets on liquidation, reduction of capital or otherwise, the holders of the Ordinary Shares shall be entitled to be paid the surplus assets of the Company remaining after payment of its liabilities (subject to the rights of holders of any preference shares in the Company then in issue having preferred rights in the return of capital) in respect of their holdings of Ordinary Shares *pari passu* and *pro rata* to the number of Ordinary Shares held by each of them; and

(d) as regards voting in general meetings:

the holders of the Ordinary Shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company; every holder of Ordinary Shares present in person or by proxy shall on a poll have one vote for each Ordinary Share held by him.

40A. To the extent that:

(a) pursuant to the Implementation Agreement, a Carve Out Acquisition is completed and Closing has not subsequently occurred; and

(b) Brickell has, in aggregate, paid to the Company an amount which is sufficient to enable the Company to pay, in aggregate, an amount equal to £1.75 in respect of each Ordinary Share (other than any Ordinary Shares held by Brickell and its Affiliates) in issue as at the date of the Implementation Agreement (and such amount has, in aggregate, been paid by the Company in respect of such Ordinary Shares, whether by way of dividend, distribution, return of capital or other mechanism to be agreed with Brickell pursuant to the terms of any Carve Out Acquisition),

the shareholders of the Company from time to time (the "Relevant Shareholders") shall no longer be entitled to the rights set out in Bye-law 40(b) and 40(c) (an "Economic Disenfranchisement Event"). If following an Economic Disenfranchisement Event a person or persons (a "Buyer") makes an offer to acquire the Company (and its subsidiaries that have not transferred to Brickell (or a subsidiary or Affiliate thereof) pursuant to a Carve Out Acquisition) (a "Drag Transaction"), Brickell shall have the right to serve a written notice (a "Drag Notice") on such Relevant Shareholders requiring each Relevant Shareholder to sell and transfer all its Ordinary Shares to the Buyer or as the Buyer directs, and Brickell shall have the right to receive 100 per cent. of the proceeds of such Drag Transaction.

40B. The effect of the service of a Drag Notice is to require each Relevant Shareholder to sell all (but not part only) of its Ordinary Shares (the "Dragged Shares") to the Buyer at the same time and no warranties, representations or indemnities shall be given except as to the Relevant Shareholder's title to and capacity and obligation to sell the relevant Dragged Shares as are set out in the Drag Notice.

40C. A Drag Notice shall lapse if, for any reason, the Buyer does not acquire the Dragged Shares on the date specified in the Drag Notice. Brickell may serve further Drag Notices following the lapse of any particular Drag Notice.

40D. Each Drag Notice must be accompanied by copies of all documents required to be executed by the Relevant Shareholder to give effect to the transfer of the Dragged Shares and the Drag Transaction. Within ten Business Days of Brickell serving the Drag Notice or at such other time as Brickell shall direct, the Relevant Shareholder must deliver executed copies of those documents to the Company. If the Relevant Shareholder does not deliver such documents to the Company within the stipulated period, Brickell shall be entitled to authorise and instruct a person to execute and deliver all documents required to be executed by the Relevant Shareholder to give effect to the transfer of the Dragged Shares by the Relevant Shareholder.

40E. Completion of the sale of the Dragged Shares ("Drag Completion") shall take place on the date specified for the sale of the Relevant Shareholder's Dragged Shares to the Buyer in the Drag Notice or as otherwise specified by Brickell (the "Drag Completion Date").

40F. If a Dragged Shareholder does not, on or before the Drag Completion Date, execute and deliver in accordance with Bye-law 40D transfer(s) in respect of all of the Dragged Shares held by it, it shall be deemed to have irrevocably appointed any person nominated for the purpose by Brickell to be its agent to execute all necessary transfer(s) on its behalf, and to deliver such transfer(s) to the Buyer (or as it

may direct) as the holder thereof. After the Buyer (or its nominee) has been registered as the holder of the Dragged Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of Dragged Shares under this Bye-law 40.

40G. If, following an Economic Disenfranchisement Event, a proposed transaction will result in: (i) the Buyer acquiring all of the Company's subsidiaries but not the Company; or (ii) the Buyer acquiring only certain of the Company's subsidiaries in circumstances where it has been agreed that Brickell or the Company will retain all of the remaining subsidiaries, such transaction may also be structured so that (subject to applicable law and regulation) Brickell or an Affiliate or other person nominated by Brickell (or some or all of them) (a "Relevant Purchaser") also effects the purchase of all of the Ordinary Shares of the Company not held by Brickell and its Affiliates for nil consideration as part of the Drag Transaction so that all Ordinary Shares of the Company are held by such Relevant Purchaser, and the term "Drag Transaction" in this Bye-law 40 shall be construed so as to include such transaction. Without prejudice to the foregoing, to give effect to any such sale to a Relevant Purchaser, Brickell shall be entitled to authorise and instruct a person to transfer the said Ordinary Shares, and the registered holder or the person entitled by transmission to such Ordinary Shares shall be deemed to have irrevocably appointed such person to be its agent to execute and deliver all necessary transfer(s) on its behalf, and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such Ordinary Shares, and the Relevant Purchaser's title to the Ordinary Shares shall not be affected by any irregularity or invalidity in the proceedings relating to the sale. Any sale under this Bye-law shall be valid and effective notwithstanding that the person holding the Ordinary Shares sold is insolvent, dead, bankrupt or otherwise under any legal disability or incapacity.

TREASURY SHARES

41. All the rights and obligations attaching to a Treasury Share shall be suspended and shall not be exercised by or against the Company while it (or while another on the Company's behalf, as appropriate) holds such Treasury Share and, where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

ALLOTMENT OF SHARES

42. Subject to the Act and to these Bye-laws and to the AIM Rules (if applicable), the Board may exercise any power of the Company:

    (a) to allot any shares in the Company; or

    (b) to grant rights to subscribe for, or to convert any security into, shares in the Company,

    if they are authorised to do so by ordinary resolution of Members in accordance with Bye-law 44.

43. Bye-law 42 does not apply to:

    (a) the allotment of shares in pursuance of an Employees' Share Scheme; or

    (b) the grant of a right to subscribe for, or to convert any security into, shares so allotted.

44. The authorisation under Bye-law 42:

    (a) may be given for a particular exercise of the power or for its exercise generally, and may be unconditional or subject to conditions;

    (b) must state the maximum number of shares that may be allotted under it and specify the date on which it will expire, which must be not more than five (5) years from the date on which the ordinary resolution is passed by virtue of which the authorisation is given;

    (c) may be renewed or further renewed by ordinary resolution of Members for a further period not exceeding five (5) years but such resolution must state (or restate) the maximum amount of shares that may be allotted under the authorisation or, as the case may be, the number remaining to be allotted under it, and must specify the date on which the renewed authorisation will expire; and

    (d) may be revoked or varied at any time by resolution of Members.

45. In relation to rights to subscribe for or to convert any security into shares in the Company, references in Bye-law 44 to the maximum number of shares that may be allotted under the authorisation are to the maximum number of shares that may be allotted pursuant to the rights.

46. The Board may allot shares, or grant rights to subscribe for or to convert any security into shares, after authorisation under Bye-law 42 has expired if:

    (a) the shares are allotted, or the rights are granted, in pursuance of an offer or agreement made by the Company before the authorisation expired; and

    (b) the authorisation allowed the Company to make an offer or agreement which would or might require shares to be allotted, or rights to be granted, after the authorisation had expired.

47. The Company may not issue shares or grant options if the issue or grant would result in a breach of the AIM Rules or the Act.

48. Subject to the Act and these Bye-laws, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

PRE-EMPTION RIGHTS

49. In Bye-laws 49 to 57:

    (a) "**Equity Securities**" means Ordinary Shares or rights to subscribe for, or to convert securities into, Ordinary Shares; and

    (b) References to the allotment of Equity Securities includes (a) the right to subscribe for, or convert any securities into, Ordinary Shares, and (b) the sale of Ordinary Shares that immediately before the sale are held as Treasury Shares.

50. Subject to the provisions of Bye-laws 49 to 57, the Company may not allot Equity Securities to a person unless:

    (a) it has made an offer to each person who holds Ordinary Shares in the Company to allot to him on the same or more favourable terms a proportion of those securities that is as nearly as practicable equal to the proportion in nominal value or, if the shares have no nominal value, number of Ordinary Shares held by him of the aggregate of the issued Ordinary Shares of the Company, and

    (b) the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made.

51. Shares held by the Company as Treasury Shares (or so designated by the Company as Treasury Shares) are disregarded for the purpose of Bye-laws 49 to 57, so that:

    (a) the Company is not treated as a person who holds Ordinary Shares; and

    (b) such Treasury Shares are not treated as forming part of the Ordinary Share capital of the Company.

52. The following provisions of this Bye-law 52 regulate the manner in which offers required by Bye-law 50 are to be made to holders of the Ordinary Shares:

    (a) Subject to the following provisions, an offer shall be in writing and shall be subject to the Notice requirements set out in Bye-laws 285 to 295.

    (b) Where Ordinary Shares are held by two or more persons jointly, the offer may be made to the jointholder first named in the Register.

    (c) In the case of the death or bankruptcy of a holder, the offer may be made by sending it by post in a prepaid letter addressed to the persons claiming to be entitled to the Ordinary Shares in consequence of the death or bankruptcy by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address supplied for the purpose by those so claiming or (until such address has been so supplied) by giving notice in any manner in which it might have been given if the death or bankruptcy had not occurred.

(d) The offer must state a period of not less than twenty-one (21) days during which it may be accepted and the offer shall not be withdrawn before the end of that period.

53. Bye-law 50 does not apply:

(a) in relation to the allotment of bonus shares;

(b) to a particular allotment of Equity Securities if these are, or are to be, wholly or partly paid up otherwise than in cash; or

(c) to the allotment of Equity Securities that would be held under an Employees' Share Scheme.

54. Where the Directors are authorised for the purposes of Bye-law 42, whether generally or otherwise, the Company may by special resolution resolve that Bye-law 50:

(a) does not apply to an allotment of Equity Securities in connection with a rights issue to be made pursuant to that authorisation; or

(b) does not apply to an allotment of Equity Securities having, in the case of Ordinary Shares, a nominal value (or, in the case of other Equity Securities, giving the right to subscribe for, or to convert into, Ordinary Shares having a nominal amount) not exceeding the aggregate sum specified in that special resolution.

55. A special resolution under Bye-law 54 ceases to have effect when the authorisation to which it relates:

(i) is revoked; or

(ii) would (if not renewed) expire,

but if the authorisation is renewed the power under Bye-law 54 may also be renewed for a period not longer than that for which the authorisation is renewed, by a special resolution.

56. Notwithstanding that the authority or power referred to in Bye-law 55 has expired, the Directors may allot Equity Securities in pursuance of an offer or agreement previously made by the Company if the special resolution made pursuant to Bye-law 54 enabled the Company to make an offer or agreement that would or might require Equity Securities to be allotted after it expired.

57. In relation to an offer to allot securities required by Bye-law 50, a reference (however expressed) to the holder of Ordinary Shares is to whoever was the holder of such shares at the close of business on a date to be specified in the offer falling within a period of twenty-eight (28) days before the date of the offer.

POWER OF THE COMPANY TO PURCHASE ITS SHARES

58. The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.

59. The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

ALTERATION OF CAPITAL

60. The Company may from time to time by ordinary resolution in accordance with the Act:

(a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;

(b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

(c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions as (in the absence of any such determination by the Company in general meeting) the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares

with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";

(d) sub-divide its shares, or any of them, into shares of a smaller amount than is fixed by the memorandum of association (subject, nevertheless, to the Act), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

(e) change the currency denomination of its share capital;

(f) make provision for the issue and allotment of shares which do not carry any voting rights; and

(g) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.

61. Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

62. The Company may from time to time by ordinary resolution, subject to any confirmation or consent required by law, reduce its issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve.

63. Except so far as otherwise provided by the conditions of issue, or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

VARIATION OF RIGHTS

64. Subject to the Act and without prejudice to Bye-law 42, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class (excluding any shares of that class held as Treasury Shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Bye-laws relating to general meetings of the Company will, *mutatis mutandis*, apply, but so that:

(a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class (excluding any shares of that class held as Treasury Shares) PROVIDED THAT if the Company shall at any time have only one (1) Member of such class, one (1) Member of such class present in person (or being a corporation by its duly authorised representative) or by proxy shall form a quorum, and at any adjourned meeting of such holders, the necessary quorum shall be two holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (excluding any shares of that class held as Treasury Shares whatever the number of shares held by them) PROVIDED THAT if the Company shall at any time have only one (1) Member of such class, one (1) Member of such class present in person (or being a corporation by its duly authorised representative) or by proxy shall form a quorum;

(b) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him (excluding any shares of that class held as Treasury Shares); and

(c) any holder of shares of the class present in person or by proxy may demand a poll.

65. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu*

therewith or by the purchase of the Company of any of its own shares or the holding of such shares as Treasury Shares in accordance with the provisions of the Act and these Bye-laws.

SHARE CERTIFICATES

66. (1) A share certificate may be issued under the Seal (or a facsimile thereof) or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign and each share certificate shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person. The Board may dispense with the need to affix the common seal, or any official seal of the Company on any such certificate and may determine the manner, and by whom, any such certificate is to be signed, and may dispense with the need for such certificate to be signed or executed in any way.

(2) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.

(3) Where a share stands in the names of two or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.

67. Every person whose name is entered, upon an allotment of shares, as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines.

68. Share certificates shall be issued within the relevant time limit as prescribed in the Act or the AIM Rules, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.

69. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee. If any of the shares included in the certificate so given up shall be retained by the transferor a new certificate for the balance shall be issued to him on payment of such fee (if any) as the Board may decide.

(2) Any two or more certificates representing shares of any one class held by any Member may at his request be cancelled and a single new certificate issued.

(3) If any Member surrenders for cancellation a certificate representing shares held by him and requests the Company to issue two or more certificates representing those shares in such proportions as he may specify, the Board may, if it thinks fit, comply with the request on payment of such fee (if any) as the Board may decide.

(4) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

(5) The fee referred to in paragraphs (1) and (3) above shall be an amount not exceeding any relevant maximum amount as prescribed in the AIM Rules provided that the Board may at any time determine a lower amount for such fee.

70. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Member upon request and, on payment of such fee as prescribed in the AIM Rules to be the maximum fee payable or such lesser sum as the Board may determine, and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed.

71. Any certificate specifying any shares of the Company issued in accordance with the requirements of the Board shall, as against the Company, be prima facie evidence of the title of the person named in that certificate to the shares comprised in it.

72. Any class of shares may be held in uncertificated form and, if permitted by the Act, the transfer of title to such shares may be and in accordance with such regulations as the Board may determine from time to time. Any provision in these Bye-laws which is in any respect inconsistent with the holding of shares of any class in uncertificated form and the transfer of title to such shares shall not apply.

SHARES HELD IN CREST

73. Nothing in these Bye-laws shall preclude any share or security (or interests in such share or security) from being issued, held, registered, converted, transferred or otherwise dealt with in an uncertificated form in accordance with the Regulations and the CREST Rules or any other Relevant System operated pursuant to the Regulations.

74. In relation to any share or other security (or interests in such shares or securities) which is in uncertificated form, these Bye-laws shall have effect subject to the provisions of the Regulations and, so far as they are consistent with the Regulations, to the following provisions:

    (a) the Company shall not be obliged to issue a certificate evidencing title to shares or other securities and all references to a certificate in respect of any shares or securities held in uncertificated form in these Bye-laws shall be deemed inapplicable to such shares or other securities which are in uncertificated form and shall be interpreted as a reference to such form of evidence of title to uncertificated shares or other securities as the Regulations prescribe or permit;

    (b) the registration of title to or transfer of any shares or other securities in an uncertificated form shall be effected in accordance with the Regulations;

    (c) a properly authenticated dematerialised instruction given in accordance with the Regulations shall be given effect to in accordance with the Regulations; and

    (d) any communication required or permitted by these Bye-laws to be given by a person to the Company may be given in accordance with and in any manner (whether or not in writing) prescribed or permitted by the Regulations.

75. If a situation arises where any provision of these Bye-laws is inconsistent in any respect with the Regulations in relation to shares or other securities (or interests in such shares or securities) of the Company which are in uncertificated form then:

    (a) the Regulations will be given effect thereto in accordance with their terms;

    (b) the Directors shall have power to implement any procedures they may think fit that accord with the Regulations and the Act for the recording and transferring of title to shares and other securities (or any interests in such shares or other securities) in uncertificated form; and

    (c) the Directors shall have power to elect, without further consultation with the holders of any shares or other securities (or any interests in such shares or other securities) of the Company that any class or classes of shares and other securities (or any interests in such shares or other securities) become capable of being traded in uncertificated form in accordance with the Regulations and the CREST Rules or the rules of any other Relevant System.

LIEN

76. Subject to the AIM Rules, the Company shall have a first and paramount lien on: (a) every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share; and (b) every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member or not.

77. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of Bye-law 76.

78. Subject to these Bye-laws and the AIM Rules, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of fourteen (14) clear days after a Notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

79. The aforesaid written notice shall specify a further date not earlier than the expiration of fourteen (14) days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice, the share will be liable to be sold.

80. The net proceeds of the sale shall be received by the Company and, after payment of costs, be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

81. The Company may do all such things as may be necessary or appropriate for it to do under the CREST Rules to protect any lien, charge or other right to which it is entitled under any law or these Bye-laws.

CALLS ON SHARES

82. Subject to these Bye-laws, the AIM Rules and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.

83. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments.

84. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.

85. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, subject to the AIM Rules, the person from whom the sum is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate as the Board may determine, but the Board may in its absolute discretion waive payment of such interest wholly or in part.

86. No Member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another Member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid. Notwithstanding the foregoing, the Board may deduct from any dividend or other monies payable to any person (either alone or jointly with another) on or in respect of a share all such sums as may be due from him (either alone or jointly with another) to the Company on account of calls or otherwise in relation to shares or other securities of the Company.

87. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register as the holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member sued, in pursuance of these Bye-laws; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

88. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Bye-laws shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

89. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

90. The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's Notice of its intention, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

FORFEITURE OF SHARES

91. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due Notice:

(a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment;

(b) specifying a date, not earlier than the expiration of seven (7) clear days from the date of the Notice given in accordance with this Bye-law, on or before which the payment required by the Notice is to be made;

(c) stating that if the Notice is not complied with the shares on which the call was made will be liable to be forfeited; and

(d) otherwise complying with the AIM Rules.

(2) Subject to the AIM Rules, if the requirements of any such Notice are not complied with, any share in respect of which such Notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.

92. When any share has been forfeited, Notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register. No forfeiture shall be in any manner invalidated by any omission or neglect to give such Notice or make any such entry.

93. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-laws to forfeiture will include surrender.

94. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

95. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate as the Board determines. He shall also be liable to satisfy all claims (if any) which the Company might have enforced in respect of the share at the time of forfeiture or surrender. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, or for any consideration received on their disposal but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares or if payment is waived in whole or in part by the Board. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

96. Subject to the AIM Rules, a declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share.

97. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

98. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

99. The provisions of these Bye-laws as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

REGISTER OF MEMBERS

100. (1) The Company shall keep in one or more books a Register and shall enter therein the following particulars, that is to say:

(a) the name and address of each Member, the number and class of shares held by him and, in respect of any shares that are not fully paid, the amount paid or agreed to be considered as paid on such shares;

(b) the date on which each person was entered in the Register; and

(c) the date on which any person ceased to be a Member.

(2) Subject to the Act, the Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.

101. The Register and branch register of Members, as the case may be, shall be open to inspection, without charge, on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole, thirty (30) days in each year.

102. The Register may be in such form as the Directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Unless the Directors otherwise determine, the magnetic, electronic or other data storage form shall be the original Register.

RECORD DATES

103. Notwithstanding any other provision of these Bye-laws, and subject to the Act, the Company or the Directors may, subject to the AIM Rules and the CREST Rules, fix any date as the record date for:

(a) determining the Members entitled to receive any dividend, distribution, allotment or issue and such record date may be before, on or after the date on which such dividend, distribution, allotment or issue is declared, paid or made; or

(b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

104. In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made.

TRANSFER OF SHARES

105. (1) Subject to these Bye-laws, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in any other form approved by the Board provided always that the Company shall accept for registration an instrument of transfer in a form prescribed by the London Stock Exchange or by CREST. An instrument of transfer need not be under seal.

(2) The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so and no execution shall be required by the transferee in the case of a transfer in a form prescribed by CREST.

(3) Without prejudice to this Bye-law, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

106. Save as set out in the Bye-laws, no fee shall be charged by the Company in respect of the registration of any transfer, probate, letters of administration or other document or instruction relating to or affecting the title to any shares.

107. Any instrument of transfer which is registered shall, subject to any other Bye-laws, be retained by the Company, but an instrument of transfer which the Board refuses to register shall (except in the case of fraud) be returned to the person depositing the same.

108. (1) Subject to Bye-law 105, the Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any Employees' Share Scheme upon which a restriction on transfer imposed thereby still subsists, provided that the refusal does not prevent dealings in shares of that class in the Company taking place on an open and proper basis.

(2) Subject to Bye-law 105, the Board may also refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.

(3) Subject to the AIM Rules, no transfer shall be made to an infant or to a person of unsound mind or under other legal disability.

109. Without limiting the generality of the last preceding Bye-law, the Board may decline to recognise any instrument of transfer unless:

(a) the instrument of transfer is in respect of only one class of share;

(b) the instrument of transfer is lodged at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board 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); and

(c) if applicable, the instrument of transfer is duly and properly stamped.

110. Subject to the AIM Rules, if the Board refuses to register a transfer of any share, it shall, within two (2) months after the date on which the instrument of transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.

111. (1) The Board may, subject to the Statutes and if permitted by the Act, permit transfers of shares of any class held in uncertificated form to be effected by means of any method of transferring or dealing in securities introduced by AIM or any other Relevant System, including CREST, or operated in accordance with the AIM Rules or the CREST Rules as appropriate and which have been approved by the Board for such purpose.

(2) Where any class of shares is a participating security and the Company is entitled under the Act, these Bye-laws, the AIM Rules or any applicable regulations to sell, transfer, dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over a share held in uncertificated form without an instrument of transfer, the Company shall be entitled, subject to the Act, these Bye-laws, any applicable regulations and the facilities and requirements of the Relevant System:

(a) to require the holder of that uncertificated share by Notice to change that share into certificated form as soon as practical and, in any event, within two (2) months of the date on which an instruction in respect of such transfer was duly received by the Company through the Relevant System.

(b) to require the holder of that uncertificated share by Notice to give any instructions necessary to transfer title to that share by means of the Relevant System within the period specified in the Notice;

(c) to require the holder of that uncertificated share by Notice to appoint any person to take any step, including without limitation the giving of any instructions by means of the Relevant System, necessary to transfer that share within the period specified in the Notice; and

(d) to take any action that the Board considers appropriate to achieve the sale, transfer, disposal of, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of it.

112. Subject to the AIM Rules and the Statutes, the registration of transfers of shares or of any class of shares may be suspended at such times and for such period as the Directors may from time to time determine and either generally or in respect of any class of shares provided that the Register shall not be closed for more than thirty (30) days in any year.

113. The Directors shall, subject always to the Act, any other applicable laws and regulations and the facilities and requirements of any Relevant System concerned and these Bye-laws, have power to implement and/or approve any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of interests in shares in the capital of the Company in the form of depositary interests or similar interests, instruments or securities, and to the extent such arrangements are so implemented, no provision of these Bye-laws shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer thereof or the shares in the capital of the Company represented thereby. The Directors may from time to time take such actions and do such things as they may, in their absolute discretion, think fit in relation to the operation of any such arrangements.

114. Nothing in these Bye-laws shall preclude the Board from recognizing a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

115. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Bye-law will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.

116. Subject to the Act, any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the Registration Office or Office, as the case may be, to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.

117. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 165(2) being met, such a person may vote at meetings.

118. A person entitled by transmission to a share in uncertificated form who elects to have some other person registered as the holder of the share shall either:

    (1) procure that instructions are given by means of a Relevant System to effect transfer of such uncertificated share to that person; or

    (2) change the uncertificated share into certificated form and execute an instrument of transfer of that uncertificated share to that person.

119. The Board may at any time give Notice requiring any such person to elect either to be registered himself or to transfer the share and, if after ninety (90) days the Notice has not been complied with, the Board may withhold payment of all dividends or other monies payable in respect of that share until the requirements of Notice have been complied with.

120. All the provision of these Bye-laws relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer signed by the person from whom the title by transmission is derived and the death or bankruptcy of the Member had not occurred.

DISCLOSURE OF INTEREST IN SHARES

121. For as long as any class of shares of the Company are admitted to trading on AIM the Company is required by Rule 17 of the AIM Rules to issue an announcement without delay to a Regulatory Information Service for distribution to the public of any Relevant Changes to any Significant Shareholders holding shares of such class disclosing the information specified by Schedule Five of the AIM Rules.

122. A Significant Shareholder shall notify the Company of any Relevant Changes to the percentage of his voting rights together with such other information specified by Schedule Five of the AIM Rules without delay.

123. The Company may by notice in writing (a "Disclosure Notice") require a person whom the Company knows or has reasonable cause to believe to be or, at any time during the three years immediately preceding the date on which the Disclosure Notice is issued, to have been interested in shares in the issued capital of the Company:

    (a) to confirm that fact or (as the case may be) to indicate whether or not it is the case; and

    (b) where he holds or has during that time held an interest in such shares, to provide such further information as the Directors may require to satisfy their obligations under the AIM Rules.

124. Unless otherwise determined by the Directors, no Member holding shares representing 0.25 per cent. (0.25 per cent.) or more of the shares in the issued capital of the Company (excluding Treasury Shares) shall be entitled:

    (a) in respect of any such shares, to vote (either in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class of shares, or to exercise any other right conferred by membership in relation to any such meeting; or

    (b) to receive payment of any dividend in respect of any such shares; or

    (c) to transfer any such shares otherwise than:

        (i) pursuant to acceptance of a take-over offer to acquire all of the shares in the Company (other than shares already held by the offeror at the date of the offer);

        (ii) through a recognised investment exchange or other recognised market; or

        (iii) in any other manner which the Directors are satisfied is *bona fide* and at arm's length (hereinafter referred to as an "arm's length sale"),

    if the Member or any person appearing to be interested in such shares has been given a Disclosure Notice and has failed to provide to the Company the information therein required within fourteen (14) days from the date of such notice provided that upon receipt by the Company of notice that the relevant shares have been transferred pursuant to an arm's length sale or upon all information required by the Disclosure Notice being given, such restrictions shall cease to apply in respect of such shares and any distribution withheld shall be paid.

125. Reference in Bye-law 124 to a person having failed to give the Company the information required under a Disclosure Notice includes (a) reference to his having failed or refused to give all or any part of it, and (b) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular.

126. Where on the basis of information obtained from a Member in respect of any share held by him, the Company gives a Disclosure Notice to any other person in respect of such share, it shall at the same time send a copy of that notice to the Member, but the accidental omission to do so, or any non-receipt by the Member of such copy, shall not invalidate or otherwise affect the application of Bye-law 123 and 124.

127. Any sanctions imposed upon a shareholding in respect of a person having failed to give the Company the information required by a Disclosure Notice will cease to apply seven (7) days after the earlier of:

    (a) receipt by the Company of notice that the shareholding has been sold to a third party in accordance with the Bye-laws; and

    (b) due compliance to the satisfaction of the Directors with the Disclosure Notice.

128. A Director shall notify the Company when he acquires or disposes of shares in the Company or the entering into by him of a contract to acquire or dispose of any such shares. The notification of the Company must state the number or amount and class of shares involved and shall be made immediately following the occurrence of any such event.

UNTRACEABLE MEMBERS

129. (1) Without prejudice to the rights of the Company under paragraph (2) of this Bye-law, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

(2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:

(a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-laws of the Company have remained uncashed;

(b) no dividend payable during the relevant period in respect of the share has been claimed;

(c) during the relevant period no communication has been received by the Company from the Member or the person entitled by transmission to the share;

(d) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law;

(e) the Company has caused an advertisement to be published in both a national newspaper and a newspaper circulating in the area in which the registered address is located, in each case giving notice of its intention to sell such shares; and

(f) during the period of three (3) months following the publication of those advertisements and after that period until the exercise of the power to sell the share, the Company has not received any communication from the Member or the person entitled by transmission to the share.

For the purpose of the foregoing, the "relevant period" means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (e) of this Bye-law and ending at the expiry of the period referred to in that paragraph.

(3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. Pending payment of the net proceeds of sale to such person, the proceeds may either be employed in the business of the Company or invested in such investments (other than the shares of the Company or its holding company, if any) as the Board may from time to time decide. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Bye-law shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

CONTROLLERS AND AGGREGATE HOLDINGS

130. For the purposes of Bye-laws 130 to 141 (inclusive):

"**Affected Share**" means any share which shall be treated as such pursuant to Bye-law 131 and includes without limitation any Relevant Share.

"**Affected Share Disposal**" means a disposal or disposals of or of interests in an Affected Share such that the share ceases to be an Affected Share.

"**Affected Share Notice**" means a notice in writing served in accordance with the provisions of Bye-law 131.

"**Controller**" means a person who is a controller of the Company within the meaning given to that expression in section 422 of FSMA (as amended from time to time) .

"**Increased Control**" means an increase in the percentage of shares or voting rights in respect of any shares in the Company in which a person is interested from:

(a) below 9.9 per cent. to 9.9 per cent. or more but less than 20 per cent.;

(b) below 20 per cent. to 20 per cent. or more but less than 33 per cent.;

(c) below 33 per cent. to 33 per cent. or more but less than 50 per cent.; or

(d) below 50 per cent. to 50 per cent. or more.

"**Reduced Control**" means a reduction in the percentage of shares or voting rights in respect of any shares in the Company in which a person is interested from:

(a) 50 per cent. or more to 33 per cent. or more but less than 50 per cent.;

(b) 33 per cent. or more to 20 per cent. or more but less than 33 per cent.;

(c) 20 per cent. or more to 9.9 per cent. or more but less than 20 per cent.; or

(d) 9.9 per cent. or more to less than 9.9 per cent.,

"**Relevant Person**" means any person who would, if he acquired any additional share or shares or any interest in any such share or shares, without the provision of this Bye-law 130, become a Controller of the Company or have Increased Control in respect of the Company's shares after the date of adoption of these Bye-laws.

"**Relevant Share**" means any share which would, if acquired by any person without the provision of this Bye-law 130, result in that person becoming a Controller or having Increased Control.

131. The Directors in their absolute discretion may give an Affected Share Notice to the registered holder of any share which they determine to be a Relevant Share and to any other person who appears to the Directors to be interested in that share and to the operator (in the case of a share held in uncertificated form) and shall state which of the provisions of Bye-law 132 (all of which shall be set out in the Affected Share Notice) are to be applied forthwith in respect of such Relevant Share being an Affected Share. The Directors shall be entitled from time to time to serve further Affected Share Notices in respect of any Affected Share applying further provisions of Bye-law 132. The registered holder of a share in respect of which an Affected Share Notice has been served or any other person on whom an Affected Share Notice in respect of that share has been served (including the operator) may make representations to the Directors as to why such share should not be treated as a Relevant Share and if, after considering such representations and such other information as seems to them relevant, the Directors consider that either the share should not be treated as a Relevant Share or they are satisfied, acting reasonably, that the Relevant Person has all approvals necessary for it to add the Relevant Shares without detriment to the Company, or its subsidiaries or their respective businesses they shall forthwith withdraw the Affected Share Notice served in respect of such share and the provisions of Bye-law 132 shall no longer apply to it. For the avoidance of doubt, any share which the Directors determine to deal with as an Affected Share shall continue to be an Affected Share unless and until the Directors withdraw the Affected Share Notice relating thereto.

132. Rights of the holder of Affected Shares and required disposal:

(a) A registered holder of an Affected Share upon whom an Affected Share Notice has been served shall not (if such Affected Share Notice specified that the provisions of this Bye-law 132(a) are to apply thereto) be entitled, in respect of such share, to attend or to speak at any general meeting of the Company or any meeting of the holders of any class of shares or to vote at any such meeting and the rights to attend (whether in person or by proxy), to speak and to demand and vote on a poll which, but for the provisions of this Bye-law 132(a), would have attached to the Affected Share shall vest in the Chairman of such meeting. The manner in which the Chairman exercises or refrains from exercising any such rights shall be entirely at his discretion. The Chairman of any such meeting as aforesaid shall be informed by the Directors of any share becoming or being deemed to be an Affected Share.

(b) On service of a notice:

I. The persons on whom an Affected Share Notice has been served shall (if such Affected Share Notice specified that the provisions of this Bye-law 132(b) are to apply thereto), within twenty-one (21) days of receiving such Affected Share Notice (or such longer period as may in such Notice be prescribed by the Directors), make an Affected Share Disposal so that no Relevant Person has an interest in that share and, upon such Affected Share Disposal being made to the satisfaction of the Directors, such Affected Share shall cease to be a Relevant Share. The provisions of Bye-law 132 shall apply to any transfer in connection with an Affected Share Disposal if as a consequence of the transfer such share would continue, or be capable of continuing, to be an Affected Share.

II. If after twenty-one (21) days from the date of service on the registered holder of an Affected Share of an Affected Share Notice specifying that the provisions of this Bye-law 132(b) are to apply (or such longer period as the Directors may have prescribed), the Directors are not satisfied that an Affected Share Disposal has been made of or in relation to the Affected Share the subject thereof, the Directors may arrange for the sale of the Affected Share on behalf of the registered holder so that it ceases to be or to be capable of being treated as an Affected Share at the best price reasonably obtainable at the relevant time. The manner, timing and terms of any such Affected Share Disposal made or sought to be made by the Directors (including but not limited to the price or prices at which the same is made) shall be such as the Directors determine, based upon advice from bankers, brokers or other appropriate persons consulted by them for the purpose, to be reasonably practicable having regard to all the circumstances (including but not limited to the number of shares to be disposed of), and the Directors shall not be liable to any person for any of the consequences of reliance on such advice.

(c) For so long as an Affected Share is held in uncertificated form, in circumstances where the Directors are obliged, pursuant to Bye-law 132(b), to arrange for the sale of the Affected Share, the Directors may make such arrangements on behalf of the registered holder of the Affected Share as they may think necessary to transfer title to that Affected Share through a Relevant System.

133. For the purposes of a sale under Bye-law 132(b) of a share held in certificated form the Directors may appoint any person to execute as transferor an instrument of transfer in favour of the transferee and may enter the name of the transferee in respect of the transferred share in the Register of Members notwithstanding the absence of any share certificate and such instrument of transfer shall be as effective as if it had been executed by the registered holder and title of the transferee shall not be affected by any irregularity or invalidity of proceedings relating thereto. The net proceeds of sale of an Affected Share shall be received by the Company (whose receipt shall be a good discharge for the purchase money) shall be converted into sterling (if necessary) and shall be held on trust for and paid (together with interest at such rate as the Directors deem appropriate) to the former registered holder (or in the case of joint holders the first named joint holder thereof in the Register of Members) upon surrender by him or on his behalf of any certificate in respect of the Affected Shares sold and formerly held by him. When an Affected Share has been sold as aforesaid the Directors shall notify the former registered holder of the share and inform him that the net proceeds of sale of the share will be paid to him upon surrender by him or on his behalf of any certificate in respect of the share.

134. The Directors shall not be obliged to serve any notice required under Bye-laws 130 to 141 (inclusive) upon any person if they do not know either his identity or address. The absence of service in such circumstances as aforesaid and any accidental error in or failure to give any notice to any person upon whom notice is required to be served under Bye-laws 130 to 141 (inclusive) shall not prevent the implementation of or invalidate any procedure under Bye-laws 130 to 141 (inclusive).

135. The provisions of Bye-laws 285 to 295 shall apply *mutatis mutandis* to the service of notices upon any Member pursuant to this Bye-law. Any notice required by this Bye-law to be served upon a person who is not a Member or to a person who is a Member but to whom Bye-laws 285 and 295 does not apply shall be deemed validly served if it is sent through the post in a pre-paid cover addressed to that person at the address (or if more than one, at one of the addresses), if any, at which the Directors believe him to be resident or carrying on business. Service shall in such a case be deemed to be effected on the day after the day when it was put in the post and in proving such service it shall be sufficient to prove an envelope containing the notice or document was properly addressed and put into the post as a pre-paid letter.

136. Any resolution or determination of or any decision or the exercise of any discretion or power by the Directors or any one of them or by the Chairman of the Company (including any other Director duly acting in place of the Chairman) under Bye-laws 130 to 141 (inclusive) shall be final and conclusive and neither he nor they shall be obliged to give any reasons thereof. Any disposal or transfer made, or other thing done, by or on behalf or on the authority of the Directors or any of them pursuant to the foregoing provisions of this Bye-law shall be conclusive and binding on all persons concerned and shall not be open to challenge on any ground whatsoever. For the avoidance of doubt any powers, rights or duties conferred by this Bye-law on the Directors can be exercised by a duly authorised committee of the Directors.

137. The Chairman and the Directors shall, so long as they act reasonably and in good faith, be under no liability to the Company or to any other person for failing to treat any share as an Affected Share or any person as a Relevant Person in accordance with the provisions of this Bye-law and neither shall the Chairman nor any Director be liable to the Company or any other person if, having acted reasonably and in good faith they determine erroneously that any share is an Affected Share, or any person is a Relevant Person or on the basis of such determination or any other determination or resolution, they perform or exercise (or purport to perform or exercise) their duties, powers, rights or discretions under Bye-laws 130 to 141 (inclusive) in relation to such share.

138. Any new shares in the Company issued in right of any shares which are the subject of an Affected Share Notice shall also be subject to the Affected Share Notice and the provisions of Bye-law 132 shall apply accordingly.

139. Where an Affected Share Notice has been issued in accordance with Bye-law 131 the Directors shall cause an entry to be noted against the Relevant Person(s) name in the Register giving details of the number of Relevant Shares and the date on which the Affected Share Notice was served. Where any such Affected Share Notice has been complied with in accordance with Bye-law 132(b) the Directors shall cause the relevant entry in the Register to be removed.

140. Notwithstanding the requirement in Bye-law 132 above, a Member shall notify the Company where he proposes to enter into any transaction in respect of the Company's shares (or becomes aware that he will become entitled through any direct or indirect holding of financial instruments or through a combination of such holdings) to any interest in the Company's shares, where he will, as a result of that transaction or entitlement become a Controller or result in his having Increased Control or Reduced Control.

141. Where any notice is given to the Company by a Member pursuant to these Bye-laws 130 to 141 (inclusive) or otherwise in relation to his shareholding, the giving of such notice shall not obviate any requirement, statutory or otherwise, for the member to notify any body or organisation of his shareholding in the Company.

TAKEOVER PROVISIONS

141A.1 A person must not (other than solely as custodian or depositary (or nominee thereof) under any arrangements implemented and/or approved by the Directors under Bye-law 113):

(a) whether by himself, or with persons determined by the Board to be acting in concert with him, acquire after the date that this Bye-law shall come into effect (for purposes of this Bye-law 141A, the "**Effective Date**") an interest in shares of the Company which, taken together with interests in shares held or acquired after the Effective Date by persons determined by the Board to be acting in concert with him, carry 30 per cent. or more of the voting rights attributable to the shares; or

(b) whilst he, together with persons determined by the Board to be acting in concert with him, is interested in not less than 30 per cent. but not more than 50 per cent. of the voting rights attributable to shares of the Company, acquire after the Effective Date, whether by himself or with persons determined by the Board to be acting in concert with him, additional interests in shares which, taken together with interests in shares held by persons determined by the Board to be acting in concert with him, increases his voting rights attributable to shares of the Company, (each of (a) and (b) for purposes of this Bye-law 141A, a "**Limit**"), except as a result of a "Permitted Acquisition", as hereinafter defined; or

(c) effect or purport to effect a "Prohibited Acquisition", as hereinafter defined.

141A.2 Where any person breaches any Limit, except as a result of a Permitted Acquisition, or becomes interested in any shares of the Company as a result of a Prohibited Acquisition, that person is in breach of these Bye-laws.

141A.3 The Board may do all or any of the following where it has reason to believe that any Limit is or may be breached or any Prohibited Acquisition has been or may be effected:

(a) require any Member or person appearing or purporting to be interested in any shares of the Company to provide such information as the Board considers appropriate to determine any of the matters under this Bye-law 141A;

(b) have regard to such public filings as it considers appropriate to determine any of the matters under this Bye-law 141A;

(c) make such determinations under this Bye-law 141A as it thinks fit, either after calling for submissions from affected Members or other persons or without calling for such submissions;

(d) determine that the voting rights attached to such number of interests in shares held by such persons as the Board may determine to be held, or in which such persons are or may be interested, in breach of these Bye-laws (for the purposes of this Bye-law 141A, "**Excess Shares**") are from a particular time incapable of being exercised for a definite or indefinite period;

(e) determine that some or all of the Excess Shares must be sold;

(f) determine that some or all of the Excess Shares will not carry any right to any dividends or other distributions from a particular time for a definite or indefinite period; and

(g) take such other action as it thinks fit for the purposes of this Bye-law 141A including:

a. prescribing rules (not inconsistent with this Bye-law 141A);

b. setting deadlines for the provision of information;

c. drawing adverse inferences where information requested is not provided;

d. making determinations or interim determinations;

e. executing documents on behalf of a Member;

f. converting any Excess Shares held in uncertificated form into certificated form, or vice-versa;

g. paying costs and expenses out of proceeds of sale; and

h. changing any decision or determination or rule previously made.

141A.4 (a) An acquisition is a "**Permitted Acquisition**" if:

a. the Board consents to the acquisition (even if, in the absence of such consent, the acquisition would be a Prohibited Acquisition), or

b. the acquisition is made in circumstances in which the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers (the "**City Code**"), if it applied to the Company, would require an offer to be made as a consequence and such offer is made in accordance with Rule 9 of the City Code, as if it so applied; or

c. if the acquisition arises from repayment of a stock borrowing arrangement (on arm's length commercial terms).

(b) An acquisition is a "**Prohibited Acquisition**" if Rules 4, 5, 6 or 8 of the City Code, would in whole or part apply to the acquisition if the Company was subject to the City Code and the acquisition was made (or, if not yet made, would if and when made be) in breach of or otherwise not comply with Rules 4, 5, 6 or 8 of the City Code.

141A.5 The Board has full authority to determine the application of this Bye-law 141A, including as to the deemed application of the whole or any part of the City Code. Such authority shall include all discretion vested in the Panel on Takeovers and Mergers as if the whole or any part of the City Code applied including, without limitation, the determination of conditions and consents, the consideration to be offered and any restrictions on the exercise of control. Any resolution or determination of, or decision or exercise of any discretion or power by, the Board or any Director or by the chairman of any meeting acting in good faith under or pursuant to the provisions of this Bye-law 141A shall be final and conclusive; and anything done by, or on behalf of, or on the authority of, the Board or any Director acting in good faith pursuant to the provisions of this Bye-law 141A shall be conclusive and binding on all persons concerned and shall not be open to challenge, whether as to its validity or otherwise on any ground whatsoever. The Board shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Bye-law 141A.

141A.6 Any one or more of the Directors may act as the attorney(s) of any Member in relation to the execution of documents and other actions to be taken for the sale of Excess Shares determined by the Board under this Bye-law 141A.

141A.7 This Bye-law 141A shall only have effect during such times as the City Code does not apply to the Company.

GENERAL MEETINGS

142. An annual general meeting of the Company shall be held in each year at such time (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting unless a longer period would not infringe the AIM Rules) and place as may be determined by the Board.

143. Each general meeting, other than an annual general meeting, shall be called a special general meeting. General meetings may be held in any part of the world as may be determined by the Board.

144. The Board may whenever it thinks fit call special general meetings, and Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such a meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such a meeting the requisitionists themselves may do so in accordance with the Act.

NOTICE OF GENERAL MEETINGS

145. (1) An annual general meeting and any special general meeting at which the passing of a special resolution is to be considered shall be called by not less than twenty-one (21) clear days' Notice. All other special general meetings may be called by not less than fourteen (14) clear days' Notice but a general meeting, whether or not a special resolution is to be considered, may be called by shorter notice if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting and a majority together holding not less than ninety-five per cent. (95 per cent.) in nominal value of the issued shares giving that right.

(2) The Notice shall comply with the AIM Rules and must state the date, time and place of the meeting and, in case of special business, the general nature of the business. The Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

146. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non-receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

147. Shareholders may participate in any general meeting by means of such telephone or other electronic means as permit all persons participating in the meeting to hear and communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

148. No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy shall form a quorum for all purposes PROVIDED THAT if the Company shall at any time have only one (1) Member, one (1) Member present in person (or being a corporation by its duly authorised representative) or by proxy shall form a quorum. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class PROVIDED THAT if the Company shall at any time have only one (1) Member of such class, one (1) Member of such class present in person (or being a corporation by its duly authorised representative) or by proxy shall form a quorum.

149. (1) If within fifteen (15) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day, time and place in the following week as the original meeting, or to such other day, and at such other time and place, as the Board may decide and in the latter case not less than seven (7) clear days' notice of the adjourned meeting shall be given in any manner in which notice of a meeting may lawfully be given for the time being. If at such adjourned meeting a quorum is not present within fifteen (15) minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

(2) If the place specified in the notice convening a meeting as the place of the meeting (hereinafter called the "**Specified Place**") is inadequate to accommodate all members entitled to attend who wish to do so, then provided that the following requirements are satisfied the meeting shall be duly constituted and its proceedings valid. These requirements are that the chairman of the

meeting is satisfied that adequate facilities are available to ensure that any Member who is unable to be accommodated in the Specified Place is nonetheless able to participate in the business for which the meeting has been convened, to hear all persons present who speak thereat (whether personally or by microphones or loudspeakers or otherwise) whether in the Specified Place itself or elsewhere, and to be in like manner heard himself by all other Members present.

(3) If the Specified Place is inadequate to accommodate all Members entitled to attend and who wish to do so then the chairman may, in his absolute discretion, adjourn the meeting and the chairman of the meeting shall have power to specify some other place and time for holding the meeting, notwithstanding that by reason of such adjournment some members may be unable to be present at such adjourned meeting. Any such person may nevertheless execute a form of proxy for the adjourned meeting and if he shall do so and shall deliver the same to the chairman of the meeting or to the Secretary or to a member of the auditors, such proxy shall be valid notwithstanding that it is given at less notice than would otherwise be required under these Bye-laws.

(4) Nothing in this Bye-law shall limit any other power vested in the chairman to adjourn the meeting.

150. The president of the Company (if any) or the chairman shall preside as chairman at every general meeting. If at any meeting the president (if any) or the chairman, as the case may be, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or by proxy and entitled to vote shall elect one of their number to be chairman.

151. 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 as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for thirty (30) days or more, at least seven (7) clear days' Notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.

152. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

VOTING

153. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

(a) by the chairman of such meeting; or

(b) by at least three Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or

(c) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or

(d) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

154. A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.

155. If a Member participates in a general meeting by telephone or electronic means, the chairman of the meeting shall direct the manner in which such Member may cast his vote on a show of hands.

156. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.

157. If a poll is duly demanded and a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialed or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone or electronic means shall cast his vote in such manner as the chairman shall direct. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by scrutineers appointed by the chairman who may not be Members and the result of the poll shall be declared by the chairman. There shall be no requirement for the chairman to disclose the voting figures on a poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

158. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.

159. No poll may be demanded on the appointment of a chairman of the meeting.

160. A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

161. The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

162. (1) On a poll votes may be given either personally or by proxy.

(2) A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

163. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall not be entitled to a second or casting vote in addition to any other vote he may have.

164. Where there are joint holders of any share any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.

165. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not later than the last time by which an instrument appointing a proxy must be deposited in order to be valid for use at the meeting or on the holding of the poll at or on which that person proposes to vote and, in default, the right to vote shall not be exercisable.

(2) Any person entitled under Bye-law 116 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight (48) hours at least before the time of the holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

166. No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.

167. If:

(a) any objection shall be raised to the qualification of any voter; or

(b) any votes have been counted which ought not to have been counted or which might have been rejected; or

(c) any votes are not counted which ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

PROXIES

168. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise. Deposit of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting or on the poll concerned. No instrument of proxy shall be valid except for the meeting or meetings mentioned in it.

169. 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 corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact. The signature on an instrument appointing a proxy need not be witnessed.

170. In the case of an appointment of a proxy in electronic form, it shall be received at an address specified by or on behalf of the Company for the purpose of receiving documents or information in electronic form:

    (a) in, or by way of note to, the Notice convening the meeting;

    (b) in any form of proxy sent by or on behalf of the Company for the purpose of receiving documents or information in electronic form; or

    (c) in any invitation in electronic form to appoint a proxy issued by or on behalf of the Company in relation to the meeting,

    not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (or postponed time appointed for holding the meeting to which it relates).

171. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered personally or by post to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the Notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

172. Instruments of proxy shall comply with the requirements of the AIM Rules and be in any usual or common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the Notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

173. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the Notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

174. A proxy appointment which is not delivered or received in accordance with Bye-law 171, or in respect of which Bye-law 178 has not been complied with shall be invalid. The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

175. Anything which under these Bye-laws a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Bye-laws relating to proxies and instruments appointing proxies shall apply *mutatis mutandis* in relation to any such attorney and the instrument under which such attorney is appointed.

176. Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Board may from time to time permit appointments of a proxy to be made by electronic means in the form of an uncertificated proxy instruction (that is, a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the Relevant System concerned and received by such participant in that system acting on behalf of the Company as the Board may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Board (subject always to the facilities and requirements of the Relevant System concerned)); and may in a similar manner permit supplements to, or amendments or revocations of, any such uncertificated proxy instruction to be made by like means. The Board may in addition prescribe the method of determining the time at which any such properly authenticated dematerialized instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Board may treat any such uncertificated proxy instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

177. An instrument of proxy relating to more than one meeting (including adjournment thereof) having once been received for the purposes of any meeting shall not be required to be received again for the purposes of any subsequent meeting to which it relates.

178. Where the appointment of a proxy is expressed to have been or purports to have been executed by a person on behalf of the holder of a share:

    (a) the Company may treat the appointment as sufficient evidence of the authority of that person to execute the appointment on behalf of that holder; and

    (b) that holder shall, if requested by or on behalf of the Company at any time, send or procure the sending of any written authority under which the appointment has been executed, or a copy of such authority certified notarially or in some other way approved by the Board, to such address and by such time as may be specified in the request and, if the request is not complied with in any respect, the appointment may be treated as invalid.

179. If two (2) or more valid but differing instruments of proxy in hard copy form are received in respect of the same share for use at the same meeting or poll, the one which is last delivered or received (regardless of its date or time of execution or transmission) shall be treated as replacing and revoking the others.

180. The Board may determine at its discretion when a proxy appointment shall be treated as delivered or received for the purposes of these Bye-laws.

181. In calculating periods mentioned in Bye-laws 168 to 182 (inclusive), no account shall be taken of any part of a day that is not a working day.

182. Notice of the revocation of the appointment of a proxy may be given in any lawful manner which complies with the regulations (if any) made by the board to govern the revocation of a proxy.

CORPORATIONS ACTING BY REPRESENTATIVES

183. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.

    (2) Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye-law.

WRITTEN RESOLUTIONS OF MEMBERS

184. (1) Subject to the Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution so passed. Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give Notice to, or the non-receipt of a Notice by, any Member does not invalidate the passing of a resolution. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member whose signature results in the necessary voting majority being achieved, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.

(2) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye-law 185(4) or for the purposes set out in Bye-law 279(3) relating to the removal and appointment of the Auditor.

BOARD OF DIRECTORS

185. (1) Unless otherwise determined from time to time by the Company in general meeting, the number of Directors shall not be less than two (2) but there shall be no maximum number of Directors. The Directors shall be elected or appointed by ordinary resolution in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 187 or at any special general meeting and shall hold office until the next appointment of Directors or until their successors are elected or appointed. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

(2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

(3) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.

(4) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

(5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed to hold office until the next appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment such general meeting may authorise the Board to fill any vacancy in the number left unfilled.

(6) A resolution for the appointment of two or more persons as Directors by a single resolution shall be void unless a resolution that it shall be so proposed has first been agreed to by the meeting without any vote being given against it.

(7) The Company may from time to time in general meeting by ordinary resolution increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two (2).

186. Subject to the Statutes, no person shall be disqualified from being appointed a director, and no director shall be required to vacate that office, by reason only of his age; nor shall it be necessary by reason of his age to give special notice of any resolution.

RETIREMENT OF DIRECTORS

187. (1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one third) shall retire from office by rotation.

(2) Any Director who is not required to retire by rotation in accordance with Bye-law 187(1) but who has been in office for three (3) years or more since his appointment or his last re-appointment or who would (but for the operation of this Bye-law) have held office at not less than three (3) consecutive annual general meetings of the Company without retiring shall retire from office.

(3) A retiring Director shall be eligible for re-election and (unless he is removed from office or his office is vacated in accordance with these Bye-laws) shall retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-elect him is put to the meeting and lost.

(4) The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(5) The names of the Directors to retire by rotation shall be stated in the Notice of the annual general meeting or in any document accompanying the Notice. The Directors to retire on each occasion (both as to number or identity) shall be determined by the composition of the Board at the start of business on the date of the Notice convening the annual general meeting and no Directors shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the directors after that time but before the close of the meeting.

(6) If at any meeting at which the appointment of a Director ought to take place the office vacated by a retiring Director is not filled, the retiring Director, if willing to act, shall be deemed to be re-elected, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-elect him is put to the meeting and lost.

188. No person except a retiring Director shall be elected a Director (unless recommended by the Directors for election) unless notice in writing shall be sent to the Secretary not more than forty-two (42) clear days and not less than seven (7) clear days before the day of the meeting at which the election is to take place, signed by a Member duly qualified to attend and vote at each meeting stating the name and address of the person who offers himself or is proposed as a candidate, together with a notice in writing signed by such person of his willingness to be elected.

REMOVAL OF DIRECTORS

189. The Company may by ordinary resolution of which special notice has been given in accordance with the Statutes, remove any Director before his period of office has expired notwithstanding any agreement between him and the Company.

190. A Director may also be removed from office by the service on him of a notice to that effect signed by all the other directors.

191. Any removal of a Director under this Bye-law shall be without prejudice to any claim which such Director may have for damages for breach of any agreement between him and the Company.

DISQUALIFICATION OF DIRECTORS

192. The office of a Director shall be vacated if the Director:

(1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;

(2) becomes of unsound mind or dies;

(3) without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated;

(4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;

(5) is prohibited by law from being a Director or otherwise disqualified to act as a director under the Act; or

(6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws.

193. The Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, bankruptcy, disqualification or resignation of any Director and to appoint an alternate Director to any Director so appointed.

EXECUTIVE DIRECTORS

194. The Board may from time to time appoint any one or more of its body to be a managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director. A Director appointed to an office under this Bye-law shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and automatically cease to hold such office if he shall cease to hold the office of Director for any cause.

195. An executive director appointed to an office under Bye-law 194 hereof shall receive such remuneration as fixed by the Board which may be by way of a commission, participation in profits or otherwise and either in addition to or inclusive of his remuneration as a Director.

ALTERNATE DIRECTORS

196. Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint another Director or any other person who is willing to be his alternate Director. The appointment as an alternate Director of any person who is not himself a Director shall be subject to the approval by a resolution of the Board. Any person so appointed shall have all the rights and powers of the Director or Directors for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present.

197. An alternate Director may be removed at any time by the person or body which appointed him and, subject thereto, the office of alternate Director shall continue until the next annual election of Directors or, if earlier, the date on which the relevant Director ceases to be a Director.

198. Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor (or in any other manner approved by the Board) and shall be effective upon delivery to, or if in electronic form, receipt by the Secretary or at a meeting of the Board.

199. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director.

200. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director save that as an alternate for more than one Director his voting rights shall be cumulative.

201. An alternate Director shall only be a Director for the purposes of the Act and shall only be subject to the provisions of the Act insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.

202. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). If his appointor is for the time being absent or otherwise not available or unable to act, the signature of an alternate Director to any resolution in writing of the Board or a committee of the Board of which his appointor is a member shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.

203. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director PROVIDED always that, if at any meeting any Director retires but is re-elected at the same meeting, any appointment of such alternate Director pursuant to these Bye-laws which was in force immediately before his retirement shall remain in force as though he had not retired, or on the happening of any event which, if he were a Director, causes or would cause him to vacate the office.

DIRECTORS' FEES AND EXPENSES

204. Subject to the AIM Rules, Directors shall be paid out of the funds of the Company for their services subject to such limit (if any) as the Directors may from time to time determine not exceeding in the aggregate an annual sum (excluding amounts payable under any other provision of these Bye-laws) (if any) as the Company by ordinary resolution may determine which the Directors may decide to divide among them in such proportion and manner as they agree or, failing agreement, equally. Any fee payable under this Bye-law shall be distinct from any remuneration or other amounts payable to a Director under other provisions of these Bye-laws and shall accrue from day to day.

205. The Directors shall also receive by way of additional fees for performing (in the view of the Directors or any committee of them so authorised) any special or extra services for the Company such further sums (if any) as the Company in general meeting may from time to time determine. Such extra or special remuneration may be paid by way of lump sum, salary, commission, participation in profits or otherwise as the Board may decide in addition to any remuneration provided for, by or pursuant to any other Bye-law. The provisions of this Bye-law shall not apply to the remuneration of any Managing Director or executive Director which shall be determined pursuant to the other provisions of these Bye-laws.

206. Subject to the AIM Rules, each Director shall be entitled to be repaid all travelling, hotel and incidental expenses reasonably incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.

207. Subject to the AIM Rules, any Director who, by request, goes or resides in a country other than the person's habitual country of residence for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for, by or pursuant to any other Bye-law.

208. Payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.

209. The remuneration of any Director holding executive office must, subject to the provisions of any contract between each of them and the Company, be fixed by the Directors.

210. The Board may exercise all the powers of the Company to pay, provide or procure the grant of pensions or other retirement or superannuation benefits and death, disability and other benefits, allowances or gratuities to any person who is or has been at any time a Director of the Company or in the employment or service of the Company or of the predecessors in business of the Company or the relatives or dependents of any such person. For that purpose the Board may procure the establishment and maintenance of, or participate in or contribute to, any non-contributory or contributory pension or superannuation fund, scheme arrangement and pay insurance premiums.

DIRECTORS' INTERESTS

211. Subject to the AIM Rules, a Director may:

(a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and, subject to the relevant provisions of the Act, upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to or in lieu of any remuneration provided for, by or pursuant to any other Bye-law; and/or

(b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director; and/or

(c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company.

212. Subject to the Act, the AIM Rules and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law 213 herein.

213. (1) Save as herein provided, a Director may vote and be counted in the quorum at a meeting in respect of any contract, arrangement, transaction or any other proposal whatsoever in which he

has an interest which (together with any interest of any person connected with him) is a material interest PROVIDED THAT the Director makes a declaration of the interest to the Board of Directors or a committee of Directors in accordance with Bye-law 213(5). A Director shall not, however, vote or be counted in the quorum at a meeting in respect of any contract, arrangement, transaction or any other proposal whatsoever in which he has an interest which (together with any interest of any person connected with him) is a material interest if the Director is disqualified from doing so by the chairman of the meeting.

(2) Subject to the AIM Rules, a Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.

(3) Subject to the AIM Rules, where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under this Bye-law) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(4) Subject to the AIM Rules, if any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fully disclosed in which case the Director must make a further declaration in relation to his interest.

(5) Subject to the AIM Rules, a Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement with the Company shall, at the meeting of the Board at which the question of entering into the transaction is first taken into consideration (or if the Director did not at the date of that meeting know his interest existed in the transaction at the first meeting of the Board after he knows that he is or has become interested), declare in accordance with the Act the nature of his interest. For the purposes of this Bye-law:

(a) a general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;

(b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

(c) subject to the provisions of the Statutes the Company may by ordinary resolution suspend or relax the provisions of this Bye-law to any extent or ratify any transaction not duly authorised by reason of a contravention of this Bye-law.

214. Subject to the AIM Rules, the Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors or other officers or servants of such company or voting or providing for the payment of remuneration to such officers or servants).

GENERAL POWERS OF THE DIRECTORS

215. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Bye-laws being not inconsistent with such regulations, as may be prescribed by the Company in general

meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.

(2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two (2) of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company. For the avoidance of doubt, this Bye-law does not limit any resolution of the Board granting or delegating authority to a Director, officer of the Company or such other person (whether acting singly or jointly) to act on behalf of the Company.

(3) Subject to the AIM Rules and without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:

(a) subject to Bye-laws 7 and 42, to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed;

(b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration; and

(c) to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda in a manner provided under those laws, subject to the provisions of the Act.

216. The Board may establish any regional or local divisions or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local divisions, or any managers or agents, and may fix their remuneration (either by way of salary or by commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes) and pay the working expenses of any staff employed by them upon the business of the Company. The Board may delegate to any regional or local division, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls, forfeit shares, borrow money or issue shares or other securities), with power to sub-delegate, and may authorise the members of any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.

217. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Board may remove any person appointed under this Bye-law and may revoke or vary the delegation, but no person dealing in good faith shall be affected by the revocation or variation.

218. The Board may entrust to and confer upon a managing director, joint managing director, deputy managing director, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

219. Subject to the provisions of the Act, all cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

220. (1) Subject to the AIM Rules, the Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.

(2) Subject to the AIM Rules, the Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

(3) The Board may establish, maintain, support and subscribe to and contribute to all kinds of trusts, funds and schemes including but without prejudice to the generality of the foregoing share option, profit sharing and share incentive schemes and enter into any other arrangement permitted by law for the benefit of such persons referred to in Bye-law 220(1) or any of them or any class of them and so that any Director shall be entitled to receive and retain any benefit under any such trust, fund, scheme, or arrangement.

BORROWING POWERS

221. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

222. Debentures, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

223. Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

224. (1) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.

(2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the Act in regard to the registration of charges and debentures therein specified and otherwise.

225. The board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (but as regards subsidiary undertakings only so far as by such exercise it can secure) that the aggregate principal amount outstanding at any time in respect of all borrowings by the Group (exclusive of any Group Company's borrowings which are owed to another Group Company) will not, without the previous sanction of the Company in general meeting, exceed:

(1) £200,000,000; or

(2) any higher limit fixed by ordinary resolution of the Company which is applicable at the relevant time.

226. For the purposes of Bye-laws 225 to 231:

"**borrowings**" will include not only borrowings but also the following (unless these have already been included in borrowings):

(1) the principal amount (together with any fixed or minimum premium payable on final repayment) of a debenture of a Group Company, whether issued for cash or not;

(2) the outstanding amount raised by acceptances under an acceptance credit or bills facility opened by a bank or acceptance house on behalf of or in favour of a Group Company, excluding acceptances of trade bills relating to goods purchased in the ordinary course of trading;

(3) the nominal or principal amount of any share capital, debenture or borrowing of any person (together, in each case, with any fixed or minimum premium payable on final repayment) to the extent that a Group Company has guaranteed their payment or repayment or entered into any indemnity against their non-payment or non-repayment or has given a mortgage or charge on the undertaking or any asset or any uncalled share capital of a Group Company which secures their payment or repayment;

(4) the nominal amount of any allotted or issued and paid up share capital (other than equity share capital) of any subsidiary undertaking of the Company, being a body corporate, where such capital is not for the time being beneficially owned by other members of the Group;

(5) the aggregate amount owing by any member of the Group under finance leases (as determined in accordance with generally accepted accounting principles used by the Company in the preparation of its audited financial statements but excluding leaseholds of immovable property);

(6) the principal amount of any book debts of any member of the Group which have been sold or agreed to be sold, to the extent that any member of the Group is for the time being liable to indemnify or reimburse the purchaser in respect of any non-payment in respect of such book debts; and

(7) any part of the purchase price of any movable or immovable assets acquired by any member of the Group, the payment of which is deferred beyond the date of completion of the conveyance, assignment or transfer of the legal estate to such assets or, if no such conveyance, assignment or transfer is to take place within six months after the date on which the contract for such purchase is entered into or (if later) becomes unconditional, beyond that date,

but exclude the following:

(8) borrowings made or incurred by a Group Company to repay within six months all or part of other borrowings made by it or another Group Company, but only pending their application for that purpose during that period;

(9) a proportionate amount of the borrowings of a partly-owned subsidiary undertaking of the Company corresponding to the minority interest, that is to say, the proportion of the undertaking's equity share capital not directly or indirectly attributable to the Company; and

(10) the amount of an undertaking's borrowings outstanding on the date when it became a Group Company and the amount of the borrowings of any person other than a Group Company which were secured by any mortgage or other security over an asset acquired by a Group Company and which were outstanding on the date of the acquisition, but only until six months after the date on which the undertaking became a Group Company or the asset was acquired.

"**Group**" means the Company and its subsidiary undertakings from time to time.

"**Group Company**" means any company in the Group.

For the purpose of any calculation under this Bye-law:

(i) a borrowing denominated or repayable in a currency other than sterling shall be translated into sterling at the London exchange rate for the date as at which the calculation is being made; and

(ii) Bye-law 225 shall not be breached if a borrowing denominated or repayable in a currency other than sterling would not have exceeded the restriction in Bye-law 225 if such currency had been translated into sterling at the London exchange rate for the date on which the borrowing was incurred.

In this Bye-law "**currency**" includes a unit of account defined by reference to several currencies; and "the London exchange rate" for any date is the spot rate of exchange quoted by a first class bank selected by the Board in London at or about 11.00 a.m. on the business day before that date.

227. The limit imposed under this Bye-law shall be deemed not to have been breached until the amount of borrowings has exceeded that limit for thirty (30) consecutive days. This provision overrides all other provisions of this Bye-law.

228. A certificate or report by the Company's auditors:

(1) as to the amount of the amount of borrowings; or

(2) to the effect that the limit imposed under this Bye-law was not exceeded or breached at a particular date,

shall be conclusive evidence as to that amount or fact.

229. If the Company has joint auditors, references in this Bye-law to the Company's auditors are to any of the joint auditors.

230. No lender or other person dealing with any Group Company need enquire whether the limit imposed under Bye-law 225 has been or will be complied with.

231. A borrowing or security resulting in a breach of the limit shall not be void; nor shall it be voidable at the instance of the Company or any other Group Company.

PROCEEDINGS OF THE DIRECTORS

232. The Board may entrust to and confer upon any Director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions as it thinks fit and may revoke or vary all or any of them, but no person dealing in good faith shall be affected by any revocation or variation.

233. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Decisions taken at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.

234. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board of which notice may be given in writing or by telephone or in such other manner as the Board may from time to time determine whenever the Secretary shall be required so to do by the president (if any) or chairman, as the case may be, or any Director.

235. (1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2). An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate provided that he shall not be counted more than once for the purpose of determining whether or not a quorum is present.

(2) Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person. A meeting held in this way is deemed to take place at the place where the largest group of participating Directors is assembled or, if no such group is readily identifiable, at the place where the chairman of the meeting participates.

(3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

236. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Bye-laws, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Bye-laws as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company or to preserve the assets of the Company but not for any other purpose. If no Director is able to act, then any two Members may summon a general meeting for the purpose of appointing Directors.

237. The Board may elect a chairman of its meetings and determine the period for which he is respectively to hold such office. If no chairman is elected, or if at any meeting the chairman is not present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

238. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

239. The Board may, at any time and from time to time, appoint any person (not being a Director) to any executive position or employment under the Company to have a title or designation which includes the word "director" and may terminate such appointment. The inclusion of the word "director" in the title or designation of any such position or employment shall not imply that the holder is a Director of the Company or that he is authorised or empowered to act as, or is liable as, a Director of the Company in any respect and he shall not be deemed to be a Director for any purpose.

240. (1) The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to committees, consisting of such Director or Directors and other persons as it thinks fit, provided that the majority of the members of the committee are Directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are Directors. The Board may make any such delegation on such terms and conditions as it thinks fit and may revoke or vary any such delegation or revoke the appointment of and discharge any such committees either wholly or in part, but no person dealing in good faith shall be affected by any revocation or variation. Insofar as any such power or discretion is delegated to a committee, any reference in these Bye-laws to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.

(2) All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.

241. The meetings and proceedings of any committee consisting of two or more members shall be governed *mutatis mutandis* by the provisions contained in these Bye-laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Bye-law.

242. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, shall be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that such number is sufficient to constitute a quorum and that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Bye-laws and further provided that no Director is aware of or has received any objection to the resolution from any Director. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors and for this purpose a facsimile signature of a Director shall be treated as valid. Such resolution shall be effective on the date on which the last Director signs the resolution. A resolution executed by an

alternate Director need not also be executed by his appointor. For the purposes of this bye-law only, the term "Directors" shall not include an alternate Director.

243. A resolution may be by means of an instrument in hard copy or electronic form sent to such address (if any) as may for the time being be notified by the Company for that purpose.

244. All acts *bona fide* done by the Board or by any committee or by any person acting as a Director or members of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

MANAGERS

245. Subject to Bye-law 209, the Board may from time to time appoint a general manager, a manager or managers of the Company not also being a Director and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.

246. The appointment of such general manager, manager or managers may be for such period as the Board may decide, and the Board may confer upon him or them all or any of the powers of the Board as it may think fit.

247. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in their absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

OFFICERS

248. (1) The Directors may appoint such persons (who may or may not be Directors) as they may determine to be officers of the Company.

(2) The officers shall receive such remuneration as the Directors may from time to time determine.

(3) Where the Company appoints and maintains a Resident Representative ordinarily resident in Bermuda in accordance with the Act, the Resident Representative shall comply with the provisions of the Act.

(4) The Company shall provide the Resident Representative with such documents and information as the Resident Representative may require in order to be able to comply with the provisions of the Act.

The Resident Representative shall be entitled to have notice of, attend and be heard at all meetings of the Directors or of any committee of such Directors or general meetings of the Company.

249. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two (2) or more persons may be appointed as joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Secretaries.

(2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. The Secretary shall perform such other duties as are prescribed by the Act or these Bye-laws or as may be prescribed by the Board.

250. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.

251. A provision of the Act or of these Bye-laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

REGISTER OF DIRECTORS AND OFFICERS

252. (1) The Board shall cause to be kept in one (1) or more books at the Office a Register of Directors and Officers and shall enter therein the following particulars with respect to each Director and Officer, that is to say:

(a) in the case of an individual, his or her present first name, surname and address; and

(b) in the case of a company, its name and registered office.

(2) The Board shall within a period of fourteen (14) days from the occurrence of:

(a) any change among the Directors and Officers; or

(b) any change in the particulars contained in the Register of Directors and Officers,

cause to be entered on the Register of Directors and Officers the particulars of such change and of the date on which it occurred.

(3) The Register of Directors and Officers shall be open to inspection by members of the public without charge at the Office between 10.00 a.m. and 12.00 noon on every business day.

(4) In this Bye-law "Officer" has the meaning ascribed to it in the Act.

MINUTES

253. (1) The Board shall cause Minutes to be duly entered in books provided for the purpose:

(a) of all elections and appointments of officers;

(b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and

(c) of all resolutions and proceedings of each general meeting of the Members and meetings of the Board.

(2) Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary and copies shall be provided to the Resident Representative to keep at the Office.

SEAL

254. (1) The Company may adopt one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal with the addition of the words "Securities Seal" on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-laws, any instrument to which a Seal is affixed shall be signed autographically by one (1) Director or by any Officer or by the Secretary or by such other person (including a Director) or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in the manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.

(2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

AUTHENTICATION OF DOCUMENTS

255. Any Director or the Secretary or the Resident Representative or any other person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DESTRUCTION OF DOCUMENTS

256. (1) Subject to the applicable laws of Bermuda, the Company shall be entitled to destroy the following documents at the following times:

(a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;

(b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;

(c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;

(d) any allotment letters after the expiry of seven (7) years from the date of issue thereof;

(e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of seven (7) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed; and

(f) at any time after the expiration of one (1) year from the date of actual payment, all paid dividends and warrants,

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company and that every paid dividend warrant and cheque so destroyed was duly paid. Provided always that: (1) the foregoing provisions of this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim; (2) nothing contained in this Bye-law shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled; and (3) references in this Bye-law to the destruction of any document include references to its disposal in any manner.

(2) Notwithstanding any provision contained in these Bye-laws, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (e) of paragraph (1) of this Bye-law and any other documents in relation to share registration which

have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.

DIVIDENDS AND OTHER PAYMENTS

257. Subject to the Act, the AIM Rules and these Bye-laws, the Members may from time to time by ordinary resolution declare dividends in any currency to be paid to the Members according to their respective rights and interests in the profits, and may fix the time for payment of such dividend, but no dividend shall exceed the amount recommended by the Board.

258. The Board may also make a distribution to the Members out of any contributed surplus (as ascertained in accordance with the Act).

259. The Board may agree with any member that dividends which may at any time or from time to time be declared or become due on his shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.

260. The Board may in accordance with the Act pay such interim dividends as appear to the Board to be justified by the financial position of the Company and may also pay any dividend payable at a fixed rate at intervals settled by the Board, whenever the financial position of the Company, in the opinion of the Board, justifies its payment. If the Board acts in good faith, none of the Directors shall incur any liability to the holders of the shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

261. No dividend shall be paid or distribution made out of contributed surplus if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.

262. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

    (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Bye-law as paid up on the share; and

    (b) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

263. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

264. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

265. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

266. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

267. Whenever the Board has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe for securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may 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 Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the Members. The Board may resolve that no such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

268. (1) Whenever the Board has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:

(a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:

(i) the basis of any such allotment shall be determined by the Board;

(ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such Notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

(iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or

(b) that the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:

(i) the basis of any such allotment shall be determined by the Board;

(ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice to the holders of the relevant shares of the right of election accorded

to them and shall send with such Notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.

(2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank *pari passu* in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraphs (a) or (b) of paragraph (2) of this Bye-law in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank for participation in such distribution, bonus or rights.

(b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Bye-law, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(3) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

269. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and

transferees of any such shares. The provisions of this Bye-law shall *mutatis mutandis* apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.

RESERVES

270. Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

CAPITALISATION

271. The Board may at any time and from time to time pass a resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law and subject to the Act, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

272. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Bye-law and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

SECURITY ARRANGEMENTS, ORDERLY CONDUCT AND CONFIDENTIAL INFORMATION

273. (1) The Directors can put in place arrangements, both before and during any general meeting, which they consider to be appropriate for the proper and orderly conduct of the general meeting and the safety of people attending it. This authority includes power to refuse entry to, or remove from, meetings people who fail to comply with the arrangements.

(2) The Chairman of a meeting can take any action he considers appropriate for proper and orderly conduct at a general meeting. The Chairman's decision on points of order, matters of procedure or on matters that arise incidentally from the business of a meeting is final, as is the Chairman's decision on whether a point or matter is of this nature.

(3) No shareholder at a general meeting is entitled to require disclosure of or any information about any detail of the Company's trading, or any matter that is or may be in the nature of a trade secret, commercial secret or secret process, or that may relate to the conduct of the business of the Company, if the Directors decide it would be inexpedient in the interests of the Company to make that information public.

ACCOUNTING RECORDS

274. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

275. The accounting records shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or the Company in general meeting.

276. Subject to the Act and Bye-law 277, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before the Company in general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures. A resolution in writing made in accordance with Bye-law 184 receiving, accepting, adopting, approving or otherwise acknowledging financial statements shall be deemed to be the laying of such statements before the Members in general meeting.

277. To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the AIM Rules, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 276 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the directors' report thereon.

278. The requirement to send to a person referred to in Bye-law 276 the documents referred to in that provision or a summary financial report in accordance with Bye-law 277 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the AIM Rules, the Company publishes copies of the documents referred to in Bye-law 276 and, if applicable, a summary financial report complying with Bye-law 277, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

AUDIT

279. (1) Subject to the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.

(2) Subject to the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the incumbent Auditor.

(3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.

280. Subject to the Act the accounts of the Company shall be audited at least once in every year.

281. The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.

282. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall have the power to fill the vacancy.

283. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.

284. The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If the auditing standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.

NOTICES

285. Any Notice or document to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and *bona fide* believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in UK or, subject to Bye-law 286, by placing it on the Company's website or the website of the London Stock Exchange, and giving to the Member a notice stating that the Notice or other document is available there (a "notice of availability"). The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

286. Subject to Bye-law 289, a document is deemed to have been delivered to a person if it is published on a website and the person is sent a notice which includes details of:

(a) the publication of the document on the website, the address of the website, the place on the website where the document may be found and how the document may be accessed on the website; and

(b) how the person is to notify the Company that the person elects to receive the document in a physical form if the person wishes to receive the document in a physical form.

287. If, in accordance with a notice sent to a person under Bye-law 286, the person elects to receive a document in a physical form, the Company shall send to that person such document within seven (7) days of receipt of that person's election.

288. The accidental omission to send a document to a person in accordance with Bye-law 287, or the non-receipt by the person of a document that has been duly sent to that person, does not invalidate deemed delivery of that document to that person pursuant to Bye-law 286.

289. If there is a requirement that a person has access to a document for a specified period of time, the person must be notified of the publication of the document before the commencement of the period and, save in the case of circumstances wholly beyond the control of the Company, the document must be published on the website throughout the whole of the period.

290. Any Notice or other document:

(a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the Notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice or other document was so addressed and put into the post shall be conclusive evidence thereof;

(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the website of the London Stock Exchange, is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member; and

(c) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof.

291. (1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Bye-laws shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the Notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

(2) A Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person 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, mental disorder or bankruptcy had not occurred.

(3) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every Notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

292. In the case of joint holders of a share, the Company shall treat as the only member entitled to receive Notices or other documents or information from the Company in respect of the joint holding (whether

such documents or information are required to be sent or supplied by the Statutes or otherwise) the joint holder whose name appears first in the register in respect of the joint holding.

293. Anything to be agreed or specified by the holder of a share which is held in joint names must be agreed or specified by the holder whose name appears first in the register in respect of the joint holding and the other joint holder or holders shall be bound thereby.

294. If at any time by reason of the suspension or curtailment of postal services the Company is unable effectively to convene a general meeting in the manner required by the Statutes, the Company shall be entitled to convene the general meeting by notice advertised in at least one national newspaper and in that event it shall not be obliged to send a notice of the general meeting to any Member or to any Director.

295. Save as otherwise provided by these Bye-laws, any Notice or other documents or information required to be sent or supplied by the Company to Members otherwise than by the Statutes shall be validly sent or supplied if sent by advertisement in at least one national newspaper.

SIGNATURES

296. For the purposes of these Bye-laws, a cable or telex or facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.

WINDING-UP

297. (1) The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

(2) The Members by special resolution may resolve that the Company be wound up by the court or be wound up voluntarily

298. If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY

299. (1) The Directors, Secretary and other officers for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them, and every one of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company

shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

(2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director or Officer.

(3) The Company may purchase and maintain insurance for the benefit of any Director or Officer against any liability incurred by him under the Act in his capacity as a Director or Officer or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.

(4) The Company may advance moneys to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings against him in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company and to do any thing to enable such person to avoid incurring such expenditure, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty is proved against him.

ALTERATION OF BYE-LAWS AND AMENDMENT TO MEMORANDUM OF ASSOCIATION AND NAME OF COMPANY

300. No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Directors and confirmed by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of association or to change the name of the Company.

CREATION AND ISSUE OF SHARE CLASSES

301. Subject to these Bye-laws and without prejudice to any special rights previously conferred on the holders of any existing shares or classes of shares, the Board shall be authorised to create such classes of shares with such par value and such rights as it may determine (including, but not limited to, rights to voting, dividends and return of capital) and to issue the same on such terms and conditions as it may determine PROVIDED THAT the creation and issue of such classes of shares shall be approved by a special resolution of the Members.

302. (1) For the purposes of this Bye-law 302, "Convertible Shares" means shares in the capital of the Company that by their terms are convertible into Ordinary Shares.

(2) The Board is authorised to provide for the issuance of Convertible Shares in one or more series, and to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights (including, but not limited to, rights to voting, dividends, return of capital, redemption and conversion) of such series and the qualifications, limitations or restrictions thereof (and, for the avoidance of doubt, such matters and the issuance of such Convertible Shares shall not be deemed to vary the rights of the Ordinary Shares, Preference A Share or Preference B Share).