

THE COMPANIES ACT, 1965
PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
HONG LEONG MSIG TAKAFUL BERHAD

TABLE 'A' EXCLUDED

1. The regulations in Table 'A' in the Fourth Schedule to the Companies Act, 1965 shall not apply to the Company except in so far as the same are repeated or contained in these Articles. Table A not to apply

INTERPRETATION

2. In these Articles and in the Memorandum of Association of the Company, unless there be something in the subject or context inconsistent therewith:- Interpretation
- (a) "Associates" in relation to any Member, means the subsidiary and/or holding companies of the Member and the subsidiaries and associated companies of the said subsidiary and/or holding companies.
 - (b) "the Act" means the Companies Act, 1965 and any amendments or statutory modifications or replacements for the time being in force.
 - (c) "these Articles" means the Articles of Association of the Company from time to time in force.
 - (d) "the Board" means the Board of Directors of the Company and includes any committee thereof.
 - (e) "BNM" means Bank Negara Malaysia.
 - (f) "the Company" means HONG LEONG MSIG TAKAFUL BERHAD.
 - (g) "Common Seal" means the common seal of the Company.
 - (h) "Directors" means the directors for the time being of the Company and "Director" shall be construed accordingly.
 - (i) "Dividend" includes bonus.
 - (j) "HLAH" means HLA Holdings Sdn Bhd (Company No: 846141-D)
 - (k) "Member" means any person/s for the time being holding shares in the Company and whose name/s appear/s in the Register of Members.
 - (l) "Member Group" means a Member and its Associates.
 - (m) "MSI(J)" means Mitsui Sumitoma Insurance Company, Limited, a company formed and governed by the laws of Japan.
- (Amended by Special Resolution passed on 28.01.2010)*
- (Amended by Special Resolution passed on 28.06.2011)*

- (n) “Deadlock” means a situation where any resolution proposed at a meeting of the Directors or of the Members (as the case may be) fails to be passed due to:
- i. a failure to achieve the required votes for the resolution at three (3) consecutive meetings of the Directors or the Members (as the case may be); or
 - ii. the meeting of the Directors or of the Members (as the case may be) remaining inquorate at a proposed meeting one (1) adjournment thereof.
- (o) “MOF” means Minister of Finance.
- (p) “Permitted Transferee” means any entity in which sixty six point seven per cent (66.7%) or more of its share capital is held (directly or indirectly) by the ultimate holding company of MSI(J) or HLAH, as the case may be, or which is the ultimate holding company of MSI(J) or HLAH and which holds (directly or indirectly) sixty six point seven per cent (66.7%) or more of MSI(J)’s or HLAH’s share capital and which is not engaged in a business which competes with the Company’s business. For this purpose, “engaged in a business” means having fifteen per cent (15%) or more equity interest or board representation or management representation in a takaful business.
- (q) “the Office” means the registered office for the time being of the Company.
- (r) “the Register of Members” means the Register of Members to be kept in pursuance of the Act.
- (s) “RM” means Ringgit Malaysia denoting Malaysian currency.
- (t) “the Secretary” means any person or persons appointed to perform the duties of a secretary of the Company and shall include a joint secretary.
- (u) “writing” or “printing” means and includes words printed, lithographed, photographed, typewriting represented or reproduced in any mode in a visible form.
- (v) “Special Resolution” has the meaning assigned to it in the Act.
- (w) “Takaful Act” means the Takaful Act 1984 and any regulations issued thereunder (including any statutory modification or amendment thereto or re-enactment thereof) and guidelines and circulars issued by BNM.
- (x) “Year” means calendar year

(Inserted by Special Resolution passed on 28.06.2011)

(Amended by Special Resolution passed on 28.06.2011)

Words having a special meaning assigned to them in the Act have the same meaning in these Articles.

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

Words importing the masculine gender only, include the feminine and neuter genders.

Words denoting persons include any corporation, company, firm or partnership or otherwise and vice versa.

All dealings and businesses of the Company will be transacted in accordance with Islamic principles, rules and practices.

CONVERSION OF SHARES INTO STOCK

3. The Company by ordinary resolution may convert any paid-up shares into stock, and may convert any stock into paid-up shares of any denomination. When any shares have been converted into stock, the several holders of such stock may, thenceforth, transfer their respective interests therein or any such interests, in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company's capital may be transferred, or as thereto as circumstances will admit. But the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a dollar shall not be dealt with, but with power, nevertheless, at their discretion to waive such rules in any particular case provided that the minimum so fixed shall not be greater than the nominal amount of the share from which the stock arose. Conversion of shares into stock

4. The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in interest and voting at meetings of the Company, and for other purpose, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages, except the participation in interest of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part of stock as would not if existing in shares, have conferred such privileges or advantages. Save as aforesaid, all the provisions herein contained shall, as far as circumstances will admit, apply to stock as well as to shares. Rights of Stockholders

SHARES

5. The shares taken by the subscribers to the Memorandum of Association shall be duly issued by the Directors. Subject as aforesaid the shares shall be under the control of the Directors who may, subject to the Company's Memorandum and Articles and any provision in the Act, allot and issue the same to such persons on such terms and conditions and at such time as the Directors think fit and with full power to give any person the call of any shares either at par or at a premium and for such consideration as the Directors think fit. Shares under control of Directors

No part of the funds of the Company shall be employed in the purchase of shares of the Company or in loans upon the security thereof.

6. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share, or his legal personal representatives. Share paid by instalments

7. No person shall exercise any rights of a Member until his name shall have been entered in the Register of Members and he shall have paid all calls and other moneys for the time being due and payable on any share held by him. Exercise of rights of Members

8. If two or more persons are registered as joint holders of any share any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share. Joint holders

9. No person shall be recognised by the Company as holding any share upon any trust or assignment and the Company shall not be bound by or required to recognise any equitable, contingent, future or partial interest in any share or any right whatsoever in respect of any share other than as absolute right to the entirety thereof in the registered holder, except as by these Articles otherwise expressly provided or as by the Act required or pursuant to any order of court.
- No trusts recognised

SHARIAH ADVISORY COUNCIL

10. The Board shall establish a Shariah advisory body in accordance with any applicable written law and/or guidelines (including any guidelines issued by BNM from time to time) on the matter, whose members are made up of qualified persons as may be approved by the BNM to advise the Company on the operations of its takaful business in order to ensure that they do not involve any element which is contrary to the religion of Islam/Islamic law/Shariah.
- Shariah Advisory Council

DISPOSAL OF SHARES OF MEMBERS WHOSE WHEREABOUTS UNKNOWN

11. Where by the exercise of reasonable diligence the Company is unable to discover the whereabouts of a Member for a period of not less than ten (10) Years from the date that the Company is first unable to trace such Member the Company may cause an advertisement to be published in a newspaper circulating in the place shown in the Register of Members as the address of the Member stating that the Company after the expiration of one Month from the date of the advertisement intends to transfer the shares to the Minister charged with responsibility for finance.
- Untraceable Members
12. If after the expiration of one (1) Month from the date of the advertisement the whereabouts of the Member remains unknown, the Company may transfer the shares held by the Member in the Company to the Minister charged with responsibility for finance and for the purpose may execute for and on behalf of the owner a transfer of those shares to the Minister charged with responsibility for finance.

LOSS OR DESTRUCTION OF CERTIFICATES

13. Where a certificate or other documents of title to shares or debentures is lost or destroyed, the Company shall on payment of a fee not exceeding RM2.00 as the Directors may from time to time determine, issue a duplicate certificate or document in lieu thereof to the owner on his application accompanied by:-
- Lost or destroyed certificates
- (a) a statutory declaration that the certificate or document has been lost or destroyed, and has not been pledged sold or otherwise disposed of, and if lost, that proper searches have been made; and
 - (b) an undertaking in writing that if it is found or received by the owner will be returned to the Company.
14. Where the value of the shares or debentures represented by the certificate or documents is greater than RM500.00, the Directors of the Company may, before accepting an application for the issue of a duplicate certificate or document, require the applicant:-

- (a) to cause an advertisement to be inserted in a newspaper circulating in a place specified by the Directors stating that the certificate or document has been lost or destroyed and that the owner intends after the expiration of fourteen days after the publication of the advertisement to apply to the Company for a duplicate; or
- (b) to furnish a bond for an amount equal to at least the current market value of the shares or debentures indemnifying the Company against loss following the production of the original certificate or document.

or may require the applicant to do both of those things.

15. If any share certificate shall be damaged, defaced, worn out, it may be renewed on such evidence being produced and such indemnity (if any) being given as the Directors shall required, and (in case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding RM2.00 as the Director may from time to time require.
- Replacement of damaged or lost certificates

CERTIFICATES

16. Each Member shall be entitled without payment to receive within two (2) Months after allotment or within one (1) Month after lodgement of transfer (unless the conditions or issue provide for a longer interval) one certificate under Common Seal for all the shares registered in his name, specifying the number and denoting numbers of the share in respect of which it is issued and the amount paid up thereon; provided that in the case of joint holders the Company shall not be bound to issue more than one certificate to all the joint holders and delivery of such certificate to any one of them shall be sufficient delivery to all. Every such certificate shall be signed by two Directors or by one Director and countersigned by the Secretary or by some other person nominated by the Directors for the purpose.
- Issue of share certificates

CALLS AND LIEN ON SHARES

17. The Directors may, subject to the provisions of these Articles from time to time, make such calls upon the Members in respect of all moneys unpaid on their shares as they think fit provided that fourteen days' notice at least is given for each call, and each Member shall be liable to pay the amount of every call so made upon him to the persons in such manner and at the times and places appointed by the Directors. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
- Calls
18. Subject to any special conditions on which any shares have been issued, each Member shall be liable to pay any call made on him and any instalment presently payable by him at the time and place appointed by the Directors.
19. The joint holders of a share shall be jointly and severally liable to pay all calls and instalment in respect thereof.
- Liability of joint holders

20. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the holder or allottee of the share shall pay compensation charges on the amount of the call at such ~~amount~~ amount of loss suffered not exceeding twelve per centum per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment but the Directors may waive payment of such compensation charges wholly or in part. Compensation charges on unpaid calls
21. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the amount of the share or by way of premium, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of these Articles as to payment of expenses, forfeiture and the like, and all other relevant provisions of these Articles shall apply as if such sum were a call duly made and notified as hereby provided. Sums payable on allotment deemed a call
22. The Directors may from time to time on the issue of shares differentiate between the holders of such shares as to the amount of calls or instalments to be paid in the time of payment of such calls or instalments. Difference in arrangements as to calls
23. The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the moneys for the time being remaining uncalled on his shares Receipt of advance of calls
24. No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him whether alone or jointly with any other person together with any outstanding payment due from the Member to the Company. Calls to be fully paid before receiving dividend
25. The Company shall have a first and paramount lien on every share (not being a fully paid up share) such lien to be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amount as the Company may be called upon by law to pay and has paid in respect of the shares of the member or deceased member. The Company's lien, if any, on a share shall extend to all dividends payable thereon and other moneys payable thereon or in respect thereof. The Directors may at any time declare any share to be wholly or in part exempted from the provisions of this Article. Paramount lien
26. The Company may sell the shares subject to any lien at such time or times and in such manner as the Directors think fit, any shares on which the Company has lien, but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the liability of engagement in respect of which such lien exists is liable to be presently fulfilled or discharged and until a demand and notice in writing stating the amount due or specifying the engagement and demanding payment or fulfilment or discharge thereof, and giving notice of intention to sell in default shall have been served on such Member or on the persons (if any) entitled by reason of his death or bankruptcy to the shares and default in payment, fulfilment or discharge shall have been made by him or them for fourteen (14) days after such notice. Enforcement of lien

27. The purchaser of any shares so sold shall on a proper transfer being delivered to the Company be registered as the holder of such shares and the Directors may authorise some person to transfer such shares to the purchaser. Transfer on sale
28. No purchaser shall be bound or concerned to inquire into the application of the purchase money or the regularity of the sale but the remedy of any one injured by a sale wrongly made in purported exercise of such power of sale shall be in damages against the Company only. Effect of sale
29. All moneys received on any such sale shall after payment or any prior encumbrance be applied firstly in payment of all costs of such sale and of any attempted sale and secondly in payment of all moneys charged on the shares by virtue of such lien and presently payable and subject to such payment the balance shall (subject to a like lien for sums not presently payable as existed on the shares prior to the sale) be paid to the person who was entitled to such shares immediately prior to the date of such sale. Application of proceeds

TRANSFER OF SHARES

- 30(A). Save with the written consent of HLAH and MSI(J), no transfer of any share in the Company shall be made by a Member (other than pursuant to Article 30C), unless: Restriction on Transfer of Shares
- (Inserted by Special Resolution passed on 28.06.2011)*
- (a) where necessary, the approval of the MOF, BNM or Director General of Takaful (as the case may be) has been obtained by the Proposing Transferor and the Transferee Shareholder (both “Proposing Transferor” and “Transferee Shareholder” as defined in Article 30B) or the third party purchaser (as the case may be); and
- (b) the provisions contained in this article and Article 30B are complied with in respect of such transfer,
- and no Member shall otherwise sell, mortgage, charge, pledge or grant options over or dispose of or otherwise deal with any shares in the Company or any interest therein.
- 30(B) (1) Subject to Articles 30A and 30C, if HLAH or MSI(J) (“**Proposing Transferor**”) intends to sell or otherwise dispose of any of the shares held by it in the Company to a third party (“**Relevant Shares**”) it shall first offer in writing (“**Transfer Notice**”) the Relevant Shares to the other Member (the “**Transferee Shareholder**”), for purchase at the proposed purchase price for the proposed sale or disposal to such third party. In the event that a Transferee Shareholder wishes to accept such offer, it shall notify the Proposing Transferor in writing of such intention to accept the offer (“**Notice of Intention**”) within fourteen (14) days of the receipt by the Transferee Shareholder of the Transfer Notice (“**Offer Period**”) and, where necessary, submit the application for the approval of BNM, MOF and/or the Director-General of Takaful (as the case may be) for its proposed acquisition within fourteen (14) days from the date of notification (“**Notification Date**”) of intention to accept the offer and seek any other relevant approvals within one hundred twenty (120) days from the Notification Date (“**End Date**”). Right of First Refusal
- (Inserted by Special Resolution passed on 28.06.2011)*

- (2) Upon receipt by the Transferee Shareholder of such approval(s) with no conditions or with condition(s) acceptable to the Transferee Shareholder, the Transferee Shareholder shall immediately inform the Proposing Transferor by a notice in writing of such approvals. Within seven (7) days after receipt by the Proposing Transferor of such notice or, where no such approval(s) is required, within seven (7) days after receipt by the Proposing Transferor of the Notice of Intention, the Proposing Transferor shall forward to the Transferee Shareholder the duly executed but unstamped share transfer form(s) for the Relevant Shares and the original share certificates thereto together with all other documents relating thereto and necessary to effect a transfer of the Relevant Shares to and in favour of the Transferee Shareholder and the Transferee Shareholder shall simultaneously pay the purchase price so fixed to a designated account of the Proposing Transferor by telegraphic transfer.
- (3) In the event that the Transferee Shareholder shall reject such offer or shall have failed to issue a Notice of Intention within the Offer Period or, where necessary, fails to obtain all necessary approvals on or before the End Date or the approvals are subject to conditions not acceptable to the Transferee Shareholder, the Proposing Transferor shall be entitled to sell or otherwise dispose of the Relevant Shares to the third party, provided that such sale or disposal shall not be at a purchase price less than that offered to the Transferee Shareholder or on terms more favourable than those offered to the Transferee Shareholder and provided further that the third party agrees in writing (in a form acceptable to the Members and subject to the approval of MOF, BNM and/or the Director-General of Takaful (as the case may be)) to be bound by the terms of any shareholders' agreement in writing as may be entered into between the Members, in particular the right of first refusal under such agreement, as if it were a party thereto. *(Inserted by Special Resolution passed on 28.06.2011)*
- (4) Any refusal by a Transferee Shareholder of an offer by the Proposing Transferor of any of the Relevant Shares shall not prejudice in any way the continuing right of first refusal of the Transferee Shareholder to be offered any other of the shares in the Company which may become Relevant Shares pursuant to the provisions of this article.
- 30(C) Notwithstanding the provisions in Article 30A, HLAH and MSI(J) agree that a transfer of shares in the Company to a Permitted Transferee shall be permitted and shall not need to follow the procedure set out in Article 30B provided that: *Transfer to Permitted Transferee*
- (a) save and except where the transferor ceases to hold any shares in the Company, the obligations of the transferor under the provisions of these articles and any shareholders' agreement in writing as may be entered into between the Members, shall remain unaffected by the proposed transfer and the transferor shall not be in any way relieved from any of its obligations and liabilities under any shareholders' agreement in writing as may be entered into between the Members; *(Inserted by Special Resolution passed on 28.06.2011)*

- (b) the transferor shall procure that the Permitted Transferee complies with all the provisions of any shareholders' agreement in writing as may be entered into between the Members and agrees in writing (in a form acceptable to the Members and, where necessary, subject to the approval of MOF, BNM and/or the Director-General of Takaful (as the case may be)) to be bound by the terms of such agreement, in particular the right of first refusal under such agreement, as if it were a party hereto;
- (c) subject to this Article 30C(e), the shares in the Company shall be re-transferred to the transferor or another Permitted Transferee of the transferor: (i) if the transferee ceases to be a Permitted Transferee (save and except where the transferee is the ultimate holding company of the transferor); and/or (ii) if the transferee engages in a business which competes with the Company's business;
- (d) where necessary, the MOF, BNM and/or the Director-General of Takaful (as the case may be) has granted its approval pursuant to the Takaful Act, for the disposal of such shares in the Company by the transferor, and the acquisition of such shares in the Company by the transferee;
- (e) notwithstanding anything to the contrary in this article, where the shares in the Company have been subsequently transferred to it under this article, the ultimate holding company of the transferor under this article shall be entitled to transfer or re-transfer the shares in the Company transferred to it to any entity in which it holds not less than sixty six point seven per cent (66.7%) of the share capital (directly or indirectly); and
- (f) for the purposes of this article, the expression "engages in a business" means having fifteen per cent (15%) or more equity interest or board representation or management representation in a takaful business.
31. Every transfer shall be in writing in the prescribed form pursuant to the Act, and shall be left at the Office accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer. Transferor deemed holder until registered
- The instrument of transfer of a share shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
32. Subject to these Articles, the Directors may in their absolute discretion and without assigning any reason therefore decline to register any transfer of shares to any person and may also decline to register any transfer of shares on which the Company has a lien. Directors may refuse to register
(Amended by Special Resolution passed on 28.06.2011)
33. The Company shall provide a book called the "Register of Transfers" which shall be kept by the Secretary under the control of the Directors, and in which shall enter the particulars of every transfer or transmission of every share. Register of Transfers
34. The transfer books and Register of Members and debenture holders may be closed during such time as the Directors think fit, not exceeding in the whole thirty (30) days in each Year. The Directors may decline to recognise any instrument of transfer unless:- Register may be closed

(Inserted by Special Resolution passed on 28.06.2011)

- (a) such fee, not exceeding RM3.00 as the Directors may from time to time determine is paid to the Company in respect thereof; and
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

- 35. The executors or administrators of a deceased Member not being one of several joint holders shall be the only persons recognised by the Company as having any title to the share. In the case of a share registered in the names of two or more holders the survivors or the executors, administrators of the deceased shall be the only persons recognised by the Company as having any title to the share, but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him. Transmission on death of Member

- 36. Any person becoming entitled to a share in consequence of the death or bankruptcy or insolvency or winding up of a Member may upon such evidence being produced as may from time to time be required by the Directors be registered as a Member in respect of the share or instead of being registered himself to make such transfer of the share as the deceased or bankrupt or insolvent person could have made but the Directors shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt or insolvent person before the death or bankruptcy or insolvency. Before recognising any executor or administrator, the Directors may require him to take out probate or letters of administration as evidence. Production of evidence of title before registration

- 37. A person entitled to shares by reason of the death or winding up or bankruptcy of the holder shall until he transfers or is registered as a Member in respect of such shares be entitled to the same dividends and other advantages to which he would be entitled if he was the registered holder of such shares except that he shall not without being registered as a Member in respect of such shares be entitled in respect of them to exercise any right of membership in relation to meetings of the Company. Person entitled by transmission may receive dividend before registered but not vote

- 38. When a person has been registered as a Member as a result of a transmission or where a Member has been adjudicated a bankrupt or where a Member being a corporation is the subject of a winding up order the Directors may call upon such person or the trustee in bankruptcy of such bankrupt Member or the liquidator in the winding up of such corporation to transfer the share or shares of the bankrupt Member to such Member (hereinafter called the "purchasing Member") as the Directors may think fit, within such time or times as shall be appointed by the Directors, the price (hereinafter called the "purchase money") to be paid for such shares shall be a fair value as certified by the auditor of the Company whose decision shall be final, and if such person or trustee in bankruptcy of such bankrupt Member or the liquidator in the winding up of such corporation shall fail to do so, the Directors shall have the right or power to cause such shares to be transferred to the purchasing Member and on such transfer or transfers being effected the Company shall hold the purchase money in trust for such person or the trustee in bankruptcy of such bankrupt Member or the liquidator in the winding up of such corporation but without income interest. The receipt by the Company of the purchase money shall be a good discharge to the purchasing Member, and after his name has been entered in the Register in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person. In so certifying the value of each share the auditor shall be considered to be acting as an expert and not as an arbitrator and accordingly the Arbitration Ordinance shall not apply. Directors may call for transmission of shares of deceased and bankrupt Members

FORFEITURE OF SHARES

39. If any Member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as shall then be unpaid and any expenses that may have accrued by reason of such non-payment. Notice to be given of intended forfeiture
40. The notice shall name a further day (not earlier than expiration of fourteen (14) days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all expenses that have accrued by reason of such non-payment are to be paid. It shall also name the place where payment is to be made and shall state that in the event of non-payment at or before the time and at the place appointed, the share in respect of which such call was made or instalment is payable will be liable to be forfeited. Particulars to be set out in notice
41. If the requirements of any such notice aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Directors to that effect. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared. Forfeiture to be by resolution of Directors on non-compliance
42. When any share has been forfeited in accordance with these Articles notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by reason of his death or bankruptcy as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof shall forthwith be made in the Register of Member opposite to the share. Notice of forfeiture to be given and entered in Register of Members
43. Every share which shall be forfeited shall thereupon become the property of the Company and may be either cancelled or sold or otherwise disposed of, either to the person who was before forfeiture the holder thereof or entitled thereto or to any person, upon such terms and in such manner as the Directors shall think fit. Shares forfeited belong to the Company
44. Notwithstanding any such forfeiture as aforesaid the Directors may at any time before the forfeited share has been otherwise disposed of, annul the forfeiture upon payment of all calls and expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit. Amendment of forfeiture
45. A Member whose shares have been forfeited shall, notwithstanding such forfeiture be liable to pay the Company all calls made and not paid on such shares at the time of forfeiture and to the date of payment in the same manner in all respect as if the share had not been forfeited and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture without any deductions or allowances for the value share at the time of forfeiture. Calls and expenses recoverable after forfeiture
46. The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the Member whose share is forfeited and the Company except only such of those rights and liabilities as are by these Articles expressly saved or as are by the Act given or imposed in the case of past Members. Consequence of forfeiture

47. A statutory declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof shall constitute a good title to such share on a proper transfer being delivered to the Company, and a certificate of proprietorship shall be delivered to a purchaser and his name shall be entered in the Register of Members and thereupon he shall be deemed the holder of such share discharged from all calls or instalments or other sums due prior to such purchase and he shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by an act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, or disposal of the share. The Director may authorise any person to execute a transfer of any share so sold to the purchaser.
- Statutory declaration in writing to be conclusive evidence of facts of forfeiture and consequences

ALTERATION, REDUCTION AND INCREASE OF CAPITAL

48. The Company may from time to time by ordinary resolution:-
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
- (b) Sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to the provisions of Section 62(1)(d) of the Act.
- (c) 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.
- Consolidation sub-division and cancellation of shares
49. The Company may from time to time by Special Resolution reduce its share capital and any capital redemption reserve fund or any share premium account in any manner authorised by the Act and subject to any consent required by law.
- Reduction of share capital
50. The Company may from time to time by ordinary resolution passed at a General Meeting of the Company whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, increase its capital by the creation and issue of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the Company in General Meeting directs and the Company may in such General Meeting direct that such new shares or any of them may have such preference of priority over the then existing shares of the Company and such rights and privileges be different from those of such existing shares as they may think expedient.
- Company may increase its capital

51. Subject to any direction to the contrary that may be given by the Company in a General Meeting, any original shares for the time being unissued and any new shares from time to time to be created, shall before they are issued, be offered to the Members in proportion as nearly as may be to the number of shares held by them. Such offer shall be made by notice specifying the number of shares to which the Member is entitled and limiting a time within which the offer if not accepted will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from the Member to whom such notice is given that he declines to accept the shares offered, the Directors may, subject to the provisions of these Articles dispose of the same in any manner which they think beneficial to the Company. The Directors may in like manner dispose of any such new or original shares as aforesaid which, by reason of the ratio borne by them to the number of persons entitled to such as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in the manner hereinabove provided.

Unissued original and new shares to be offered to Members in proportion to their holdings

52. Except so far as otherwise provided by the condition of issue, any capital raised by the creation of new shares shall be considered as part of the original ordinary share capital of the Company and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as if it had been part of such capital.

New shares subject to same provisions as original shares

MODIFICATION OF CLASS RIGHTS

53. Whenever the capital by reason of the issue of preference shares or otherwise is divided into different classes of shares all or any of the rights privileges or conditions for the time being attached or belonging to each class of shares for the time forming part of the capital of the Company may from time to time be modified, affected, varied, extended or surrendered in any manner with the consent in writing of the holders of three-fourths in value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the Members of that class. To any such meeting all the provisions of these Articles as to General Meeting shall mutatis mutandis apply but so that the necessary quorum shall be Members of the class holding or represented by proxy one-tenth of the capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled to poll to one vote for every share held by him.

Modification of rights

CHANGE IN CONTROL

54. (i) If any of the members goes into liquidation or enters into any composition or arrangement with or for the benefit of the creditors or a receiver or manager is appointed over any of its property or assets ("Liquidating Member"), the remaining members ("Remaining Members") shall have the option of either purchasing all (and not some only) of the shares of the Liquidating Member in the Company pro-rata to the Remaining Members shareholding or to sell to the Liquidating Member all (and not some only) of the shares of the Remaining Members in the Company. Upon exercise of any such right by the Remaining Members, the Liquidating Member shall be bound respectively to sell or purchase on the terms set out below.

- (ii) In the event of a Change in Control of any of the Members, any of the remaining Members (hereinafter referred to as “the Other Members”) shall have the option of selling all (and not some only) of their shares in the Company to that Member (“Change in Control Member”). Change in Control means in relation to a Member, if a person, not being a member of the Member Group, acquires (whether direct or indirect), either by itself or in concert with others a majority (or control of the majority) in the voting rights or the right to direct management including the appointment or removal of the majority of directors. Upon the exercise of such right by any of the Other Members, the Change in Control Member shall become bound to purchase on the terms set out below.
- (iii) The purchase price of the shares to be bought and sold pursuant to Article 54(i) and 54(ii) shall be their net tangible asset value of the Company as set out in the last annual audited accounts of the Company.

Change in Control of any of the Members

Purchase Price

GENERAL MEETING

55. The Directors shall convene an Annual General Meeting to be held once at least in every Year at such time, not being more that fifteen Months after the holding of the last preceding Annual General Meeting, but so long as the Company holds its first General Meeting within eighteen Months of its incorporation, it need not hold one in the Year of its incorporation, or in the following Year, and at such place as may be determined by the Directors. Such General Meeting shall be called “Annual General Meeting”.
56. Every General Meeting of the Company other than the “Annual General Meeting” shall be called “Extraordinary General Meeting”.
57. The Directors shall call an Extraordinary General Meeting whenever they think fit.
58. The Directors shall call an Extraordinary General Meeting whenever a requisition in writing signed by Members of the Company holding in the aggregate not less than one-tenth in amount of the issued capital of the Company, upon which all calls or other sums then due shall have been paid stating fully the objects of the meeting shall be deposited at the Office of the Company. Such requisition may consist of several documents in like form each signed by one or more of the requisitionists.
59. If the Directors do not, within twenty-one days from the date of the requisition being so deposited, proceed to convene a meeting, the requisitionists or any of them representing more than one half of the voting rights of all them may themselves convene the meeting, but any meeting so convened shall not be held after three (3) Months from the date of such deposit.
60. Any meeting convened by the requisitionists as aforesaid shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.
61. Not less than twenty-one (21) days’ notice shall be given in the case of Annual General Meeting and twenty-one (21) clear days’ notice where it is proposed to pass a Special Resolution. The notice in each case shall specify the place, day and hour of meeting, and in the case of special business, the general nature of such business. The notice shall in each case be given to Members by post, or otherwise served as hereinafter provided.

Annual General Meeting

Extraordinary General Meetings

Requisition and requirements of requisitions

Requisitionist may convene meeting

Notice of Meetings

(Amended by Special Resolution passed on 28.01.2010)

62. A meeting shall, notwithstanding that it is called by notice shorter than is required by Article 61 be deemed to be duly called if it is so agreed:-
- (a) in the case of a meeting called as the Annual General Meeting, by the Members entitled to attend and vote thereat; or
 - (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority which together holds not less than ninety-five per centum in nominal value of the shares giving a right to attend and vote.
63. Where by the Act special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight (28) days before the meeting at which it is moved, and the Company shall give its Members notice of any such resolution at the same time and in the same manner as it gives notice of the meeting or if that is not practicable shall give them notice thereof, in any manner allowed by these Articles, not less than fourteen (14) days before the meeting, but if after notice of the intention to move such a resolution has been given to the Company, a meeting is called for a date twenty-eight (28) days or less after the notice has been given, the notice, although not given to the Company within the time required by this Article shall be deemed to be properly given.

Resolution requiring special notice

PROCEEDINGS AT GENERAL MEETING

64. All business transacted at an Annual General Meeting, other than business which, under these Articles ought to be transacted at an Annual General Meeting, and all business transacted at an Extraordinary General Meeting, shall be deemed special.
65. All business shall be deemed special business that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting, with the exception of declaring a dividend, laying of the financial statements and reports of the directors and auditors, the election of directors in the place of those retiring, the fixing of the remuneration of the Directors and the appointment and fixing of the remuneration of the auditors.
66. No business of the Company shall be transacted at any general meeting of the Company unless a quorum is present at the beginning and throughout each meeting.
67. For all purposes, the quorum shall be two persons including: (i) a duly authorized agent or representative of HLAH or its proxy; and (ii) as long as MSI(J) (together with its Permitted Transferee) holds not less than twenty per cent (20%) of the issued and paid up capital of the Company, a duly authorized agent or representative of MSI(J) (or its Permitted Transferee) or its proxy.
68. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened upon the requisition of a Member, shall be dissolved. In any other case it shall be adjourned to the same day in the next week, at the same time and place, (or if that day is a Saturday, Sunday or a public holiday in Kuala Lumpur, Malaysia, then to the next business day following such day). At such adjourned meeting, the quorum shall be constituted by any two (2) Members present in person or by proxy or by their duly authorised agents or representatives.

Special business

Business of Annual General Meeting

Quorum

(Amended by Special Resolution passed on 28.06.2011)

(Amended by Special Resolution passed on 28.06.2011)

Proceedings if quorum not present

(Amended by Special Resolution passed on 28.06.2011)

69. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting but if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same or shall be unwilling to act as Chairman, the Deputy Chairman shall act as Chairman. If the Deputy Chairman shall also be not present within the said fifteen minutes or is unwilling to act as Chairman, the Directors present shall choose one Director to act as Chairman of such meeting or if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose a Member present to be Chairman. Chairman of General Meeting
70. The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for twenty-one (21) days or more notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting. Save as aforesaid, no Member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. Chairman may adjourn meeting and notice of adjournment to be given
71. Any Member entitled to be present and vote at a meeting may submit any resolution to any General Meeting provided that at least five (5) clear days before the day appointed for the meeting he shall have served upon the Company a notice in writing signed by him containing the proposed resolution and stating his intention to submit the same. Member's notice to submit resolution
72. Upon receipt of any notice as mentioned in the last preceding Article the Secretary shall in any case where the notice of intention is received before the notice of the meeting is issued, include it in the notice of the meeting and shall in any other case issues as quickly as possible to the Members entitled to notice of the meeting notice that such resolution will be proposed. Members entitled to notice of resolution
73. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands of persons present and entitled to vote unless before or upon the declaration of the result of the show of hands a poll is demanded:- Resolution how carried
- (a) by the Chairman of the meeting (being a person entitled to vote thereat); or
 - (b) by at least two (2) Members present in person or by proxy; or
 - (c) by any Member or Members present(s) in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or
 - (d) by a Member or Members 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 the shares conferring that right.

Unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn anytime before the resolution is put to the vote of the meeting by the Member demanding the poll.

Where a resolution is passed at an adjourned meeting of the Company or of holders of any class of shares or of Directors the resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and not on any earlier date.

74. If a poll be demanded in manner aforesaid it shall be taken at such time and place and in such manner as the Chairman shall direct, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. Poll
75. No poll shall be demanded on the election of a Chairman of a meeting or on any question of adjournment. No poll on election of Chairman or adjournment
76. In the case of an equality of votes whether on a show of hands or at a poll at any General Meeting of the Company the Chairman of the meeting shall be entitled to a second or casting vote except when only two (2) Members form a quorum at a meeting or where only two (2) Members are competent to vote on the question at issue in which event the Chairman shall not have a second or casting vote and the question arising at the meeting shall be deemed to have been lost or not carried. Chairman has casting vote
77. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. Other business to be continued if poll demanded
78. (a) Subject to the provisions of the Act, a resolution in writing signed by all the Members for the time being entitled to receive notice of and attend and vote at General Meetings (or being corporation by their duly authorised representatives) be valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held and may consist of several documents in the like form each signed by one or more Members. In the case of a corporation which is a member of the Company, such resolution may be signed by any person (whether identified by name or by reference to the holding of any particular office) duly authorized by such corporate body by resolution of its directors or other governing body or by Power of Attorney to sign resolution on its behalf. Any such document may be accepted as sufficiently signed by a Member if transmitted to the company by any technology purporting to include a signature of the Member. Resolution signed by all Members
(Amended by Special Resolution passed on 28.06.2011)
- 78(A) (a) If at any time a Deadlock exists or occurs: Deadlock
- (i) HLAH or MSI(J) may convene, by written notice to the other, a meeting of at least one (1) representative of HLAH and MSI(J), at the Office on the date specified in the notice. This date must not be less than seven (7) days and not more than fourteen (14) days after the date on which the notice is issued (“**Notice Date**”); and
- (ii) each of HLAH and MSI(J) undertakes that its representative must use all reasonable efforts to resolve the Deadlock. *(Inserted by Special Resolution passed on 28.06.2011)*
- (b) If the Deadlock is not resolved at the meeting referred to in Article 78A(a) or any subsequent meetings or negotiations within fourteen (14) days after the Notice Date, MSI(J) may at its sole and absolute discretion offer to sell to HLAH in writing (“**Deadlock Transfer Notice**”) all the shares that MSI(J) holds in the Company at a price stipulated in the Deadlock Transfer Notice.

- (c) In the event that HLAH wishes to accept such offer, it shall notify MSI(J) in writing of such intention to accept the offer (“**Deadlock Notice of Intention**”) within fourteen (14) days of the receipt by HLAH of the Deadlock Transfer Notice (“**Deadlock Offer Period**”) and, where necessary, submit the application for the approval of BNM, MOF and/or the Director-General of Takaful (as the case may be) for its proposed acquisition within fourteen (14) days from the date of notification (“**Deadlock Notification Date**”) of intention to accept the offer and seek any other relevant approvals within one hundred twenty (120) days from the Deadlock Notification Date (“**Deadlock End Date**”).
- (d) Upon receipt by HLAH of such approval(s) with no conditions or with condition(s) acceptable to HLAH, HLAH shall immediately inform MSI(J) by a notice in writing of such approvals. Within seven (7) days after receipt by MSI(J) of such notice or, where no such approval(s) is required, within seven (7) days after receipt by MSI(J) of the Deadlock Notice of Intention, MSI(J) shall forward to HLAH the duly executed but unstamped share transfer form(s) for the relevant shares and the original share certificates thereto together with all other documents relating thereto and necessary to effect a transfer of the relevant shares to and in favour of HLAH and HLAH shall simultaneously pay the purchase price so fixed to a designated account of MSI(J) by telegraphic transfer.
- (e) In the event that HLAH shall reject such offer or shall have failed to issue a Deadlock Notice of Intention within the Deadlock Offer Period or, where necessary, fails to obtain all necessary approvals on or before the Deadlock End Date or the approvals are subject to conditions not acceptable to HLAH, MSI(J) shall be entitled to sell or otherwise dispose of the relevant shares to a third party, provided that such sale or disposal shall not be at a purchase price less than that stipulated in the Deadlock Transfer Notice or on terms more favourable than those offered to HLAH.

(Inserted by Special Resolution passed on 28.06.2011)

VOTES OF MEMBERS

79. On a show of hands every Member personally present or by proxy or by representative or by attorney shall have one (1) vote, and on a poll every member present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for such share he holds. Voting on show of hands and poll
80. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee curator bonis appointed by such court (who may appoint a proxy), provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting. Voting rights of lunatic Members
81. If a corporation is a Member it may vote by any person authorised by resolution of its directors or other governing body to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company. Votes of corporation

82. Where there are joint registered holders of any shares, any one of such persons may vote at any meeting, either personally or by proxy or by representative or by attorney, in respect of such share as if solely entitled thereto; and if more than one of such joint holders be present at any meeting, personally or by proxy or by representative or by attorney, that one of the said persons so present whose name stands first on the register in respect of such shares shall alone be entitled to vote in respect thereof. Where there are several executors or administrators of a deceased Member in whose sole name any shares stand, any one of such executors or administrators may vote in respect of such shares unless any other of such executors or administrator is present at the meeting at which such a vote tendered and objects to the vote. Votes of Joint holders
83. Save as herein expressly provided, no person other than a Member duly registered and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another Member or to be reckoned in a quorum at any General Meeting. Members only entitled to vote
84. Votes may be given either personally or by proxy or by a representative duly authorised or by attorney. How votes may be given
85. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or if such appointer be a corporation, under its common seal or under the hand of an officer or attorney of the corporation duly authorised. Instrument appointing proxy to be in writing
86. The instrument of a proxy and the power of attorney (if any) under which is signed or a notarially certified copy thereof shall be deposited at the Office not less than forty-eight hours before the time for the holding of the meeting or adjourned meeting as the case may be at which the person named in such instrument proposes to vote. A Member not resident in Malaysia may by telegraphic communication appoint a proxy to vote for him at any meeting of the Company provided:-
- (a) Such telegraphic communication shall have been received at the Office not less than forty-eight hours before the time for the holding of the meeting or adjourned meeting as the case may be at which the person named in such telegraphic communication proposes to vote; and
 - (b) The Directors are satisfied as to the genuineness of such telegraphic communication.
87. An instrument appointing a proxy to vote at a meeting shall be deemed to confer authority to demand or joining in demanding a poll on behalf of the appointer. A proxy or attorney may but need not be a Member of the Company. A Member may appoint any person to be his proxy without limitation and the provisions of Section 149(1) (b) of the Act shall not apply to the Company. Who may be proxy
88. Any instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:- Form of proxy

HONG LEONG MSIG TAKAFUL BERHAD

I/We of being a Member of HONG LEONG MSIG TAKAFUL BERHAD, hereby appoint of or failing him/her, of or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the (Annual/Extraordinary or Adjourned, as the case may be) General Meeting of the Company to be held at on the day of 20 and at any adjournment thereof.

Dated this day of 20.....

.....
 Number of shares Held Signature of Member

89. A person entitled to vote on a poll at meeting shall be deemed to be a person entitled to vote for the purpose of the Act.
90. Every power, right or privilege herein given in these Articles to any Member of the Company to convene, attend, vote in, take part in, any meeting of the Company, may be exercised in the event of such Member being out of Malaysia by any attorney or attorneys duly appointed by such Member for the purpose, by a Power of Attorney produced at the office of the Company during business hours not less than two (2) clear days before the same is acted on. And any vote given or things done by such attorney or attorneys shall be valid notwithstanding the previous death of the Member giving such Power of Attorney or revocation of such Power of Attorney by other means provided no intimation in writing of such death or revocation shall have been received at the Office of the Company before such vote is given or thing done.

Members when abroad may be represented by duly appointed attorneys

DIRECTORS

91. The number of Directors shall not be less than five (5) or more than eight (8) or such number as shall be determined by a General Meeting. The composition of the Board shall proportionately reflect the respective shareholdings of the Members.
- 91(A) (1) While MSI(J) (together with its Permitted Transferee) holds not less than twenty per cent (20%) of the issued and paid up capital in the Company, MSI(J) shall be entitled to nominate and have appointed one non-executive director of the Company who shall have power conferred by these Articles on directors of the Company and MSI(J) shall have full power to remove, replace or substitute from office the person nominated by it from time to time or his alternate and to appoint another in his place from time to time as and when this may prove necessary and the director so appointed shall continue in office (subject always to Article 110) until removed, replaced or substituted from office by MSI(J) as aforesaid as the case may be or until MSI(J) (together with its Permitted Transferee) ceases to hold not less than twenty per cent (20%) of the issued and paid up capital in the Company, whichever is the earlier.

(Amended by Special Resolution passed on 21.11.2006)

Number of Directors
(Inserted by Special Resolution passed on 28.06.2011)

- (2) A nomination of a director or a notice of removal, replacement or substitution of a director by MSI(J) shall be acted upon by the Company if such nomination or notice is in the form of a letter addressed to the Company and purports to be signed by one of the members of the Board of Directors of MSI(J) or if in the form of a facsimile and is addressed to the Company and purport or appears to emanate from MSI(J) as the case may be. *(Inserted by Special Resolution passed on 28.06.2011)*
92. The first Directors shall be Ms Yau Ah Lan @ Fara Yvonne (Yvonne Chia) and Mr David John Doree Vicary (Daud Abdullah). *First Directors*
93. No person shall be eligible to be appointed as a Director who is an undischarged bankrupt or who assigns his estate for the benefit of his creditors or makes an arrangement with his creditors pursuant to any law relating to bankruptcy or has been convicted within or outside Malaysia:- *Eligibility*
- (a) of any offence in connection with the promotion, formation or management of a corporation;
- (b) of any offence involving fraud or dishonesty punishable on conviction with imprisonment for three (3) Months or more;
- (c) of any offence under the provisions of the Act.
94. Subject to Article 91A, the directors shall have power at any time and from time to time to appoint any other qualified person as Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or pursuant to Article 91 but any director so appointed shall hold office only until the next following Annual General Meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the meeting PROVIDED THAT no appointment or re-election of Directors shall be effective without the prior written approval of BNM on the Company's written application and no person shall commence his duties before receiving BNM's approval. *Appointment by Board of Directors (Amended by Special Resolution passed on 28.06.2011)*
95. A Director need not hold any share qualification. *Share qualification of Directors*
96. The fees of the Directors shall be determined from time to time by the Company in a General Meeting and such fees shall not be increased except pursuant to an ordinary resolution passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the Meeting. Such fees shall be divided among the Directors in such proportions and manner as they may agree. Such fees shall so far as a Director who is not an Executive Director is concerned be by way of a fixed sum and not by way of a commission on or percentage of profits or turnover, subject always however to the other provisions of these Articles. Salaries payable to Executive Directors may not include a commission on or percentage of turnover. *Director's fees*
97. Any Director, who is appointed to any executive office of the Company or who serves on any committee of the Company or who otherwise performs services for the Company which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration as the Directors may determine provided that such remuneration shall not include a commission on or percentage of turnover. *Extra Remuneration*

98. A corporation shall not hold office as a Director.
99. A Director shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company. As to the duty and liability of Directors
100. Every Director shall give notice to the Company of such events and matters relating to himself as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Act, the Takaful Act and any requirements of BNM. General duty to make disclosure
101. Every Director of the Company who is in any way, whether directly or indirectly, interested in any contract or proposed contract with the Company shall as soon as practicable after the relevant facts have come to his knowledge declare his interest at a meeting of the Directors of the Company. Disclosure of interests in contracts, property, offices, etc
102. Every Director of the Company who holds any office or possesses any property whereby, whether directly or indirectly, duties or interest might be created in conflict with his duties or interest as Director shall declare at a meeting of the Directors of the Company the fact and the nature, character, and extent of the conflict. The declaration shall be made at the first meeting of the Directors held:-
- (a) after he became a Director; or
- (b) (if already a Director) after he commenced to hold the office or to possess the property.
103. The Company shall keep a register showing with respect to each Director of the Company the number and description and, in the case of debentures, the amount, of any shares in or debentures of the Company or a corporation that is deemed to be related to that Company which are held by or in trust for him or of which he has any right to become the holder (whether on payment or not) or in which he has, directly or indirectly, any beneficial interest but the register need not include shares in any corporation which is the wholly-owned subsidiary of another corporation. Register of Directors' Shareholdings
104. (a) Every Director shall comply with the provisions of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or property held by a Director which might create duty or interest in conflict with his duty or interest as a Director. Director's contract with other companies
- (b) Subject to the observance and compliance with sub-clause (a) aforesaid:-

- (i) no Directors shall be disqualified by his office from holding any office or place of interest under the Company or under any company in which the Company shall be a shareholder or otherwise interested, or from contracting with the Company whether as vendor, purchaser, or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided, nor shall any Director be liable to account to the Company for any interest arising from any such office or place of interest or realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relations thereby established; and
- (ii) a Director shall not vote in respect of any contract, arrangement or dealing in which he or the company he represents is interested whether directly or indirectly or upon any matter arising thereat, and if he votes, his vote shall not be counted.

105. The Company may make loans to its Directors provided that these loans are approved for the purposes envisaged in the Act by a General Meeting. Loans to Directors

CHIEF EXECUTIVE OFFICERS/MANAGING DIRECTORS/EXECUTIVE DIRECTORS

106. HLAH shall be entitled to appoint the Chief Executive Officer (“CEO”) of the Company and MSI(J) may introduce suitable candidates for the position upon HLAH’s request provided that any rights under this Article 106 shall only be exercisable by HLAH and/or MSI(J) (as the case may be) so long as each party or its Associates is a Member. The CEO shall report to the Board and shall be responsible for the day to day management of the Company in accordance with the directions of the Board and the Memorandum and Articles of the Company. Appointment of Chief Executive Officer/ Managing Director/ Executive Director
(Amended by Special Resolution passed on 28.06.2011)
107. The Directors may, from time to time appoint any one of their body to be the Managing Director(s) or Executive Director(s) for such period and upon such terms as they think fit. Where such appointment is for a fixed term, such term shall not exceed two (2) years and may vest in such persons such of the powers hereby vested in the Directors generally as they may think fit and subject thereto, shall always be under the control of the Board. Any appointment of the Managing Director(s) or Executive Director(s) shall comply with guidelines and circulars issued by BNM from time to time and all applicable laws prevailing at the time of appointment.
108. The remuneration of an executive director shall from time to time be fixed by the Directors and shall not include a commission on or percentage of turnover. Remuneration of Executive Director
109. An executive director shall while he continues to hold that office, be subject to retirement by rotation, and he shall be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire, but he shall, subject to provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director from any cause, he shall ipso facto and immediately cease to be an executive director. Resignation and removal of Executive Director

DISQUALIFICATION OF DIRECTORS

110. Subject as otherwise provided and to the terms of any subsisting agreement, the office of a Director shall become vacant if the Director:- Office of Directors
how vacated
- (a) ceases to be a Director by virtue of the Act or any rules, regulations and directives made thereunder;
 - (b) becomes bankrupt, suspends payment or makes any arrangement or composition with his creditors generally;
 - (c) becomes prohibited from being a Director by reason of any order made under the Act or the Takaful Act or any rules, regulations and directives made thereunder or pursuant to any requirements of BNM;
 - (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder;
 - (e) resigns his office by notice in writing to the Company;
 - (f) is removed by the Company in General Meeting;
 - (g) is convicted of an offence involving dishonesty or fraud; or
 - (h) is dismissed from office by written resolution of at least 75% of his co-directors and/or dismissed from office by his fellow directors for failure to attend at least 75% of board meetings a year.

POWERS OF DIRECTORS

111. The management and control of the business and affairs of the Company shall be vested in the Directors who in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of the Act and of these Articles and to any regulations not being inconsistent with these Articles from time to time made by the Company in General Meeting provided that no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. Business of
Company to be
managed by
Directors
112. The Directors may from time to time by power of attorney under Common Seal appoint any corporation, firm or person or body of persons, whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they 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 Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him. Appointments of
Attorneys
113. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments 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 Directors shall from time to time by resolution determine. Signature of cheques
and bills

BORROWING POWER

114. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings or property (both present and future) and uncalled capital, or any part thereof, and to issue debentures and other securities at par, or premium and whether outright or as security for any debt, liability or obligation of the Company or of any third party. PROVIDED ALWAYS that nothing contained in these Articles shall authorise the Directors to borrow any money or mortgage or charge any of the Company's or its subsidiaries' undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party. Directors' borrowing power
115. The Directors may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all debentures stocks, or any mortgage, charge or other security on the understanding of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being. Conditions on which money may be borrowed
116. Debentures, debenture stock or other securities may be made assignable free from any equities between the Company and the person to whom the same be issued. Securities may be assignable free from equities
117. Any debenture, debenture stock, bonds or other securities may be issued at a premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meeting of the Company, appointment of Directors and otherwise. Issued at premium or with special privileges
118. The Directors shall cause a proper register in accordance with Section 115 (2) of the Act of all charges specially affecting the property of the Company. Register of mortgages to be kept

RETIREMENT, ROTATION AND REMOVAL OF DIRECTORS

119. At the first Annual General Meeting, all the Directors shall retire and at subsequent Annual General Meetings one-third (1/3) of the Directors or if their number is not a multiple of three (3) then the number nearest to one-third (1/3) shall retire from office. Rotation and retirement of Directors
120. The Directors to retire in every Year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day, the Directors to retire shall unless they otherwise agree among themselves be determined by lot. Which Directors to retire
121. Subject to the prior approval of BNM and in accordance with the BNM guidelines and any applicable law, a retiring Director shall be eligible for re-election provided that the Company shall not be required to seek BNM's approval for any Director whose two (2) year term of appointment has not expired at the time of retirement. Retiring Directors eligible for re-election
122. The Company at the Annual General Meeting at which any Directors retire in manner aforesaid shall fill up the vacated office by electing a like number of persons. Replacement at same meeting

123. No person, not being a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for the office of Director at any General Meeting, unless not less than seven (7) clear days' before the day appointed for the meeting, there shall have been given to the Secretary notice in writing by some Members duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed signifying his candidates for the office. Notice of proposal to appoint Directors
124. Subject as herein provide, if at any meeting at which an election of Directors ought to take place, the places of retiring Directors or some of them are not filled up, the retiring Directors or such of them as have not had their place filled up shall, if willing to act, be deemed to have been re-elected. Retiring Directors to remain in office until successors appointed
125. Subject to Article 91, the Company may from time to time in General Meeting increase or reduce the number of Directors, and determine in what rotation such increased or reduced number shall go out of office subject to the Act or the Takaful Act or any rules, regulations and directives made thereunder or pursuant to any requirements of BNM. Number may be increased or decreased
126. The Company may by ordinary resolution remove any Director before the expiration of his period of office, and may, if thought fit, by ordinary resolution appoint another Director in his stead. The person so appointed shall hold office so long as the Director in whose place he is appointed would have held the same if he had not been removed. Removal of Director

PROCEEDINGS OF DIRECTORS

127. (1) As far as practicable and save and except for meetings convened to approve urgent matters, at least seven (7) days notice shall be given to all directors to enable them to attend a meeting of the Directors. Directors' Meeting and quorum
- (2) No business shall be transacted at any meeting of the Directors unless a quorum is present at the beginning and throughout each meeting.
- (3) Subject to Article 127 (4) hereof, the quorum for meetings of the Directors is two (2) directors present in person, of whom, shall be (a) one director nominated by HLAH (or its Permitted Transferee); and (b) as long as MSI(J) (together with its Permitted Transferee) holds not less than twenty per cent (20%) of the issued and paid up capital of the Company, one (1) director nominated by MSI(J). (Amended by Special Resolution passed on 28.06.2011)
- (4) If within half an hour from the time appointed for the holding of a meeting of the Directors a quorum is not present, the meeting, shall be adjourned to the same time and place on the same day in the following week (or if that day is a Saturday, Sunday or a public holiday in Kuala Lumpur, Malaysia, then to the next business day following that day). At the adjourned meeting, the quorum shall be constituted by any two (2) directors present in person.
- (5) A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under these Articles vested in or exercisable by the Directors generally.

128. A Director who is interested in any contract, arrangement or dealing in which he or the company he represents is interested whether directly or indirectly or upon any matter arising thereout is to be counted in a quorum notwithstanding his interest.
129. (1) A Director may, and on the request of a Director, the Secretary shall, at any time summon a meeting of the Directors. A Director who is at any time not in Malaysia shall be entitled to notice of any meeting provided that he/she has provided his/her correspondence address and/or facsimile transmission number to the Secretary. Power to convene meeting of Directors
- (2) Subject to Article 127 (3), a meeting of the Board or a committee appointed by the Board may be held by means of telephone, video conference or telephone conference or other telecommunication facilities which permits all persons participating in the meeting to communicate with each other. A person so participating shall be deemed to be present in person at such meeting and unless otherwise provided in these Articles, shall be counted in a quorum and be entitled to vote and the meeting shall be deemed to have held in Malaysia. (Amended by Special Resolution passed on 28.06.2011)
130. (1) Subject to these Articles, questions arising at any meeting of the Directors shall be decided by a majority of votes and a determination by a majority of the Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes the Chairman of the meeting shall have a second or casting vote except when only two (2) Directors are present and form a quorum or at which only two (2) Directors are competent to vote at on the question at issue in which event the Chairman shall not have a second or casting vote and the question arising at the meeting shall be deemed to have been lost or not carried. Questions to be decided by majority of votes
(Amended by Special Resolution passed on 28.06.2011)
- (2) Notwithstanding any provision contained herein, as long as MSI(J) (together with its Permitted Transferee) holds not less than twenty per cent (20%) of the issued and paid up capital of the Company, the Directors shall not pass any resolutions in respect of any of the following matters unless the passing of such resolutions shall be by a majority vote of the Directors including the affirmative vote of at least the director nominated by MSI(J): (Inserted by Special Resolution passed on 28.06.2011)
- (a) any proposal to be put to the Members of the Company in General Meeting in respect of any alteration of the share capital of the Company, including the issuance of convertible securities, which is not made in proportion to each Member's shareholding or which is not made for the purposes of complying with regulatory requirements or directions of BNM or the MOF or the Director-General of Takaful; or
- (b) any proposal to be put to the Members in General Meeting concerning any amendment of the Memorandum or Articles of Association of the Company.
131. The Directors may elect a Chairman and a Deputy Chairman of their meetings and determine the period for which they are to hold office and unless otherwise determined the Chairman and Deputy Chairman shall be elected annually. The Chairman or in his absence the Deputy Chairman shall preside at all meetings of Directors. If neither a Chairman nor Deputy Chairman is elected, or if at any meeting the Chairman or the Deputy Chairman is not present within fifteen minutes of the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting. Chairman and Deputy Chairman of Meetings of Directors

132. The Directors may delegate any of their powers to committee consisting of such member or members of their body as they may think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.
- Directors may delegate powers to committee
- All acts done by such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company
133. A committee may elect a Chairman of its meetings. If no such Chairman is elected or if at any meeting the Chairman is not present within half an hour after the time appointed for the holding the same, the members present may choose one of their number to be Chairman of the meeting.
- Chairman of committee
134. A committee may meet and adjourn its meetings as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the Chairman shall have a second or casting vote.
- Chairman of committee has casting vote
135. All acts bona fide done at any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there were some defects in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified to be a Director be as valid as if every such person had been duly appointed and qualified to be a Director.
- Validity of acts of Directors and committee
136. Subject to Article 130(2), a resolution in writing signed by a majority of the Directors for the time being present in Malaysia shall be as valid and effectual as if it has been passed by a meeting of Directors duly called and constituted and may consist of several documents in the like form each signed by one or more Directors. Any such document may be accepted as sufficiently signed by a Director if transmitted to the Company by any technology to include a signature and/or electronic or digital signature of the Director.
- Resolution in writing signed by Directors effective
(Amended by Special Resolution passed on 28.06.2011)

SEAL

137. (a) The Directors shall provide for the safe custody of the Common Seal which shall only be used by a authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Common Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by another Director or by some other person appointed by the Directors for the purpose but so that the Directors may by resolution determine, either generally or in any particular case, that any such signature may be affixed by some mechanical means to be specified in such resolution, provided that the use of such means is by such resolution restricted to share transfers or certificates or other documents of title in respect of any share, stock, debenture, or other marketable security created or issued by the Company to be given under the Common Seal.
- Seal of Company and its use
- (b) The Company or the Directors on behalf of the Company may exercise the powers conferred by the provisions of the Act with regard to having an official seal for use abroad and the powers conferred by the provisions of the Act with regard to the keeping of a Branch Register.
- Seal for use abroad

MINUTES

138. (a) The Directors shall cause minutes to be duly entered in book provided for the purpose:- Minutes
- (i) of all appointments of officers;
 - (ii) of all the names of the Directors present at each meeting of the Directors and of any committee of Directors;
 - (iii) of all resolutions and proceedings at General Meetings and of meeting of the Directors and committee; and
 - (iv) of all orders made by the Directors and committee of Directors.
- (b) Any such minutes of any meeting of the Directors, or any of committee, or of the Company, if signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minutes;
- (c) The books containing the minutes of proceedings of any General Meeting shall be kept by the Company at the registered office or the principal place of business in Malaysia of the Company and shall be open to inspection of any Member during normal office hours without charge;
- (d) Any Member shall be entitled to be furnished within a reasonable period after he has made a request in writing in that behalf to the Company with a copy of any minutes specified in sub-paragraph (c) of this Article at a charge not exceeding RM1.00 for every hundred words thereof.

SECRETARY

139. The first secretary of the Company shall be Ms Loh Bee Hong (MAICSA 7001361). The Secretary shall in accordance with the Act, be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. Secretary

REGISTER OF DIRECTORS, MANAGERS AND SECRETARIES

140. The Directors shall cause to be kept at the registered office of the Company a Register of Directors, Managers and Secretaries of the Company as required under the Act.

AUTHENTICATION OF DOCUMENTS

141. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors, 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 extract; and where any books, records, documents or accounts are kept elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. Power to authenticate documents

DIVIDENDS AND RESERVED FUND

142. The Directors may with the sanction of a General Meeting from time to time declare dividends, but no such dividend shall be payable except out of profits of the Company, provided that the Directors may, if they think fit, from time to time pay to the Members such interim dividends as appear to them to be justified by the profits of the Company. No higher dividend shall be paid than is recommended by the Directors and the declaration of the Directors as to the amount of the net profits shall be conclusive. Dividend and interim dividends
143. Subject to the provisions hereinafter contained and to the rights of Members whose shares have been issued on special terms every dividend shall be paid to the Members in proportion to the amounts paid up on their shares. For the purposes of this Article no amounts paid on a share in advance of calls shall be treated as paid on such share. Dividend in proportion to amounts paid up
144. The Directors may, before recommending any dividend, set aside out of the profits of the Company, such sums as they think proper as a reserve fund or reserve funds, which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining any works connected with the business of the Company with the sanction of the Company in General Meeting be, as to the whole or in part, applicable for equalising dividends, or for distribution by way of bonus among the Members of the Company for the time being on such terms and in such manner as the Company in General Meeting shall from time to time determine, and pending such application, the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company, or invest the same in such securities (other than the share of the Company) as they may select. The Directors may also from time to time carry forward such sums as may be deemed expedient in the interests of the Company. Creation of reserve fund and distribution of bonus
145. Any General Meeting declaring a dividend or bonus may resolve that such dividend or bonus be paid wholly or in part by the distribution of specific assets and in particular of paid up shares, debentures, or debentures stock of the Company, or paid up shares, debentures, or debenture stock of any other company, or in any one or more of such ways. Dividends paid up as distribution in specie
146. The Directors may retain any dividends on which the Company has a lien, and may apply the same in or towards satisfaction of the debt, liabilities or engagements in respect of which the lien exists. Debts may be deducted from dividends
147. Unless otherwise directed any dividend may be paid by telegraphic transmission or by cheque or warrants sent through the post to the last registered address of the Member or person entitled or, in the case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holder may in writing direct; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. No unpaid dividend shall bear any income interest as against the Company. Dividend warrant may be sent by post
148. The Company shall not be responsible for the loss of any cheque, draft, dividend warrant or post office order which shall be sent by post duly addressed to the Member for whom it is intended. Company not responsible for loss in post
149. No dividend shall be paid otherwise than out of the profits or shall bear any income interest against the Company. Dividends payable from profits only

CAPITALISATION OF PROFITS

150. The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such Member in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. A share premium account and a capital redemption reserve may, for the purpose of this Article, be applied only in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.
151. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such Members.

FINANCIAL STATEMENTS

152. The Directors shall cause true financial statements to be kept:- Directors to keep proper accounts
- (a) of the assets and liabilities of the Company;
 - (b) of all sums of money received and expended by the Company and the matters in respect of which receipts and expenditure take place; and
 - (c) all sales and purchases of goods by the Company.
153. The books of accounts shall be kept at the Office of the Company or such other place within Malaysia as the Directors shall think fit, and shall at all times be open to inspection by the Directors, but except with the sanction of the Directors, no other person shall be entitled to inspect any book or document or accounts of the Company unless he is authorised so to do by law or by these Articles or by a resolution of the Company in General Meeting. Books where to be kept
154. The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and laid before the Company in a General Meeting such financial statements and report as are referred to in the Section. Financial statements

LANGUAGE

155. Where any financial statements, minute books or other records required to be kept by the Act is not kept in the Malay or English language, the Directors shall cause a true translation of such financial statements, minute books and other records to be made from time to time at intervals of not more than seven days and shall cause such translations to be kept with the original financial statements, minute books and other records for so long as the original financial statements, minute books and other records are required by the Act to be kept.

AUDIT

156. Once at least in every Year the financial statements of the Company shall be examined, and the correctness of the financial statements ascertained by one or more Auditor or Auditors. Financial statements to be audited annually
157. The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting, and their appointment, remuneration, rights and duties shall be regulated by the Act. Appointment of Auditors
158. Every financial statements of the Company when audited and laid before the Company in General Meeting shall be conclusive, except as regards any error discovered therein, within three Months following the said General Meeting. Whenever any such error is discovered within that period, the financial statements shall forthwith be corrected by the Directors and an entry made in minute and thenceforth shall be conclusive. Audited financial statements conclusive

NOTICE

159. A notice or any other document may be served by the Company or the Secretary upon any Member or Directors as the case may be, either personally or by facsimile or sending it through the post in a prepaid letter, envelope or wrapper, addressed to such Member or Director at his registered address as appearing in the Register of Members or Register of Directors as the case may be (if he has no registered address within Malaysia) to the address, if any, within Malaysia supplied by him to the Company for the giving of notices to him. Mode of service of notices to Members
160. Each holder of registered shares, whose registered place of address is not in Malaysia, may from time to time notify in writing to the Company an address in Malaysia, which shall be deemed to be his registered place of address within the meaning of the last preceding Article.
161. All notice shall, with respect to any share to which persons are jointly entitled be given to whichever of such persons are named first in the Register of Members and any notice so given be sufficient notice to all the holders of such share. Service of notice to joint holders
162. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy or winding up of a Member by sending it through the post in a prepaid letter addressed to him by name or by the title of the representatives of the deceased or trustees of the bankrupt or by any like description at the address (if any) in Malaysia supplied for the purpose by the persons to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same may have been given if the death or bankruptcy has not occurred. Notice by post to persons entitled in consequence of death or bankruptcy

163. Any notice or other document, if served or sent personally shall be deemed to have been served upon delivery or if served or sent by post, telegram, facsimile or other telegraphic communication, shall be deemed to have been served or delivered on the day on which the envelope or wrapper containing the same is posted or the message contained in the notice or document is transmitted as the case may be and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the office as a prepaid letter or that the telegram was properly addressed and handed into the post office for despatch. When service effected
164. A certificate in writing signed by any Manager, Secretary or other officer of the Company, that a letter, envelope or wrapper containing a notice was properly addressed and put into the post office or in case of a telegram, facsimile or other telegraphic communication that other telegraphic communication was properly transmitted shall be conclusive evidence thereof. Evidence of posting
165. 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, previously to his name and address being entered in this Register, shall be duly given to the person from whom he derived his title to such share. Who bound by notice
166. Any notice or document sent by post to, or left at the registered address of any Member in pursuance of these Articles, shall, notwithstanding such Member be then deceased and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such Member, until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons, if any, jointly interested with him in any such share. Notice valid though Member deceased
167. Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the Secretary or Secretaries or any one of them other duly authorised officer of the Company whether such signature is printed or written. Signature written or printed

WINDING UP

168. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions. Distribution on winding up
169. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the Members, in specie or kind, any part of the assets of the Company, and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the Members, or any of them, as the liquidators with the like sanction, shall think fit.

INDEMNITY

170. Every Director, Manager, Secretary, Auditor or officer for the time being of the Company, and any trustees for the time being acting in relation in any of the affairs of the Company and their heirs, executors and administrators respectively, shall be indemnified out of the assets of the Company from and against all actions, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done, or omitted in or about the execution of their respective offices or trustees, except such (if any) as they shall incur or sustain by or through their own wilful neglect or default respectively, and no such officer or trustee shall be answerable for the acts, receipts, neglects, or defaults of any other officer, or trustee, or for joining in any receipt for the sake of conformity, or for the solvency or honesty of any bankers or other person with whom any moneys or effects belonging to the Company may be lodged or deposited for safe custody, or for any insufficiency or deficiency of any security upon which any moneys of the Company shall be invested or for any other loss or damage due to any such cause as aforesaid, or which may happen in or about the execution of his office or trust, unless the same shall happen through the wilful neglect or default of such officer or trustee.
- Company to indemnify

RECONSTRUCTION

171. On any sale of the undertaking of the Company, the Directors or the liquidators on a winding up may, if authorised by a Special Resolution, accept fully paid or partly paid up shares, debentures or securities of any other company, either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Directors (if the interest of the Company permit), or the liquidators (on a winding up), may distribute such shares or securities, or any property of the Company amongst the Members without realisation, or vest the same in trust for them and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the Members or contributories of the Company, and for valuation of any such securities or property at such price and in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in the case of the Company which is proposed to be or is in the course of being wound up, such statutory rights (if any) under Section 270 of the Act as are incapable of being varied and excluded by these Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the Members or contributories of the Company, and for valuation of any such securities or property at such price and in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in the case of the Company which is proposed to be or is in the course of being wound up, such statutory rights (if any) under Section 270 of the Act as are incapable of being varied and excluded by these Articles.

172. In the event of a winding up of the Company, every Member of the Company shall be bound, within fourteen days, after the passing of an effective resolution to wind up the Company voluntarily, or after the making of an order for the winding up of the Company to serve notice in writing on the Company appointing some persons in Malaysia upon whom all summons, notices, process orders and judgements in relation to or under winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and serve upon any such appointee, whether appointed by the Member or liquidator shall be deemed to be good personal service on such Member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such Member by advertisement in a newspaper circulating in Malaysia, or by a registered letter sent through the post and addressed to such Member at his address as mentioned in the Register of Members of the Company, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

GENERAL

173. Every Director, Manager, Auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall, if required, before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors, or by any meeting, or by a court of law, or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these Articles contained. Secrecy

Company No. 738090-M

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

Names, Address and Description of Subscribers

HONG LEONG BANK BERHAD

(Company No. 97141-X)
Level 6, Wisma Hong Leong
18 Jalan Perak, 50450 Kuala Lumpur

YAU AH LAN @ FARA
YVONNE (YVONNE CHIA)
I.C. No. 521210-05-5098
Group Managing Director/
Chief Executive Officer

LOH BEE HONG
(MAICSA No. 7001361)
I.C. No. 651006-10-5620
Company Secretary

HONG LEONG ASSURANCE BERHAD

(Company No. 94613-X)
Level 6, Wisma Hong Leong
18 Jalan Perak, 50450 Kuala Lumpur

LOW TEIK LEONG
I.C. No. 590416-10-5117
Group Managing Director/
Chief Executive Officer

LOH BEE HONG
(MAICSA No. 7001361)
I.C. No. 651006-10-5620
Company Secretary

Dated this 15th day of June 2006.

Witness to the above signatures

YEO PUAY HUEI
I.C. No. 560110-01-6050
Legal Counsel
Level 6 Wisma Hong Leong
18 Jalan Perak
50450 Kuala Lumpur

Names, Address and Description of Subscribers

TOKIO MARINE & NICHIDO FIRE INSURANCE CO., LTD

(Company No. 0199-01-008824)

1-2-1 Marunouchi, Chiyoda-ku

Tokyo

100-8050 Japan

JUN HEMMI

Passport No. TZ0260657

General Manager, Millea Asia Pte Ltd

Signed on behalf of Tokio Marine & Nichido Fire Insurance Co. Ltd pursuant to a Power of Attorney

Witness to the above signatory:

ATSUHIKO AYABE

Passport No. MZ6079908

Senior Manager, Bancatakaful

Research & Development Division,

Millea Asia Pte Ltd

6 Shenton Way #25-09

DBS Building Tower 2

Singapore 068809

Dated this 15th day of June 2006.

Lodged by: Hong Leong Credit Berhad (8024-W)
Level 6, Wisma Hong Leong, 18 Jalan Perak
50450 Kuala Lumpur
Tel: 03-21648228