

*(Adopted through Special Resolution passed at the Extra-Ordinary General Meeting held on 9<sup>th</sup> February 2023)*

**THE COMPANIES ACT, 2013**

**THE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**TATA AIG GENERAL INSURANCE COMPANY LIMITED**

**PRELIMINARY**

Table F: Regulations contained in Table F in the First Schedule to the Companies Act, 2013, shall not apply, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Companies Act.

**1. DEFINITIONS AND INTERPRETATION**

1.1 Definitions. In these Articles, unless the context otherwise requires, the following words shall have the following meanings:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such first Person. For purposes of this definition, the term "control" (including, with correlative meaning, the terms "controlled by" and "under common control with") as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management of that Person through ownership of voting securities; and the term "affiliated" shall be understood accordingly.

"Agreement" means the Amended and Restated General Insurance Joint Venture agreement entered into between AIG MEA Investments and Services, LLC (previously known as AIG MEA Investments and Services Inc. Chartis Mems Holdings, Inc. and AIG Mems, Inc.) and Tata Sons Private Limited (previously known as Tata Sons Limited) and Tata AIG General Insurance Company Limited dated 21<sup>st</sup> December 2009 and shall mean and include any amendment(s) to the Agreement as may be carried out from time to time.

"AIG Marks" has the meaning given in Article 21.2.

"Annual General Meeting" has the meaning given in Article 17. 1.

"Articles" or "Articles of Association" means these articles of association of the Company as altered from time to time in accordance with Companies Act, 2013.

"Authorized Nominee Director" means a Director designated by an Initial Shareholder in writing to the other Initial Shareholder as its authorized nominee Director for the purposes of the Agreement.

"Board" or "Board of Directors" means, at any time, the board of directors of the Company at that time.

"Business Day" means a day (other than a Saturday, Sunday or public holiday) on which banking institutions are open for general banking business in both Mumbai and New York.

"Business Plan" means any business plan for the Company approved under and in accordance with Article 23.

"Capital Call Demand Notice" has the meaning given in Article 13.2(a).

"Capital Call Shares" has the meaning given in Article 13.2(a).

"Capital Investment Amount" means, in respect of the Company, at any time the sum of:

(a) the initial agreed subscription contributions made by TATA under Clause 5.3 of the Initial JV Agreement;

(b) plus any other mutually agreed upon capital contributions made by TATA prior to that time;

(c) less the aggregate of all dividends paid by the Company to TATA prior to that time.

"Chairman" means the chairman of the Board of Directors of the Company.

"Change in Control" means, with respect to a Shareholder, the first to occur of any of the following events during the term of the Agreement:

(a) any Person or group of Persons (other than the Chartis Group or the TATA Group), acting in concert, directly or indirectly, (i) acquires or obtains the right through the exercise of any warrant, option, or any other right held by such Person or group of Persons to acquire, more than 50% of the issued and paid up shares of a Shareholder, and/or (ii) acquires the right, whether through an agreement or otherwise, to direct or cause the direction of, or control, the management of a Shareholder; or

(b) any business combination, merger, amalgamation or consolidation by a Shareholder with any Person or group of Persons (other than the Chartis Group or the TATA Group) whereby such Persons possesses, directly or indirectly, the power to direct or cause the direction of, or control, the management of such Shareholder.

For avoidance of doubt, the sale of shares in a Shareholder through one or more public offerings or related private placements shall not be deemed to constitute or result in a "Change in Control" except if, as a result of such public offerings or private placements, any Person or affiliated group of Persons acquires or obtains the right to acquire more than 50% of the issued and paid up shares of a Shareholder.

"Change in Law" has the meaning given in Article 9.1.

"Change in Law Call Option" has the meaning given in Article 9.1(a).

"Change in Law Call Option Exercise Period" shall have the meaning given in Article 9.1.

"Change in Law Call Price" has the meaning given in Article 9.1(d).

"Change in Law Call Shares" has the meaning given in Article 9.1(a).

"Change in Law Put Option" has the meaning given in Article 9.2(a).

"Chartis" means collectively AIG Property Casualty International, LLC, (formerly Chartis International, LLC), a Delaware limited liability company, and AIG Property Casualty Inc., a Delaware corporation, or their successors and assigns; provided, however, that if the context so requires, "Chartis" may also mean (a) an SPV (as defined below) or (b) if created, an intermediate holding company owned by the SPV and owning the entities listed hereinabove.

"Chartis Group" means Chartis and its Subsidiaries, including without limitation, AIG MEA, and when used in Article 25, shall be deemed to also include any investment fund directed by Chartis or its Subsidiaries.

"Chartis Marks" has the meaning given in Article 21.3(b).

"Communications" has the meaning given in Article 34.

"Companies Act" means the Companies Act, 2013 (Act No. 18 I of 2013) of India "Competing Organization" means a Person licensed in India as an insurance company engaging in the insurance business in India.

"Credit Agreement" means the Credit Agreement dated as of September 22, 2008 between American International Group, Inc. and The Federal Reserve Bank of New York, and related agreements, in each case as may be amended or supplemented from time to time.

"Defaulting Notice" has the meaning given in Article 20.2.

"Defaulting Party" has the meaning given in Article 20.1.

"Designated Purchaser" has the meaning given in Article 14.5(a).

"Director" means, at any time, a member of the Board of Directors of the Company at that time.

"Disagreement" has the meaning given in Article 18(a).

"Effective Date" means the date of this Amended and Restated General Insurance Joint Venture Agreement.

"Electing Shareholder" has the meaning given in Article 13.2(f).

"ESOP Scheme" means any employee equity linked incentive plan, including but not limited to, employee stock option plan, stock appreciation plan, phantom stock option plan or other similar plan by whatever name called, adopted by the Company."

"Event of Default" means any of the events or circumstances set out in Article 20.1.

"Excess Capital Call Shares" has the meaning given in Article 13.2(f).

"Extraordinary General Meeting" means a general meeting of the shareholders of the Company, other than an Annual General Meeting.

"Fair Value" shall mean, subject to applicable law, the fair value of the Shares being Transferred as of the date specified for determination, determined as follows:

- (a) if the Shares are publicly traded, the average of the highest and the lowest prices of Shares traded over the 30 trading day period immediately preceding that date of determination; and
- (b) if the Shares are not publicly traded, the Fair Value determined in accordance with Annex C.

"Following Shareholder" has the meaning given in Article 12.3(c).

"Foreign Ownership" means the direct or indirect beneficial ownership of Shares by a Foreign Person.

"Foreign Ownership Event" has the meaning given in Article 7.6(d).

"Foreign Person" means any Person whose ownership of Shares is taken into account when determining the non Indian ownership of Shares in the Company for the purposes of any laws which regulate the ownership of Shares in the Company, including as at the date of the Agreement (and until there is a change in Indian Law), the categories of persons:

- (a) included in regulation 2(1)(e) of the IRDAI (Registration of Indian Insurance Companies) Regulations, 2022 as read under rule 2(1)(g) of the Indian Insurance Companies (Foreign Investment) Rules, 2015 or as interpreted by the IRDAI in official rulings from time to time; including without limitation but subject to the foregoing, foreign investors such as (other than AIG MEA or its Subsidiary companies or its nominees), nonresident Indians, overseas corporate bodies and multinational agencies; and
- (b) described as a "foreign company" in the Explanation to Article (7A) of Section 2 of the Insurance Act and
- (c) described as "persons resident outside India" for the purposes of the Foreign Exchange Management Act, 1999 of India.

"General Meeting" means an Annual General Meeting or Extraordinary General Meeting, as appropriate.

"Government Official" means any:

- (a) officer or employee of a Governmental Agency including immediate family member thereof;
- (b) any person acting in an official capacity for a Governmental Agency; or
- (c) any official of a political party or candidate for political office or candidate for office in a political party.

"Governmental Agency" means:

- (a) the Government of India or any department thereof;

(b) a semi-governmental or judicial Person in India; or  
(c) a Person (whether autonomous or not) who is charged with the administration of an Indian Law.

"Governmental Authorizations" shall mean any permission, approval, consent, license, order, decree, authorization, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any Governmental Agency required under any statute or regulation, or pursuant to a Governmental Agency policy, required to carry out or give effect to any of the provisions of the Agreement, any Transaction Agreement or in connection with any action to be taken by the Company or a Shareholder in respect of the activities contemplated under the Agreement.

"Increase in Foreign Ownership" means any direct or indirect increase in the Foreign Ownership of the Company.

"Indemnified Person" has the meaning given in Article 32.2(b).

"Indemnified Shareholder" has the meaning given in Article 32.2(a).

"India" means the Republic of India.

"Indian Law" means all laws, ordinances, statutes, rules, orders, byelaws, notifications, decrees, injunctions, rules of common law which have been judicially held to be applicable to India, licenses, permits, approvals, authorizations, consents, waivers, privileges, guidelines, agreements and regulations of the Government of India having jurisdiction over the Company, each of the foregoing as in effect as of the date hereof or any may be amended, modified, enacted or revoked from time to time hereafter.

"Initial JV Agreement" means the General Insurance Joint Venture Agreement entered into between AIG MEA Investments and Services, LLC (previously AIG MEA Investments and Services Inc., Chartis Memsa Holdings, Inc., and AIG MEMSA, Inc.) and Tata Sons Private Limited (previously known as Tata Sons Limited) and Tata AIG General Insurance Company Limited, dated 14<sup>th</sup> December 2000.

"Initial Shareholders" means each of TATA and AIG MEA until it shall cease to be the registered holder of any Shares.

"Indemnifying Shareholder" has the meaning given in Article 32.2(a).

"Insurance Act" means the Insurance Act, 1938 of India (including as amended by the IRDAI Act). "IRDAI" means the Insurance Regulatory and Development Authority established under Section 3(1) of the IRDAI Act.

"IRDAI Act" means the Insurance Regulatory and Development Act, 1999 of India.

"Joint Venture" means the joint venture contemplated by the Agreement in respect of the Company.

"Leading Shareholder" has the meaning given in Article 12.3(b).

"Managing Director" means the person appointed to that position by the Board of Directors of the Company.

"Memorandum of Association" means, at any time, the memorandum of association of the Company which is in effect at that time.

"Non Compete Period" has the meaning given in Article 25.3.

"Non Defaulting Party" has the meaning given in Article 20.2.

"Non Election Notice" has the meaning given in Article 9.1(g).

"Non Electing Shareholder" has the meaning given in Article 13.2(f).

"Paid Price" has the meaning given in Article 13.2(f).

"Party" means, at any time, any Person who is a party to the Agreement.

"Permitted Transferees" means, in respect of a Shareholder, subject to the Agreement any Affiliate of such Shareholder. Additionally in the case of TATA, Permitted Transferee shall also include any Person(s), except a Prohibited Organization, nominated by it anytime after the Effective Date and approved by AIG MEA, which approval shall not be unreasonably delayed or withheld; provided that all such Person(s) shall not hold in the aggregate more than 23% of Shares of the Company on a fully diluted basis.

"Permitted Transferee Certificate" has the meaning given in Article 8.1(d).

"Person" shall mean any natural person, individual, corporation, limited partnership, cooperative, general partnership, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust, corporate body or other organization, whether or not a legal entity, and government governmental agency or authority, and any agency and political subdivision thereof or therein.

"Prohibited Organization" has the meaning given in Article 25.2(a)(ii).

"Proposed Transferees" has the meaning given in Article 10(a).

"Related Party Transaction" means and includes any transaction, agreement, arrangement, understanding or venture, entered into between the Company and any Shareholder, an Affiliate of a Shareholder, any director of the Company or a Shareholder, or any officers of the Company or any Shareholder, and/or any Person controlled by any directors of the Company or any Shareholder, including any transaction, agreement, arrangement, understanding or venture that gives rise to or may give rise to at any time any conflict of interest between the Company and/or any Shareholder,

"Repurchase Price" has the meaning given in Article 13.2(f).

"ROFR Extended CutOff Date" has the meaning given in Article 10(d).

"ROFR Non Selling Shareholder" has the meaning given in Article 10(a).

"ROFR Sale Notice" has the meaning given in Article 10(a).

"ROFR Sale Share" has the meaning given in Article 10(a).

"Rupees" and "Rs" means the lawful currency of India.

"Selling Shareholder" has the meaning given in Article 10(a).

"Shareholder" means in respect of the Company, the Initial Shareholders and any other Person who at any time is the registered owner of any of the issued Shares of the Company and who, subject to and in accordance with the Agreement has acceded to, and is bound by the terms of, the Agreement as a "Shareholder", until such time as any of the foregoing Persons shall cease to be the registered owner of any Shares.

"Shareholder Representative" has the meaning given in Article 18(a).

"Shareholding" means with respect to a Shareholder or group of Shareholders, at any time, the percentage of the aggregate issued, allotted and paid-up Shares held directly and/or indirectly (as the case may be) by such Shareholder or group of Shareholders, on a fully diluted basis"

"Shares" means the ordinary equity shares of the Company with a par value of Rs. 10.

"SPV" means a non-natural Person owned directly or indirectly by American International Group, Inc. that is formed as part of a reorganization or restructuring of American International Group, Inc.'s general insurance business to hold with the intent to sell (and to sell) all or part of Chartis and that:

- (a) has a majority of directors that are not directors of American International Group, Inc.;
- (b) has no directors that are appointed or designated by the U.S. Government;
- (c) has no officers that are officers or directors of American International Group, Inc. or that are appointed or designated by the U.S. Government; and
- (d) will, in all material respects and except as required by the Credit Agreement:
  - (i) maintain books and records separate from any other person or entity;
  - (ii) maintain its accounts separate from any other person or entity;
  - (iii) not commingle assets with those of any other entity;
  - (iv) conduct its own business in its own name (or in the names of its Subsidiaries);
  - (v) maintain separate financial statements (which may be consolidated only with those of its Subsidiaries)
  - (vi) pay its own liabilities out of its own funds;
  - (vii) observe all corporate or other organizational formalities;
  - (viii) maintain an arm's length relationship with its Affiliates;
  - (ix) pay the salaries of its own employees and maintains a sufficient number of employees in light of its contemplated business operations;

- (x) not guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of others (other than its Subsidiaries);
- (xi) not acquire obligations or securities of its partners, members, or shareholders (other than on an arm's length basis);
- (xii) allocate fairly and reasonably any overhead for shared office space;
- (xiii) use separate stationery, invoices, and checks;
- (xiv) not pledge its assets for the benefit of any other entity or make any loans or advances to any entity;
- (xv) hold itself out as a separate entity;
- (xvi) correct any known misunderstanding regarding its separate identity; and
- (xvii) maintain adequate capital in light of its contemplated business operations.

For avoidance of doubt, merely the affirmative vote for a director by the U.S. Government shall not constitute the appointment or designation of such director.

"Subsidiary" means, with respect to any Person, any entity of which more than 50% of the securities (that is, more than one half of the nominal value of the equity capital) or ownership interest having ordinary voting power to elect a majority of the board of directors or to control the composition of the board of directors or other persons performing similar functions are owned directly or indirectly by such Person.

"Tag Along Shareholder" has the meaning given in Article 11(a).

"TAR Response Period" has the meaning given in Article 11(b).

"TAR Sale Offer" has the meaning given in Article 11(a).

"TAR Sale Shares" has the meaning given in Article 11(b).

"Tata Group" means TATA and its Affiliates and when used in Article 25, shall be deemed to also include any investment fund directed by Tata or its Affiliates.

"Termination Call Option" has the meaning given in Article 20.2(a)(ii).

"Termination Put Option" has the meaning given in Article 20.2(a)(i).

"Third Party Acquisition Notice" has the meaning given in Article 12.3(c).

"Transaction Agreement" means each of:

- (a) the Agreement;
- (b) each of the agreements specified in Clause 6 of the Initial JV Agreement (being the Tata Brand Equity and Name Participation Agreement and the American International Group, Inc. License Agreement);
- (c) any document or agreement that the Parties agree in writing is to be a Transaction Agreement for the purposes of the Agreement; and



- (d) any document or agreement that amends, supplements, replaces or novates any of the above.

"Transfer" means has the meaning given in Article 7.1

"Unsubscribed Budgeted Capital" has the meaning given in Article 13.2(f).

"Upstream Competing Organization" has the meaning given in Article 25.2(a)(ii).

"U.S. Government" means the government of the United States of America or any agency or instrumentality thereof.

1.2 Interpretation. In these Articles, unless the context otherwise requires:

- (a) reference to any statute or statutory provision includes a reference to it as from time to time amended, extended or reenacted, and any regulation promulgated thereunder;
- (b) any reference in these Articles to "writing" or cognate expressions includes a reference to telex, cable, facsimile transmission, email and other electronic or comparable means of communication if recognized as a formal means of communication under Indian Law;
- (c) words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter gender and vice versa;
- (d) capitalised terms (i) used but not defined herein but defined in the Agreement shall have the meaning given to them in the Agreement; and (ii) used but not defined herein or in the Agreement but defined in the Companies Act shall have the meaning given to them in the Companies Act;
- (e) headings are inserted for ease of reference only and shall not affect the interpretation of these Articles;
- (f) references to "day" or "days" are to calendar days;
- (g) a reference to an amount payable under or in connection with these Articles, are references to amounts denominated in Rupees;
- (h) a reference to a Party includes a permitted substitute or a permitted assign of that Party's rights and obligations under these Articles; and
- (i) unless otherwise stated, a reference to "Shareholder", "Initial Shareholder", "AIG MEA" or "TATA" includes their respective Permitted Transferees and Designated Purchaser (if applicable).

## **2. APPROVALS AND AUTHORIZATIONS**

2.1 Approvals. The Shareholders shall ensure that the Company applies to the appropriate Governmental Agency and/or governmental authorities for any Governmental Authorizations from time to time.

2.2 Approval of Submissions. The contents of any application, request or petition to be submitted pursuant to Article 2.1 or otherwise submitted in order to permit the full implementation of the Agreement, shall be agreed to and approved in advance by the Initial Shareholders.

### **3. FORMATION AND EXISTENCE OF THE COMPANY**

3.1 Incorporation and Existence. As of the Effective Date, the Company has been incorporated as a public limited company under the Companies Act and is validly existing and is in good standing.

3.2 Constituent Documents.

(a) The Company's Memorandum of Association and Articles of Association.

(b) In the event of any conflict between an Agreement if any signed between the shareholders and the Memorandum of Association and Articles of Association, the Shareholders undertake to pass a resolution to amend the Memorandum of Association and the Articles of Association in a manner consistent with, and to give effect to, the Agreement.

(c) The Shareholders agree that notwithstanding that a term or condition of an Agreement between them, as it may be amended from time to time, does not find expression in the Memorandum of Association and Articles of Association for whatever reason, the Shareholders remain bound in respect of such terms and conditions, as between themselves, strictly in accordance with the terms of the Agreement.

### **4. PURPOSE OF THE COMPANY**

The purpose for which the Company will be organized shall include carrying on the business of general insurance in India, as more fully set out in the Company's Memorandum of Association and Articles of Association, and (subject to any Agreement between the Shareholders) in the Company's Business Plans from time to time or as otherwise deemed appropriate and desirable by the Board of Directors and Shareholders of the Company, but so as always to comply with Indian Law. Such purposes shall be the sole purposes of the Company.

### **5. SHARE CAPITAL AND INCREASE AND REDUCTION OF CAPITAL**

5.1 Ordinary Equity Shares.

Unless otherwise mutually agreed upon by the Initial Shareholder of the Company (and subject to Indian Laws) the issued Share capital of the Company shall at all times consist only of ordinary equity shares having a single face value.

5.2 Reserved.

5.3 Reserved.

5.4 Reserved.

## 5.5 Issue of Shares.

a. The Company shall issue shares in dematerialized mode only, pursuant to the requirements of the Companies Act and the Rules made thereunder and the Company shall comply with all the requirements of the Depositories Act for issue of shares in the electronic mode in accordance with applicable Indian law.

b. Reserved.

c. Reserved.

e. Creation of New Shares.

The Company may in accordance with the Companies Act, from time to time, increase the Capital of the Company by the creation of new Shares, such increase to be of such aggregate amount and to be divided into Shares of such respective amounts as the resolution passed in General Meeting shall prescribe. Whenever Capital of the Company has been increased under the provisions of this Article, the Board shall comply with the provisions of the Companies Act. The Company, subject to the provisions of the Companies Act as amended from time to time, may issue shares with differential voting rights.

f. Terms of New Capital.

Except as otherwise provided by the conditions of issue or by these Articles, any Capital raised by the creation of new Shares shall be considered as part of the existing Capital, and shall be subject to the provisions herein contained of these Articles, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

g. Reduction of Capital.

The Company may (subject to the provisions of Sections 52, 55 and 66 of the Companies Act) from time to time by Special Resolution, reduce its Capital and any Capital Redemption Reserve Account or other Premium Account in any manner for the time being authorised by law, and in particular (without prejudice to the generality of the foregoing), Capital may be paid off on the condition that it may be called up again or otherwise. This Article does not derogate from any power the Company otherwise has.

h. Buy-Back of Shares.

Subject to the provisions contained in Sections 68, 69 and 70 and all applicable provisions of the Companies Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the SEBI and the Reserve Bank of India, if any, the Company may, by passing a Special Resolution

at a General Meeting, purchase its own Shares or other specified securities (hereinafter referred to as "buy back") from its existing Members.

i. Subdivision, Consolidation and Cancellation of Shares.

Subject to the provisions of Section 61 of the Companies Act, the Company by Special Resolution duly passed in General Meeting may, from time to time sub-divide or consolidate its Shares, or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division one or more of such Shares shall have some preference or special advantages as regard dividend, capital or otherwise over or as compared with the others or other. Subject as aforesaid, the Company by Special Resolution duly passed in General Meeting may also cancel shares which have not been taken or agreed to be taken by any Person and reduce the amount of its Share Capital by the amount of the Shares so cancelled.

## SHARE AND CERTIFICATES

j. Register of Members.

The Company shall cause to be maintained a Register of Members through a depository in accordance with the Depositories Act, 1996.

k. Progressive Numbering of Shares.

The Shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner otherwise provided in these Articles no Share shall be sub-divided. Every forfeited or surrendered Share shall continue to bear the number by which the same was originally distinguished.

l. Further Issue of Capital.

Notwithstanding anything contained in Article 13, the Company may offer further Shares to any Person or Persons, and such Person or Persons may or may not include the Persons who at the date of the offer, are the holders of the Shares of the Company.

m. Shares Under Control of Directors.

Subject to the provisions of these Articles and of the Companies Act, the Shares (including any Shares forming part of any increased capital of the Company) shall be under the control of the Board, who may allot or otherwise dispose of the same to such Persons in such proportions and on such terms and conditions and at such times as the Board thinks fit with full power to give any Person the option to call for or be allotted Shares either (subject to the provisions of Section 52 of the Companies Act) at a premium or at par and for such time and for such considerations as the Board of Directors think fit.

n. Acceptance of Shares.

Any application signed by or on behalf of any applicant for Shares in the Company, followed by an allotment of any Shares, shall be an acceptance of Shares within the meaning of these Articles, and every Person who on that basis or otherwise accepts any Shares and whose name is on the Register shall, for the purpose of these Articles, be a Member.

o. Deposits and Calls to Be a Debt Due to the Company.

The money (if any) which the Board shall, on the allotment of any Shares being made by them to any Person, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of such Person in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from such Person, and shall be paid by such Person accordingly.

p. Liability of Members.

Every Member or his heirs, executors or administrators shall pay to the Company the portions of the Capital represented by its Shares which may for the time being, remain unpaid thereon, in such amounts, at such times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix the payment thereof.

q. Reserved.

r. Joint Holders.

If any Share stands in the name of two or more Persons, the Persons first named in the Register and index of members shall as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company, except voting at meetings (in the absence of the first named shareholder), and the transfer of the Shares, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such Share and for all incidents thereof according to the Company's Articles.

s. Absolute Owner of Shares.

Except as ordered by a Court of competent jurisdiction or by law required, the Company shall not be bound to recognize any equitable contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons or the survivor of them.

## **CALLS ON PARTLY PAID SHARES**

t. Directors May Make Calls.

The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board in accordance with these Articles make such call as it thinks fit upon the Members in respect of all monies unpaid on the Shares held by them respectively and each such Member shall pay the amount of every call so made on him to the Persons and at the times and places appointed by the Board;

u. Notices of Calls on Partly Paid Shares.

At least fifteen days' notice in writing of any call shall be given by the Board specifying the time and place of payment, and the Persons to whom such call shall be paid.

v. When Calls Are Made.

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.

w. Directors May Extend Call.

The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members, who from residences at a distance or other cause, the Board may deem fairly entitled to such extension, but no Member shall be entitled to such extension save as a matter of grace and favour.

x. Revocation of Calls.

A call may be revoked or postponed at the discretion of the Board.

y. Liability of Joint Holders for Partly Paid Shares.

The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

z. Calls on Partly Paid Shares Carry Interest.

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment at such rate as shall from time to time

be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.

aa. Sums Deemed to be Calls on Partly Paid Shares.

Any sum, which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call made and notified.

bb. Proof on Trial of Suit for Money Due on Shares.

On the trial or hearing of any action or suit brought by the Company against any Member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book, and that notice of which call was duly given to the Member or his representatives and issued in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive of the debt.

cc. Partial Payment Not To Preclude Forfeiture.

Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his Shares, either by way of interest, nor any indulgence granted by the Company shall prevent the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.

dd. Payment in Anticipation of Calls May Carry Interest.

(a) The Board may, if it thinks fit, agree to receive from any Member willing to advance the same, all or any part of the amounts of his respective Shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such rate, as the Members paying the sum in advance and the Board agree upon. The Board may agree repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months notice in writing, provided that monies paid in advance of calls on any Shares may carry interest, but shall not confer a right to dividend or to participate in profits.

- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the monies so paid by him until the same would but for such payment become presently payable.

## **LIEN ON PARTLY PAID SHARES**

ee. First and Paramount Lien.

The Company shall have a first and paramount lien upon all the Shares (other than fully paid-up Shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all monies (whether presently payable or not) called or payable at a fixed time in respect of such Shares, and no equitable interest in any Shares shall be created except upon the condition that Article 5.6(f) is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such Shares. Unless otherwise agreed, the registration of a transfer of Shares shall operate as a waiver of the Company's lien if any, on such Shares.

ff. Enforcement of Lien by Sale.

For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as it shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorise any Director to execute a transfer on behalf of and in the name of such Member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member and default shall have been made by such Member or them in payment, fulfilment or discharge of such debts, liabilities or engagements for further days after such notice.

gg. Application of Proceeds.

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the Persons entitled to the Shares at the date of the sale.

## **FORFEITURE OF PARTLY PAID SHARES**

hh. Notices to Members.

If any Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension, thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalments remains unpaid, give notice to such Member requiring them to pay the same together with any interest that



may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

ii. Form of Notice.

The notice shall name a day (not being less than fourteen days from the date of the notice) and a place on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that in the event of the non-payment at or before the time and at the place appointed, the shares, in respect of which the call was made or instrument is payable will be liable to be forfeited.

jj. Forfeiture in Default.

If the requirements of any such notice as aforesaid shall not be complied with, every or any Share in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited Shares and not actually paid before the forfeiture.

kk. Notice of Forfeiture to Members.

When any Shares shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name such Shares stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members. But no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

ll. Rights in Relations to Forfeited Shares.

Any Share so forfeited, shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other Person, upon such terms and in such manner as the Board shall think fit.

mm. Member Remains Liable.

Any Member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from time of the forfeiture, until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.

nn. Effect of Forfeiture.

The forfeiture of a Share shall involve extinction at the time of the forfeiture, of all interest in the forfeited Shares and all claims and demands against the Company, in

respect of the Share and all other rights, incidental to the share, except only such of those rights as by these Articles are expressly saved.

oo. Evidence of Forfeiture.

A declaration in writing that the declarant is a Director or Secretary of the Company and that a Share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.

pp. Validity of Sale of Forfeited Shares.

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers set forth in these Articles, the Board may appoint some Person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register in respect of such Shares the validity of the sale shall not be impeached by any Person, and the remedy of any Person aggrieved by the sale shall be in damages only and against the Company exclusively.

qq. Reserved.

rr. Power to Annul Forfeiture.

The Board may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

ss. Forfeiture of Debentures.

Articles 5.6hh to 5.6rr shall mutatis mutandis apply to forfeiture of Debentures.

## **6. RESERVED**

## **7. SHARES GENERAL TRANSFER RESTRICTIONS**

### **7.1 Negative Pledge and Disposal.**

The Shareholders agree with each other, that they will not directly or indirectly sell, pledge, give, bequeath, transfer, assign, hypothecate, create any third party interest in or in any other way whatsoever encumber or dispose of (hereinafter collectively referred to as "Transfer") any of the Shares which they shall at any time own or acquire except in accordance with the Agreement, and that any Transfer in breach of the Agreement shall be void.

### **7.2 AIG MEA.**

AIG MEA shall not transfer any Shares in the Company directly or indirectly unless:

- (a) the Transfer takes place in compliance with Articles 10, 11 and 14, and is a Transfer of all of the Shares which AIG MEA at that time owns; or

- (b) the Transfer is permitted or takes place under Articles 7.7 (Discriminatory Change in Law), 8 (Permitted Transferees), 9.3 (Change in Law Following Expiration of Change in Law Call Option Exercise Period), 14.5 (AIG MEA Designated Purchasers) or 20.2 (Consequences of Default).

### 7.3 TATA.

TATA shall not transfer any Shares in the Company directly or indirectly unless:

- (a) the Transfer takes place in compliance with Articles 10, 11 and 14, and is a Transfer of all of the Shares which TATA at that time owns; or
- (b) the Transfer is permitted or takes place under Articles 7.5 (Encumbrances by TATA), 8 (Permitted Transferees), 9.1 (Change in Law Call Option), 9.2 (Change in Law Put Option), 14.5 (AIG MEA Designated Purchasers) or 20.2 (Consequences of Default).

### 7.4 Other Shareholders.

A Shareholder (other than TATA or AIG MEA) shall not transfer any Shares in the Company unless:

- (a) prior written notice of 30 days has been given to each of AIG MEA and TATA, and each of AIG MEA and TATA consent in writing to the Transfer (such consent may be withheld in AIG MEA's and TATA's, as the case may be, absolute discretion);
- (b) the Transfer takes place in compliance with Articles 10, 11 and 14, and is a Transfer of all of the Shares which that Shareholder at that time owns; or
- (c) the Transfer is permitted under Articles 8 (Permitted Transferees) or 20.2 (Consequences of Default).

### 7.5 Encumbrances by TATA.

- (a) TATA may at any time pledge its Shares to a commercial lending institution, provided that:
  - (i) prior to granting such pledge, AIG MEA shall have the right to review, comment (for a reasonable period of time not to exceed 10 Business Days) and approve the security documents relating to such proposed pledge (such approval shall not be unreasonably withheld or delayed by AIG MEA; provided however that if the form and substance of the security documents complies with Article 7.5(a)(ii) and the identity of the lending institution complies with Article 7.5(a)(iii) below, it shall be deemed to be unreasonable for AIG MEA to withhold its consent);
  - (ii) the security documents:
    - (A) expressly provide that neither the Shares, nor any rights attaching thereto (including without limitation, voting rights), nor any of TATA's rights under the Transaction Agreements may be transferred to or exercised by such commercial lending institution under any circumstances whatsoever; and
    - (B) do not prevent, prohibit or restrict TATA from performing any of its obligations under the Transaction Agreements, including without limitation, obligations to Transfer its Shares. For this purpose, an action by TATA in performance of its obligations under the Transaction Agreements which requires the consent or approval of the commercial lending institution is, for

greater clarity, a restriction on TATA performing its obligations under the Transaction Agreements; and

- (iii) such commercial lending institution's ordinary business is the commercial lending business in India, and such lender provides financial accommodation on ordinary and usual business terms and is licensed in India to do so.
- (b) TATA agrees that it will not propose, consent to, or otherwise allow any amendments or variations to be made to the security documents referred to in Article 7.5(a), whether by written or oral agreement or otherwise, without the prior written approval of AIG MEA. The provisions of Article 7.5(a) shall apply to such approval as appropriate.

#### 7.6 Foreign Ownership.

- (a) Each Shareholder (other than AIG MEA) undertakes to ensure that for so long as AIG MEA continues to hold the maximum percentage of Shares permitted under Indian Law, each Shareholder (other than AIG MEA) shall undertake to ensure it will not Transfer any Shares to a Foreign Person which may result in the occurrence of a Foreign Ownership Event.
- (b) Within a reasonable period of time prior to agreeing to or prior to effecting any transaction or arrangement, and promptly upon knowledge of any other Person agreeing to effect, effecting or intending to effect any transaction or arrangement, pursuant to which any Foreign Person could hold any direct or indirect equity interests in TATA:
  - (i) TATA shall inform AIG MEA of the details of such transaction or arrangement; and
  - (ii) TATA shall use its best endeavors (and AIG MEA shall cooperate with such efforts) to obtain from the IRDAI and any other necessary Governmental Agencies written confirmation reasonably acceptable to AIG MEA that such transaction or arrangement will not result in a Foreign Ownership Event (as defined below).
- (c) For the avoidance of doubt, the provisions of Article 7.6(b) shall not be deemed to restrict or prevent TATA from implementing any such transaction, and TATA's sole obligation with respect thereto shall be set forth in Articles 7.6(b)(i) and (ii) above. In any event, TATA and AIG MEA will cooperate in finding a mutually acceptable solution to the issues raised by any proposed transaction referred to in Article 7.6(b).
- (d) For the purpose of Article 7.6(a) "Foreign Ownership Event" shall mean any direct or indirect increase in the Foreign Ownership of the Company that results in:
  - (i) AIG MEA being required, whether by force of law, or at AIG MEA's own initiative in order to prevent a breach of applicable law by the Company or any other Person, to Transfer any of its Shares in the Company at any time; or
  - (ii) the Company, TATA or AIG MEA being in breach of any applicable Indian Law.

### 7.7 Discriminatory Change in Law.

If, at any time after the date of the Agreement, there is a change in Indian Law or in the interpretation or application of an Indian Law, which materially and adversely affects a material right or obligation of AIG MEA in respect of the Joint Venture, in each case, otherwise than due to a breach of applicable law by AIG MEA or any act or omission by AIG MEA (and which does not materially and adversely affect TATA in the same manner) (and regardless of whether other Foreign Persons are also adversely affected), AIG MEA shall be entitled to Transfer all of its Shares in the Company to a third party purchaser, subject to compliance with the provisions set forth in Articles 10 and 14.

## **8. SHARES TRANSFERS TO PERMITTED TRANSFEREES**

### 8.1 Transfer Conditions.

At any time, a Shareholder shall have the right to Transfer its Shares to one or more of its Permitted Transferees, which Transfer may be effected in one or more separate transactions, on the following terms and conditions:

- (a) The transferring Shareholder shall provide written notice of such Transfer to the other Shareholders at least 30 days prior to effecting any such Transfer, such notice to specify the number of Shares to be transferred and the name or names of the Permitted Transferees to whom the Shares are to be transferred.
- (b) The transferring Shareholder shall unconditionally guarantee the performance of the terms of the Agreement by each Permitted Transferee to which the Shares are being transferred.
- (c) The transferring Shareholder shall remain bound by its obligations under the terms of the Agreement.
- (d) Each Permitted Transferee to which Shares are being transferred shall concurrently with such Transfer accede to the Agreement by signing, dating and delivering to the other Shareholders a written statement in English reading as follows (the "Permitted Transferee Certificate").

*The undersigned, in consideration of receiving \_\_\_ Shares of Tata AIG General Insurance Company Ltd (the "Company"), hereby agrees to be deemed a party to, and to be bound to the same extent as [Name of transferring shareholder], by the terms and conditions of the Amended and Restated General Insurance Joint Venture Agreement, dated as of December 21, 2009 among the Company, Tata Sons Private Limited (previously Tata Sons Limited) and AIG MEA Investments and Services, LLC (previously AIG MEA Investments and Services Inc., Chartis Memsa Holdings, Inc. and AIG Memsa, Inc.), as amended from time to time.*

- (e) Upon delivery of such Permitted Transferee Certificate to the other Shareholders, the Permitted Transferee shall be deemed to be a "Shareholder" under the Agreement and the

terms "Shareholder", "Initial Shareholder", "TATA", and "AIG MEA" shall be construed to include such Permitted Transferee, as the case may be.

- (f) For the avoidance of doubt, with respect to any Transfers under Article 8, for all purposes of the Agreement the Shareholdings of the transferring Shareholder and the Permitted Transferees shall be aggregated.
- (g) Prior to such time as a Permitted Transferee shall cease to qualify as a Permitted Transferee of the transferring Shareholder, such Permitted Transferee shall retransfer all Shares held by it to the transferring Shareholder or to another qualifying Permitted Transferee.
- (h) Provisions of subarticles (b), (f) and (g) above, shall not apply to a Transfer by TATA where the Permitted Transferee is not an Affiliate of TATA.

#### 8.2 Certain Articles Will Not Apply.

For the avoidance of doubt, Articles 10 and 11 will not apply to any Transfer under this Article 8.

#### 8.3 Register of Transfers.

The Company or the Registrar and Share Transfer Agent shall maintain a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every Transfer or transmission of any Share.

#### 8.4 Form of Transfers.

Shares in the Company are held in dematerialized form and shall be transferred through the Depository in accordance with the Depositories Act, 1996.

#### 8.5 Reserved.

#### 8.6 Registration of Transfers.

##### (a) Share Register.

No Transfer of Shares of the Company shall be recognized by the Company unless recorded in the Register of Members of the Company. The Board of the Company must immediately register any Transfer of Shares which complies with the terms of these Articles and Indian Law.

##### (b) Certain Transfers Not to be Recognized.

The Members of the Company agree that no purchaser of Shares in the Company may be recognized as a shareholder in the Company unless the transaction by which the purchaser has acquired Shares is in compliance with all the provisions of these Articles.

(c) Approval of Transfers under Indian Law.

If at any time it is proposed that a Transfer of Shares in the Company takes place in accordance with these Articles, the Company and the proposed transferee shall ensure that any Governmental Authorizations, including, where necessary, the approval of IRDAI or the Reserve Bank of India, are obtained prior to the registration of any Transfer. The Members shall provide all reasonable assistance in this regard. Any time periods in these Articles relating to the Transfer of Shares will be extended until such Governmental Authorizations have been obtained or officially and finally denied, provided that the Person seeking to extend such acceptable period shall have used reasonable efforts in obtaining such Governmental Authorizations.

8.7 Transfer of Partly Paid Shares.

Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Companies Act.

## **9. SHARES CHANGE IN LAW**

9.1 Change in Law Call Option.

Subject to Article 9.1A, if, at any time during a period of five (5) years commencing from the Effective Date ("Change in Law Call Option Exercise Period"), Indian Law permits (x) AIG MEA to hold more than 26% of the issued Shares of the Company or (y) an increase in AIG MEA's Shareholding at any time subsequent to the event referred to in subparagraph (x) (a "Change in Law") the following terms and conditions shall apply.

- (a) TATA agrees that, with effect on and from the date that the Change in Law occurs (being the date on which the legislative changes providing for the Change in Law take effect following publication in the Official Gazette of the Government of India), TATA hereby, and without any further action on the part of any Person (including the signing of documents) being necessary, automatically grants to AIG MEA an option (the "Change in Law Call Option"), exercisable within the time periods referred to in Article 9.1(f), to acquire from TATA and from one or more Permitted Transferees as provided under Article 9.1(f), such number of Shares (the "Change in Law Call Shares") as AIG MEA is after the Change in Law permitted by Indian Law to hold in the Company, up to a maximum aggregate Shareholding on the part of AIG MEA of 74% of the issued, allotted and paid up Shares. Provided that TATA shall not, under any circumstances, be required under this Article 9.1 to reduce its Shareholding in the Company to below 51 % of the issued, allotted and paid up Shares.
- (b) For the avoidance of doubt, Articles 10 and 11 will not apply to any Transfer of Shares under this Article 9.
- (c) This Article 9.1 can, subject to Articles 9.1(f), and 9.1(g), apply more than once and shall apply each time there is a Change in Law.

- (d) The price payable by AIG MEA for the Change in Law Call Shares (the "Change in Law Call Price") shall be the highest of (i) the Fair Value of the Shares, (ii) the value of the Shares determined in accordance with Indian Law including the guidelines for valuation of equity shares prescribed by the Reserve Bank of India (if any), from time to time, or (iii) the value which is equivalent of the Capital Investment Amount plus interest at a rate of 12% per annum compounded annually from (and including) the date of allotment of the Change in Law Call Shares in question until (and including) the date of exercise of the Change in Law Call Option.
- (e) Within 30 days of the Change in Law Call Option being granted by TATA in accordance with Article 9.1(a), or if on the date the Change in Law Call Option is granted any of conditions set forth in Section 9.1A have not been satisfied, within 30 days of the date on which such conditions are satisfied, AIG MEA shall indicate to TATA and the Company by notice in writing ("Intent Notice") whether or not it desires to proceed with the Change in Law Call Option. The Change in Law Call Option shall expire upon AIG MEA notifying TATA that it does not desire to proceed with the Change in Law Call Option (or the end of such 30 day period if AIG MEA does not give any Intent Notice).
- (f) Within 30 days following the receipt by the Company of the Intent Notice, the Initial Shareholders shall appoint appraisers to determine the Change in Law Call Price on a per Share basis with respect to the Change in Law Call Shares. Within thirty (30) days following the final determination of such Change in Law Call Price, AIG MEA shall deliver a written notice to TATA and to the Company (the "Call Option Election Notice"), which notice shall indicate whether AIG MEA has elected to proceed with its exercise of the Change in Law Call Option, and provide (i) the level to which AIG MEA intends to raise its Shareholding, and (ii) the total number of Change in Law Call Shares it must purchase to achieve such level. The proportion of Change in Law Call Shares to be sold to AIG MEA by TATA and Permitted Transferees, if any, shall be solely decided by TATA; provided, however, that in the event any Permitted Transferee is required to sell any Shares under this Article 9.1(f) in order to allow AIG MEA to exercise its Change in Law Call Option, TATA shall procure such sale by the Permitted Transferee. The Initial Shareholders and the Company shall use reasonable endeavors to obtain the necessary approvals, in each case as soon as practicable.
- (g) In the event AIG MEA elects not to acquire the Change in Law Call Shares, it shall issue a written notice to TATA and to the Company (a "Non Election Notice"), within 30 days following the final determination of the Change in Law Call Price. Upon issuing such Non Election Notice AIG MEA shall have no rights under Article 9.1 with respect to the occurrence of any subsequent Change in Law. Failure of AIG MEA to issue a Non-Election Notice within such 30 day period shall be deemed to be non election by AIG MEA to exercise the Change in Law Call Option.



- (h) The sale and purchase of the Change in Law Call Shares shall take place within 45 days from the receipt of all approvals from Governmental Agency including the Reserve Bank of India and/or the IRDAI, as the case may be.
- (i) The Change in Law Call Option shall not be assignable by AIG MEA to any other Person, other than to a Permitted Transferee.
- (j) Notwithstanding anything to the contrary in the Agreement or these Articles, the Change in Law Call Option Exercise Period shall be extended during such period in which the Shareholders are following the procedures set out in this Article 9.1 for the exercise of a Change in Law Call Option.

#### 9.1A Limitations:

Notwithstanding anything set forth in Article 9.1 above, Change in Law Call Option shall not be exercisable by AIG MEA if on the date of exercise of Change in Law Call Option by AIG MEA (i) AIG MEA becomes a Defaulting Party under Article 20 due to an Event of Default occurring after the Effective Date (even if the issue of AIG MEA being a Defaulting Party is in dispute or pending resolution in arbitration) or (ii) any of the following conditions is not fulfilled:

- (a) an SPV has been duly formed under the relevant law and directly or indirectly owns and holds a majority of equity capital or voting power in AIG MEA;
- (b) at least 20% of the equity interests of the SPV (or of the intermediate entity described in the proviso (b) of the definition of "Chartis", if any) have been sold to Persons theretofore not affiliated with the Chartis Group or American International Group, Inc. in one or more public offerings or private placements; and
- (c) the U.S. Government has not otherwise retained the control, directly or indirectly, over the management or affairs of AIG MEA that would be diluted by the transactions referred to in subarticle (b) above.

#### 9.2 Change in Law Put Option.

- (a) AIG MEA with effect on and from the expiration of the Change in Law Call Option in accordance with Article 9.1(e), hereby, and without any further action on the part of any Person (including the signing of documents) being necessary, automatically grants to TATA a put option (the "Change in Law Put Option"), entitling TATA to put to AIG MEA the Change in Law Call Shares at the Change in Law Call Price.
- (b) The Change in Law Put Option shall be exercisable by TATA by written notice to AIG MEA and to the Company ("Put Notice"), within 30 days of the grant of the Change in Law Put Option.
- (c) If no price has been determined for the Change in Law Shares pursuant to 9.1(d) and (f), within 30 days following the receipt by the Company of the Put Notice, the Initial

Shareholders shall appoint appraisers to determine the Change in Law Call Price on a per Share basis with respect to the Change in Law Call Shares. Within thirty (30) days following the final determination of such Change in Law Call Price, TATA shall deliver a written notice to AIG MEA and to the Company (the "Put Option Election Notice"), which notice shall indicate whether TATA has elected to proceed with its exercise of the Change in Law Put Option, and provide (i) the level to which TATA intends to reduce its Shareholding, and (ii) the total number of Change in Law Call Shares it must sell to achieve such level. Failure of TATA to issue Put Option Election Notice within such thirty (30) day period shall be deemed to be nonelection by TATA to exercise the Change in Law Put Option.

- (d) The sale and purchase of the Change in Law Call Shares shall take place within 45 days from the receipt of Put Notice by AIG MEA and subject to obtaining of all approvals from Governmental Agency.
- (e) If TATA has not exercised the Change in Law Put Option prior to its expiration, the Change in Law Put Option shall automatically terminate. This Article 9.2 shall apply each time a Change in Law Call Option expires under Article 9.1(e).

### 9.3 Change in Law Following Expiration of Change in Law Call Option Exercise Period.

- (a) In the event a Change in Law occurs following the expiration of the Change in Law Call Option Exercise Period, AIG MEA may request in writing that TATA grants AIG MEA a new Change in Law Call Option. If TATA does not agree within 30 days of receipt of such notice to grant AIG MEA such new Change in Law Call Option, then the Non-Compete Period shall be deemed to have terminated with respect to AIG MEA. For avoidance of doubt, this provision shall apply with respect to each Change in Law that follows the expiration of the Change in Law Call Option Exercise Period.
- (b) In the event AIG MEA or any other member of the Chartis Group, pursuant to the termination of Non Compete Period in terms of Article 9.3(a) above, elects to conduct, directly or indirectly, its business in competition with the Company in India, including without limitation, with regard to any form of insurance coverage or type of insurance policy in India, then AIG MEA shall provide written notice to TATA of this intent and:
  - (i) without prejudice to subarticle (a) above, within 45 days from the receipt of the notice from AIG MEA, TATA shall have the right (but no obligation) to elect to acquire all (but not part) of AIG MEA's Shares at Fair Value of such Shares. If TATA elects to acquire such Shares, it shall give written notice to AIG MEA of such election. The sale and purchase of Shares under this subarticle shall be completed within 45 days from the date of election by TATA, subject to obtaining of all required approvals from relevant Governmental Agencies; and
  - (ii) in the event that AIG MEA or any other member of the Chartis Group commences, or enters into any definitive agreement with respect to, any activity that would be prohibited by Article 25, AIG MEA shall no longer be entitled to the benefit of any rights accruing to it (whether by being described as "AIG MEA", or as an "Initial

Shareholder") under the Agreement including, without limitation, Articles 15, 16 or 17. For avoidance of doubt, however, AIG MEA shall still be entitled to any protections provided by Indian law from time to time based on the relative shareholding of AIG MEA in the Company.

- (c) In the event TATA does not exercise timely the option provided under subarticle 9.3(b)(i) above, then AIG MEA shall have the right to sell its Shares in the Company without regard to the provisions of Article 10 or Article 11 and otherwise in a manner most beneficial to AIG MEA, subject to obtaining of all required approvals from relevant Governmental Agencies. If the Company has previously effected an IPO (as defined below), then TATA and the Company shall permit AIG MEA to include its Shares in any secondary public offering of the Company's shares and TATA shall take all corporate action necessary to approve the inclusion of AIG MEA's shares in such a secondary offering and the Company shall provide all necessary assistance for such secondary offering.

## **10. SHARES RIGHT OF FIRST REFUSAL**

- (a) Subject to any necessary Governmental Authorizations and to Article 7.6 and other provisions of the Agreement, if at any time a Shareholder (the "Selling Shareholder") is entitled under Articles 7.2(a), 7.3(a), 7.4(b) or 7.7 and desires to Transfer all (but not part) of its Shares (the "ROFR Sale Shares") to a third party, the Selling Shareholder shall deliver a notice in writing (the "ROFR Sale Notice") to the other Shareholders (the "ROFR NonSelling Shareholders") which notice shall state (i) the name of the Selling Shareholder, (ii) the name, address and beneficial owner(s) of the proposed third party transferee ("Proposed Transferee"), (iii) the number of ROFR Sale Shares to be sold (which shall, for avoidance of doubt, constitute all and not less than all the Shares of the Selling Shareholder), (iv) the amount of the proposed consideration for the sale to such Proposed Transferee, (v) the other material terms and conditions of the proposed sale, (vi) a confirmation that the ROFR Sale Shares are free from any encumbrances and that the Selling Shareholder is the beneficial and recorded owner of the ROFR Sale Shares. The total value of the consideration for the proposed sale is referred to herein as the "Offer Price".
- (b) For a period of 30 days after receipt of a ROFR Sale Notice ("Offer Period"), the ROFR Non Selling Shareholders shall have the right, exercisable by the them through the delivery of an Acceptance Notice as provided in Article 10(c), to purchase all such ROFR Sale Shares in a pro rata proportion based on its Shareholding (in relation to the other ROFR Non-Selling Shareholders) at a purchase price equal to the Offer Price per Share and upon the other terms and conditions set forth in the ROFR Sale Notice.
- (c) The first refusal right of the ROFR Non-Selling Shareholders under this Article 10 shall be exercisable by delivering a notice of acceptance ("Acceptance Notice") within the Offer Period to the Selling Shareholder. The Acceptance Notice shall include (i) a statement of the number of Shares held by the ROFR Non-Selling Shareholder, and (ii) a statement that the ROFR Non-Selling Shareholder is willing to acquire such ROFR Sale Shares in a pro rata proportion based on its Shareholding (in relation to the other ROFR Non-Selling

Shareholders) at the Offer Price. An Acceptance Notice shall be irrevocable and shall constitute a binding agreement between the Selling Shareholder and the Non-Selling Shareholder regarding the purchase and sale of the ROFR Sale Shares. The failure of a ROFR Non-Selling Shareholder to give an Acceptance Notice within the Offer Period or the non-receipt by the Selling Shareholder of the Acceptance Notice within the Offer Period shall be deemed to be a waiver of such ROFR Non-Selling Shareholder's right of first refusal.

- (d) If any ROFR Non-Selling Shareholder does not elect to purchase its pro rata proportion (based on its Shareholding) of the ROFR Sale Shares by the end of the Offer Period, the ROFR Non-Selling Shareholders who have elected to make an offer to purchase their pro rata proportion of the ROFR Sale Shares shall have the right, exercisable for a period of 10 days after the Offer Period (the last day of which shall be the "ROFR Extended Cut-Off Date") to deliver another Acceptance Notice to purchase such ROFR Sale Shares (pro rata based on Shareholding or in such other proportion as they agree). The ROFR Non-Selling Shareholders must agree to purchase, in aggregate, all of the ROFR Sale Shares.
- (e) Unless the ROFR Non-Selling Shareholders elect to purchase in the aggregate, all but not less than all of the ROFR Sale Shares under and in accordance with this Article 10, the Selling Shareholder may sell, all but not less than all of the ROFR Sale Shares to the Proposed Transferee identified in the ROFR Sale Notice on the same terms and conditions set forth in the ROFR Sale Notice, provided however that, the sale is made within 90 days after the expiry of the Offer Period. If such a sale does not occur within such 90 day period for any reason, the restrictions provided for herein shall again become effective, and no sale of Shares may be made by the Selling Shareholder thereafter without complying with the right of first refusal provisions under this Article 10.
- (f) The consideration of such ROFR Sale Shares shall be paid in full in cash, or in such other form as may be agreed.
- (g) Upon any election of the right to purchase such ROFR Sale Shares by the ROFR Non-Selling Shareholders, the Selling Shareholder and the ROFR Non-Selling Shareholders shall use their reasonable efforts to secure any necessary Governmental Authorizations for the Transfer of such ROFR Sale Shares.
- (h) The closing of any such Transfer in terms of this Article 10 shall not be more than 5 days after the expiration of any applicable regulatory waiting period or the obtaining of all necessary Governmental Authorizations, provided that in the event the closing does not occur within 12 months from the ROFR Extended Cut-Off Date, the Selling Shareholder and the ROFR Non-Selling Shareholders shall (unless otherwise agreed among such parties) no longer be obligated to consummate the Transfer of such ROFR Sale Shares and the procedures set forth above shall be repeated in the event of any subsequent proposed Transfer of such ROFR Sale Shares (unless such parties agree otherwise).
- (i) Any stamp duty or transfer taxes or fees payable on the sale of any ROFR Sale Shares shall be borne and paid by the ROFR Non-Selling Shareholders unless otherwise mandatorily required by Indian Law.

- (j) If the ROFR Non-Selling Shareholders purchasing the ROFR Sale Shares does not make payment in full of the Offer Price within the period stated in Article 10(h) above, the entire ROFR Sale Shares may be sold to the Proposed Transferee identified in the ROFR Sale Notice in accordance with the provisions of Article 10(e) above. If such sale and purchase of the ROFR Sale Shares does not occur within the period referred to in Article 10(h) above owing to the default of an ROFR Non-Selling Shareholder to pay for its ROFR Sale Shares, it shall constitute a material breach of the terms of the Agreement for the purposes of Article 20.1.
- (k) The Selling Shareholder agrees to cause such nominees on the Board of Directors to resign, effective immediately upon completion of the Transfer of the ROFR Sale Shares.
- (l) If at any time a Shareholder is entitled under the terms of the Agreement and shall desire to Transfer all or part of its ROFR Sale Shares, and at that time AIG MEA is not, under Indian Law, permitted to acquire any part of the ROFR Sale Shares, AIG MEA shall be entitled to designate, by notice in writing to TATA a Person (who shall be eligible in all respects under applicable law and such Person shall be approved in writing by TATA as the designee of AIG MEA) of all of the ROFR Sale Shares with the intention that the rights of first refusal of AIG MEA under this Article 10 shall be exercisable by any such Person designated by AIG MEA and approved in writing by TATA.

## **11. SHARES TAG ALONG RIGHTS**

- (a) Subject to any necessary Governmental Authorizations and to Article 7.6 and other provisions of the Agreement, if at any time a Shareholder (the "Selling Shareholder") is entitled under Articles 7.2(a), 7.3(a), 7.4(b) or 7.7 and desires to Transfer all (but not part) of its Shares in the Company to a Proposed Transferee (including without limitation, any sale consequent upon a decision by Shareholders not to exercise the right of first refusal under Article 10), such Selling Shareholder shall, prior to consummating any such Transfer, give a further written notice (a "TAR Sale Offer") to the non selling Shareholder (the "Tag Along Shareholders") containing:
  - (i) the number of Shares proposed to be transferred pursuant to such bona fide written offer (which shall be all the Shares then held by the Selling Shareholder) (the "Sale Shares");
  - (ii) the name and address of the Proposed Transferee;
  - (iii) the proposed purchase price, terms and payment and other material terms and conditions of the Proposed Transferee's offer; and
  - (iv) an offer at the sole option of each Tag Along Shareholder, to include in such sale to the Proposed Transferee all (but not part) of the Shares held by the Tag Along Shareholders.

A TAR Sale Offer must be given to each Shareholder, regardless of whether that Shareholder previously declined to purchase any ROFR Sale Shares under Article 10.

- (b) Each Tag Along Shareholder shall have the right, for a period of 30 days after the TAR Sale Offer is given to it (the "TAR Response Period") to require the Proposed Transferee to purchase from such Tag Along Shareholder, such number of Shares as may be offered for Transfer by the Tag Along Shareholder ("TAR Sale Shares") in the Company, for the same consideration per Share and upon the same terms and conditions as to be paid and given to the Selling Shareholder by the Proposed Transferee, exercisable by delivering a written notice to the Selling Shareholder within the TAR Response Period, stating therein the number of Shares held by the Tag Along Shareholder; provided however, if the Tag Along Shareholder is AIG MEA, then the Tag Along Shareholder together with its Permitted Transferees and Designated Purchaser must offer for Transfer all the Shares held by them as "TAR Sale Shares".
- (c) In the event that a Tag Along Shareholder has notified the Selling Shareholder within the TAR Response Period that pursuant to Article 11(b) it desires to include in such sale to the Proposed Transferee all (but not part) of its Shares, the Selling Shareholder shall have 30 days from the expiration of the TAR Response Period in which to sell the TAR Sale Shares to the Proposed Transferee at a price not lower than that contained in the TAR Sale Offer and on terms not more favorable to the Proposed Transferee than were contained in the TAR Sale Offer, provided that in the event of any such sale, the Selling Shareholder shall include in any such sale upon the same terms and conditions as the Sale Shares any Shares held by any Tag Along Shareholders in accordance with the written notice to the Selling Shareholder within the TAR Response Period.
- (d) If at the end of the TAR Response Period, a Tag Along Shareholder has not given notice of its decision to sell its Shares in accordance with this Article 11, or has given notice that it does not wish to sell its Shares in accordance with this Article 11, then the Selling Shareholder shall have 30 days in which to sell the Sale Shares to the Proposed Transferee at the same price and on the same terms as that contained in the TAR Sale Offer. Promptly after any sale pursuant to this Article 11, the Selling Shareholder shall notify the Company and the relevant Tag Along Shareholders of the consummation thereof and shall furnish such evidence of the completion (including time of completion) of such sale and of the terms thereof as the Company may request.
- (e) If at the end of any such 30 day period provided for in this Article 11, the Selling Shareholder has not completed the sale of the Sale Shares, the Selling Shareholder shall no longer be permitted to sell such Sale Shares pursuant to this Article 11, without again fully complying with the provisions set forth in Article 10, and this Article 11 and all the other restrictions on Transfer contained in the Agreement shall again be in effect.
- (f) In the event that AIG MEA is the Selling Shareholder, it shall not be permitted to Transfer its Sale Shares to any Proposed Transferee in the event that the Proposed Transferee is not permitted, under Indian Law, to acquire the Shares of TATA in addition to the Shares held by AIG MEA.

## **12. INITIAL PUBLIC OFFER; MANDATORY DIVESTMENTS; ACQUISITION OF THIRD PARTY INTERESTS**

### **12.1 Initial Public Offer (IPO).**

At any time after the earlier of (i) expiry of Change in Law Exercise Period or (ii) receipt by TATA of Non Election Notice from AIG MEA in terms of Article 9.1(g), TATA may, at its sole option, request that the Company effect an initial public offering ("IPO") of its shares on a recognized securities exchange in India or elsewhere. At the sole option of TATA such IPO may be effected either by sale of newly issued Shares to the public and / or through an offer for sale of existing Shares held by TATA to the public. AIG MEA shall vote along with TATA and otherwise take all corporate action necessary to approve the IPO and the Company shall provide all necessary assistance for such IPO. For avoidance of doubt, the provisions of Article 10 shall not apply to an IPO but, in the case of AIG MEA, the provisions of Article 13.1 shall apply to an IPO.

### **12.1A Survival Beyond IPO.**

The Parties intend that the provisions of the Agreement will continue in full force and effect following, and notwithstanding the occurrence of, an IPO, subject at all times to Indian Law. The Parties agree to do all such things, and execute all such documents, as may be necessary or desirable to give effect to such intention (including without limitation, in the case of the Shareholders by voting in favor of amendments to the Memorandum of Association and Articles of Association as are reasonably necessary). The Parties however also recognize that certain of the provisions of the Agreement may, in accordance with Indian Law, require amendment in order to allow the IPO to proceed and the Parties further agree to effect any such necessary amendments.

### **12.2 *DELETED***

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

### **12.3 Acquisition of Third-Party Shares.**

- (a) Except with the consent of the other Initial Shareholder, no Initial Shareholder shall be entitled to increase its Shareholding directly or indirectly by the purchase of Shares from a Person other than a Shareholder, other than in accordance with the terms and conditions of the Agreement. No Shareholder, other than an Initial Shareholder, shall acquire Shares unless the consent of each of AIG MEA and TATA is provided in writing.
- (b) If, at any time, a Person other than a Shareholder owns Shares, an Initial Shareholder (the "Leading Shareholder") shall only be entitled to acquire that Person's Shares if:
  - (i) (if AIG MEA is the Leading Shareholder), following such acquisition AIG MEA will not own more than 49% of the Shares held collectively by AIG MEA and TATA;
  - (ii) (if Article 12.3(b)(i) is not satisfied) the procedures set forth in Articles 12.3(c) to (g) are complied with; and

- (iii) the Leading Shareholder is permitted by applicable law to acquire such Shares in accordance with this Article 12.3.
- (c) If Articles 12.3(c) to (g) are required to be complied with pursuant to Article 12.3(b)(ii), a Leading Shareholder shall only be entitled to acquire a third Person's Shares, if:
  - (i) the Leading Shareholder gives notice in writing (the "Third Party Acquisition Notice") to the other Initial Shareholder (the "Following Shareholder") of such proposed purchase/acquisition of that Person's Shares;
  - (ii) the Leading Shareholder commits to procure that such Person's Shares shall be available for purchase/acquisition by the Following Shareholder on the same terms and conditions, in such amount that will result in, after such acquisition, a Shareholding as between TATA and AIG MEA (of the Shares held collectively by them) of 51:49;
  - (iii) the Third Party Acquisition Notice provides that such sale shall be completed on the 60<sup>th</sup> day after the Third Party Acquisition Notice is given to the Following Shareholder (as extended by any applicable regulatory waiting period or the obtaining of all necessary Governmental Authorizations); and
  - (iv) at the time of the giving of the Third Party Acquisition Notice, the Following Shareholder is permitted under Indian Law to acquire such offered Shares.
- (d) The Following Shareholder shall have a period of 30 days after receipt of an Third-Party Acquisition Notice within which to elect to purchase its proportionate share of such offered Shares at the same price and on the same terms set forth in the Third Party Acquisition Notice, which election shall be made by an irrevocable written notice delivered by the Following Shareholder to the Leading Shareholder. Any election to purchase the offered Shares on the terms set forth in the Third Party Acquisition Notice must be unconditional (except that such purchase may be subject to the prior receipt of any necessary Governmental Authorizations to complete such purchase).
- (e) If the Following Shareholder:
  - (i) does not elect to purchase its proportionate share of the offered Shares by the end of the 30 day period referred to in Article 12.3(d); or
  - (ii) fails to complete the purchase the offered Shares in accordance with the terms of the Agreement and the Third Party Acquisition Notice, the Leading Shareholder shall have the right, exercisable for a period of 20 days after the end of either such 30 day period or the day on which the Following Shareholder has failed to complete its purchase, as the case may be, to purchase all or a proportion of the offered Shares.
- (f) If as of the end of the 20 day period referred to in Article 12.3(e) the Leading Shareholder has not exercised its right to purchase all the offered Shares the Leading Shareholder shall not be entitled to purchase such offered Shares without again complying with the procedures set forth in this Article 12.3.



- (g) Any purchase from a Person by an Initial Shareholder under this Article 12.3 shall be on the terms and conditions set forth in the Third Party Acquisition Notice received by the Following Shareholder.

### **13. SHARES PREEMPTIVE RIGHTS AND CAPITAL CALLS**

#### **13.1 Preemption Generally.**

- (a) Subject to applicable law, the Shareholders shall have preemptive rights to subscribe to the Shares to be issued subsequent to the initial subscription referred to in Article 5.3 of the Initial JV Agreement (provided that, except in the case of AIG MEA, such issue is not part of a bona fide widely distributed public offering of the Company's Shares), in the proportionate amount held by each Shareholder prior to such issuance, it being understood that the respective percentages of share ownership of the Shareholders shall be maintained, subject only to any change in their respective percentages of share ownership pursuant to and in accordance with the other provisions of the Agreement.
- (b) If a Shareholder does not subscribe for Shares to be issued as contemplated in Article 13.1(a) within 30 days of notice from the Company, the other Shareholders shall be offered such non subscribed Shares in the proportionate amount held by each subscribing Shareholder prior to such issuance, and shall have a further 30 days period in which to elect to subscribe to such additional Shares (provided that if more offered Shares are accepted than are offered as part of such second offer, each accepting Shareholder shall be entitled to subscribe for that portion of new Shares which are the subject of the second offer equal to its Shareholding).
- (c) If, at the end of the 30 day period referred to in Article 13.1(b), any offered Shares remain unsubscribed, the Board of Directors may offer such unsubscribed Shares to a third party at a price not less than that first offered to the Shareholders, subject to applicable law.
- (d) All subscriptions amounts shall be paid to the Company by a Shareholder within 30 days of making an election to subscribe to the Shares to be issued.
- (e) If AIG MEA is not permitted under Indian Law to subscribe to any part of the offered Shares, AIG MEA shall be entitled to designate by notice in writing to TATA a Designated Purchaser of all the offered Shares.
- (f) This Article 13.1 does not limit the operation of Article 13.2.

#### **13.2 Capital Calls.**

- (a) The Shareholders agree to subscribe for new Shares (the "Capital Call Shares") at any time that an Initial Shareholder issues a demand notice (a "Capital Call Demand Notice") to the other Shareholders (in accordance with this Article 13.2) referring to this Article 13.2 and requesting the other Shareholders to subscribe for Capital Call Shares in accordance with the Capital Call Demand Notice.

- (b) An Initial Shareholder may only issue a Capital Call Demand Notice if:
  - (i) Indian Law requires (whether in order to cure a breach or an event that is likely to become a breach of law or otherwise) further equity capital to be contributed to the Company by its members; or
  - (ii) the Board of Directors determine to raise additional capital by resolution duly passed in accordance with the Agreement.
- (c) Following the issue of a Capital Call Demand Notice, each Shareholder shall be given a period of:
  - (i) in the case of Article 13.2(b)(i), 30 days from the receipt of the Capital Call Demand Notice (or such lesser period of time as will permit the Company to comply with, and avoid a breach of, applicable Indian Law); and
  - (ii) in the case of Article 13.2(b)(ii), within 5 days from the receipt of the Capital Call Demand Notice, in which to confirm that it will subscribe for its proportionate share of the Capital Call Shares (being a proportion equal to its Shareholding).
- (d) If a Capital Call Demand Notice is issued pursuant to Article 13.2(b), the Board of Directors shall issue to each Shareholder a demand notice requiring the subscription by such Shareholder of its proportionate share of such number of Capital Call Shares as will raise additional funds in accordance with Article 13.2(a), and the Shareholders shall subscribe for such Capital Call Shares within the time period specified in such demand notice (which in any event shall not exceed 30 days) or within such lesser period of time as will permit the Company to comply with applicable Indian Law.
- (e) Except for the non-subscription of Excess Capital Shares pursuant to Article 13.2(f), if a Shareholder does not confirm that it will subscribe for its proportion of Capital Call Shares in accordance with Article 13.2(c), or fails to subscribe for such Capital Call Shares within the time periods referred to in Article 13.2(d);
  - (i) such failure shall constitute a material breach of the terms of the Agreement for the purposes of Article 20.1; and
  - (ii) without limiting any of the rights of the other Shareholders under the Agreement, the unsubscribed Capital Call Shares shall be offered by the Board of Directors to the other Shareholders who have confirmed that they will subscribe for Capital Call Shares, whereupon such Shareholders shall have a further period of 15 days in which to elect to subscribe for such unsubscribed Capital Call Shares on a pro rata basis (based on their respective Shareholdings) or in such other proportion as they agree.
- (f) Notwithstanding anything to the contrary in this Article 13.2, in the event a Capital Call Demand Notice is issued pursuant to Article 13.2(b)(i) arising from an underperformance in the underwriting results set forth in the then applicable Business Plan, no Shareholder shall be obligated under Articles 13.2(c) and (d) to confirm and subscribe for any Capital Call Shares to the extent that such subscription shall result in an additional contribution

to the then current equity capital of the Company in excess of the amount equal to, (x) 20% of; (i) the then total paid-in equity capital of the Company plus; (ii) the unsubscribed amount of any increase in equity capital planned and budgeted for in the Business Plan that is applicable at that time (the "Unsubscribed Budgeted Capital"), plus (y) the amount of the Unsubscribed Budgeted Capital (such excess, the "Excess Capital Call Shares"). In the event that a Shareholder (a "Non Electing Shareholder") does not confirm and subscribe for its proportionate share of such Excess Capital Call Shares, the other Shareholders (each, an "Electing Shareholder") may, within 30 days of the expiry of the relevant period specified in Article 13.2(c), elect to subscribe for such unsubscribed Excess Capital Call Shares on a pro rata basis (based on their respective Shareholdings) or in such other proportion as they may agree, provided that such Non Electing Shareholder shall have the option for a period of two (2) years following the purchase by an Electing Shareholder of Excess Capital Call Shares to purchase such Excess Capital Call Shares from such Electing Shareholder at a price (the "Repurchase Price") equal to the aggregate subscription price (the "Paid Price") paid for such Excess Capital Call Shares plus an amount equal to 12% per annum of the Paid Price calculated on an annual compounding basis from the date such Paid Price is paid until and including the date the Repurchase Price is paid. For the avoidance of doubt, this Article 13.2(f) shall in no event relieve any Shareholder from, in respect of a Capital Call Demand Notice, its obligation to subscribe and pay for its proportionate share of Capital Call Shares to the extent they are not Excess Capital Call Shares.

(By way of example, if the paid-up capital of the Company is Rs. 125 Crores and the unsubscribed amount of the budgeted increase in the equity capital of the Company is Rs. 35 Crores, then no Shareholder shall be required to subscribe for any Capital Call Shares (in a proportion based on its Shareholding) to the extent such subscription results in a contribution to the equity capital in excess of Rs. 67 Crores. Each Shareholder shall be required to subscribe and pay for Rs. 67 Crores of equity capital (in a proportion based on its Shareholding).

- (g) If AIG MEA is not permitted under Indian Law to subscribe to any part of the Capital Call Shares (including, for greater clarity, those Shares offered under Articles 13.2(e)(ii) and (f) above), AIG MEA shall be entitled to designate by notice in writing to TATA a Designated Person of all or less than all of the Capital Call Shares (provided that AIG MEA subscribes to the balance of the Capital Call Shares).

## **14. SHARES GENERAL PROVISIONS**

### **14.1 Transferees.**

- (a) (Article 7.2(a) Transfers).

- (i) If at the time of, the proposed Transfer of Shares by AIG MEA to a Person under Article 7.2(a):

(A) the Shareholding of AIG MEA is 26% (and in no other cases), such Person shall accede to AIG MEA's rights, and be bound by AIG MEA's obligations, on the basis set out in Annex B;

(B) the Shareholding of AIG MEA is greater than 26%, such Person shall accede to all of the rights, and be subject to all of the obligations, specifically conferred on or imposed upon AIG MEA personally, whether by being described as "AIG MEA" or an "Initial Shareholder"; and

(C) the Shareholding of AIG MEA is less than 26%, such Person shall accede to all of the rights, and be subject to all of the obligations, set forth in the Agreement as a "Shareholder", and shall not accede to any of the rights, or be subject to any of the obligations, specifically conferred upon or imposed upon AIG MEA personally, whether by being described as "AIG MEA" or an "Initial Shareholder".

(b) (Article 7.3(a) Transfers).

(i) If at the time of the proposed Transfer of Shares by TATA to a Person under Article 7.3(a):

(A) the Shareholding of TATA is 26% (and in no other cases), such Person shall accede to TATA's rights, and be bound by TATA's obligations, on the basis set out in Annex B;

(B) the Shareholding of TATA is greater than 26%, such Person shall accede to all of the rights, and be subject to all of the obligations, specifically conferred on or imposed upon TATA personally, whether by being described as "TATA" or an "Initial Shareholder"; and

(C) the Shareholding of TATA is less than 26%, such Person shall accede to all of the rights, and be subject to all of the obligations, set forth in the Agreement as a "Shareholder", and shall not accede to any of the rights, or be subject to any of the obligations, specifically conferred upon or imposed upon TATA personally, whether by being described as "TATA" or an "Initial Shareholder".

(c) (Article 7.7 Transfers).

(i) With respect to a proposed Transfer of Shares by AIG MEA to a Person under Article 7.7, subject to Articles 14.1(c)(ii) and (c)(iii), such Person shall accede to all of the rights, and be subject to all of the obligations, specifically conferred on or imposed upon AIG MEA personally, whether by being described as "AIG MEA" or an "Initial Shareholder",

(ii) If at the time of the proposed Transfer, the Shareholding of AIG MEA is 26% (and in no other cases), such Person shall accede to AIG MEA's rights, and be bound by AIG MEA's obligations, on the basis set out in Annex B.

(iii) If at the time of the proposed Transfer, the Shareholding of AIG MEA is less than 26%, such Person shall accede to all of the rights, and be subject to all of the obligations, set forth in the Agreement as a "Shareholder", and shall not accede to any of the rights, or be subject to any of the obligations. specifically conferred upon or imposed upon AIG

MEA personally, whether by being described as “AIG MEA” or an “Initial Shareholder”.

(d) (Article 8 Transfers).

Each Permitted Transferee shall as a condition to receiving a Transfer of Shares sign a Permitted Transferee Certificate as contemplated in Article 8.

(e) (Article 14.5 Transfers).

Each Person who receives a Transfer of Shares as a designee of AIG MEA as contemplated in Article 14.5(a) shall do so on the basis set out in Article 14.5(b) below.

(f) Notwithstanding the provision of Articles 14.1 (a), 14.1 (b) and 14.1 (c), for the purpose of calculation of the Shareholding of AIG MEA and TATA, as the case may be, under above referred Articles, the Shares issued pursuant to or held under an ESOP Scheme shall be disregarded if the Shareholding of an Initial Shareholder goes below 26% of the total issued and paid-up Share capital of the Company, on account of an ESOP Scheme.

#### 14.2 Share Register.

No Transfer of Shares of the Company shall be recognized by the Company unless recorded in the Register of Members (as defined in the Companies Act) of the Company. The Board of Directors of the Company must immediately register any Transfer of Shares which complies with the terms of the Agreement and Indian Law.

#### 14.3 Certain Transfers Not to be Recognized.

The Shareholders of the Company agree that no purchaser of Shares in the Company may be recognized as a shareholder in the Company unless the transaction by which the purchaser has acquired Shares is in compliance with all the provisions of the Agreement.

#### 14.4 Approval of Transfers under Indian Law.

If at any time it is proposed that a Transfer of Shares in the Company takes place in accordance with the Agreement, the Company and the proposed transferee shall ensure that any Governmental Authorizations, including, where necessary, the approval of IRDAI or the Reserve Bank of India, are obtained prior to the registration of any Transfer. The Shareholders shall provide all reasonable assistance in this regard. Any time periods in the Agreement relating to the Transfer of Shares will be extended until such Governmental Authorizations have been obtained or officially and finally denied, provided that the Person seeking to extend such acceptable period shall have used reasonable efforts in obtaining such Governmental Authorizations.

#### 14.5 AIG MEA Designated Purchaser.

(a) If at any time a provision of the Agreement provides for, permits or contemplates the acquisition, subscription or Transfer of Shares to AIG MEA and at that time Indian Law does not permit AIG MEA to acquire, subscribe to or otherwise take a Transfer of such

Shares, AIG MEA shall be entitled to designate by notice in writing to TATA a Person (who shall be eligible in all respects under applicable law and such Person shall be approved in writing by TATA (such approval not to be unreasonably withheld) as the designee of AIG MEA) (such a Person a "Designated Purchaser") to acquire subscribe to or otherwise take a Transfer of such Shares.

(b) A Designated Purchaser shall:

- (i) accede to and be bound by the terms and conditions set forth in the Agreement as a "Shareholder"; and
- (ii) not accede to any of the rights, nor be subject to any of the obligations, specifically conferred on or imposed upon AIG MEA personally, whether by being described as "AIG MEA" or an "Initial Shareholder".

(c) Any Shareholding of a Designated Purchaser shall be aggregated with the Shareholding of AIG MEA when ascertaining the Shareholding of AIG MEA for the purposes of Article 16.4, provided that nothing in this Article 14.5 or in the Agreement is to be taken as implying that a Designated Purchaser is a nominee or proxy of AIG MEA, and such Designated Purchaser must be eligible in all respects under Indian Law to take a Transfer, or otherwise acquire, Shares as AIG MEA's Designated Purchaser.

#### 14.6 Consent for Issuance of Securities.

Except with the consent of the Initial Shareholders, no Shareholder, shall approve the Company offering, pledging, issuing, selling, contracting to sell, selling any contract to purchase, purchasing any option to sell, granting any option, right or warrant to purchase, or otherwise transferring or disposing of, either directly or indirectly, any equity security in the Company or securities convertible into or exercisable or exchangeable for equity securities in the Company at any time.

### **15. BOARD OF DIRECTORS**

#### 15.1. Appointment of the Board of Directors.

The Shareholders agree that the following provisions shall apply to the Board of Directors of the Company:

- (a) The Board of Directors shall consist of not less than 5 and not more than 15 Directors ("Total Strength of the Board").
- (b) (i): Subject to the provisions of Article 15.1 (b) (ii) AIG MEA shall have a right to nominate the number of persons to be appointed as Directors (excluding Independent Directors) on the Board equal to the product of (i) the aggregate percentage interest of the equity capital held by AIG MEA and (ii) the Total Strength of the Board (other than Independent Directors). TATA shall have a right to nominate the number of persons to be appointed as Directors (including the Managing Director but excluding Independent Directors) on the Board equal to the product of (i) the aggregate percentage interest of the equity capital held by TATA and (ii) the Total

Strength of the Board (excluding Independent Directors). If, in giving effect to the foregoing, the number of Directors which an Initial Shareholder is entitled to appoint is not a whole number, that number will be rounded downwards if less than 0.5 and rounded upwards if greater than 0.5.

(b) (ii) Notwithstanding what is stated in Article 15.1(b)(i) aforesaid Tata shall always have the right to nominate/ appoint a majority of the Directors (other than Independent Directors) on the Board of the Company.

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

(c) The Nomination and Remuneration Committee of the Board of Directors shall recommend to the Board, nominees for appointment as Independent Directors. The Board, after due consideration of the recommendations of the Nomination and Remuneration Committee shall nominate and appoint such number of Independent Directors as may be required by the IRDAI or any other relevant Governmental Agency, in accordance with Indian Law.

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

(d) Subject to applicable Indian Law, the removal/replacement of any Directors shall require the concurrence of the Board of Directors. Any vacancy in the Board of Directors, whatever its cause (including without limitation, as a result of a mandatory rotation of Directors) arising on account of cessation as a Director of an individual nominated by an Initial Shareholder, shall be filled up by appointment of an individual nominated by such Initial Shareholder. No Initial Shareholder shall have the right to remove a Director nominated by the other Initial Shareholder.

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

(e) An Initial Shareholder shall have the right to replace a Director nominated by such Initial Shareholder in the event that such Director is required by Indian Law to retire by rotation from the Board of Directors. The Chairman and Managing Director shall not be subject to retirement by rotation.

(f) The Shareholders agree to vote for the appointment of Directors nominated in accordance with this Article 15.1.

***(g) If at any time the Company issues debentures, bonds or such other instruments under a debenture trust deed, the debenture trustee shall have the right to nominate a person to be appointed to the Board of Directors as a nominee Director, in the event of (i) two consecutive defaults in payment of interest to the debenture holders; or (ii) default in creation of security, if required for debentures; or (iii) default in redemption of debentures. The Board of Directors shall, on receipt of the nomination from the debenture trustee, appoint the nominee to the Board of Directors, provided such nomination by debenture trustee is made in accordance with the applicable laws, applicable regulations or listing requirements and pursuant to the provisions of the debenture trust deed entered with the Company.***

***Notwithstanding anything contained in these Articles, the nominee Director shall neither be liable to retire by rotation nor shall be required to hold any qualification shares.***

***The debenture trustee shall have the right to remove from office any nominee Director so appointed and to appoint another in his/her place or in the place of a Director so appointed who resigns or otherwise vacates his/her office, in accordance with the provisions of the Companies Act 2013, applicable law, regulatory or listing requirements and the terms and conditions of the debenture trust deed entered into with the Company.***

**15.2. Powers and Proceedings of the Board of Directors.**

- (a) The Shareholders acknowledge that the Company is, as expressed in the Agreement, a board run company. Subject to the Agreement, the Board of Directors of the Company shall have the right to manage the business and operations of and make decisions regarding the Company subject to applicable Indian Law provided however that, control over significant policies of the Company shall be exercised by the Board constituted in accordance with Article 15.1 (b).
- (b) All decisions of the Board of Directors of the Company whether at a Board meeting convened or by circular resolution shall require a resolution approved by a simple majority of Directors present and voting at a meeting provided that (a) the Board is constituted in accordance with Article 15.1 (b) and (b) the Directors nominated by Tata constitute a majority of the Directors other than Independent Directors present at such meeting or voting on such circular resolution (as applicable).
- (c) Each Director is entitled to cast one (1) vote in respect of all resolutions considered at any Board meeting and in respect of all circular resolutions of the Board.
- (d) The quorum for any meeting of the Board of Directors shall, subject to Indian Law, be one third of the Total Strength of the Board or two Directors (whichever is higher), and require the presence of at least one Authorized Nominee Director of AIG MEA PROVIDED THAT the number of Directors nominated by Tata constitute a majority of the Directors other than Independent Directors present at each such meeting. If within half an hour of the time appointed for the meeting of the Board no quorum is present due to the absence of the required Directors as mentioned above, such a Board meeting shall automatically stand adjourned to the same day in the next week at the same time and place and if at the adjourned meeting also the quorum as aforesaid is not present then the Directors present at such an adjourned meeting at which Directors nominated by Tata constitute a majority of the Directors other than Independent Directors present, shall form a quorum provided the number of Directors present at such adjourned meeting is sufficient to meet the requirements of the Companies Act and any other relevant legislation."

***(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)***

- (e) Directors who shall be unable to personally attend meetings of the Board of Directors of the Company may be represented by an alternate director appointed in accordance with Indian Law. Resolutions of the Board of Directors of the Company may be adopted at such meetings or, in lieu of a meeting, by written consent of all Directors of the Company by way of circular resolution in accordance with applicable law. The Shareholders of the Company agree to hold not less than four meetings of the Board of Directors each year upon written notice of the Chairman or a majority of the Board of Directors, and to waive



the requirement, if permitted by applicable Indian Law, to convene such meetings of the Board of Directors on a more frequent basis; provided, however, that if meetings other than such meetings are to be held pursuant to mandatory Indian Law, no decision concerning the Company shall be taken at such meetings unless the quorum requirements set out above have been satisfied.

- (f) If under applicable Indian Law an Authorized Nominee Director of an Initial Shareholder is not entitled to form part of a quorum, or to vote on a resolution put or to be put to the Board of Directors (for example, if the Director is considered under Indian Law to be an 'interested director'), such Initial Shareholder may, subject to Indian Law, designate an alternate Authorized Nominee Director for purposes, of such quorum or vote or, unless otherwise mutually agreed by the Initial Shareholders, the passing of that resolution shall be reserved to the shareholders of the Company in General Meeting.

#### 15.3. Directors May Act Notwithstanding Vacancy.

The Board may, notwithstanding that the number of Directors is reduced below the minimum number fixed by Article 15.1(a) hereof, or that the quorum requirements set forth in Article 15.2(d) are not satisfied, act for the purposes of increasing the number of Directors to the minimum number required or to satisfy such quorum requirements, or of summoning a General Meeting, but for no other purpose.

#### 15.4. Companies Promoted By the Company.

A Director may be or become a director of any company promoted by the Company or in which the Company may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 197 or Section 188 of the Companies Act may be applicable.

#### 15.5. Retirement By Rotation.

- (a) At every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation (or if their number is not three or a multiple of three, the number nearest to one-third) shall retire from office.
- (b) Neither the Managing Director nor the Chairman shall be taken into account in determining the rotation requirements or the number of Directors to retire, subject to Section 152 and the other provisions of the Companies Act.

#### 15.6. Ascertainment of Directors Retiring by Rotation.

Subject to Section 152 of the Companies Act and to these Articles, the Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves be determined by lot.

15.7. Eligibility for Rotation.

A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

15.8. Company to Appoint Successors.

Subject to Section 152 of the Companies Act, the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto, provided that such vacated office shall be filled in by a person nominated by the Member which had nominated the Director whose office has fallen vacant.

15.9. Changing the Number of Directors.

Subject to Section 149 of the Companies Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provisions of Section 169 of the Companies Act and to these Articles) and in particular, subject to Article 15.5(a), remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person appointment shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

15.10. Power of Board.

A meeting of the Board for the time being at which a quorum is present shall in accordance with these Articles be competent to exercise all or any of the authorities, powers and discretions which by or under the Companies Act or these Articles are for the time being vested in or exercisable by the Board generally;

15.11. Directors May Appoint Committee.

Subject to the restrictions contained in Section 179 of the Companies Act and rules made thereunder, the Board may delegate any of their powers to Committees of the Board consisting of such number or numbers of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purposes Every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise shall have the like force and effect as if done by the Board.

15.12 Reserved.

15.13 Committee Meeting Procedures.

Subject to Article 15.11, the meetings and proceedings of any such Committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under Article 15.11.

#### 15.14 Resolution by Circulation.

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or to all the members of the Committee, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be in terms of Article 15.2(d)) and to all other Directors or members at their usual address in India, and has been approved by such of the Directors as are then in India, or by a majority of such of them, as are entitled to vote on the resolution, notwithstanding anything contained in this Article, no resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation except in accordance with the requirements of Article 15.2(b).

### **BORROWING POWERS**

#### 15.15 Power to Borrow.

Subject to these Articles and to the provisions of Sections 179 and 180 of the Companies Act, the Board may from time to time at their discretion by a resolution duly passed, accept deposits from Members either in advance of calls or otherwise, and generally borrow or raise for the purpose of the Company or secure the payment of such sums as they think fit and may secure the repayment or payments of any such sums by mortgage or charge upon all or any of the property or assets of the Company or by the issue of debentures (whether at par or at a discount or premium) or otherwise as they may think fit, provided that the monies so borrowed or raised together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will not exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, without the consent of the Company in General Meeting by Ordinary Resolution duly passed.

#### 15.16 Secured Moneys.

Subject to these Articles (including Article 15.15), the payment or repayment of monies borrowed may be secured in such manner and upon such terms and conditions in all respect as the resolution approving such borrowing shall prescribe including by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom same may be issued.

#### 15.17 Terms of Issue of Debentures.

Any debenture, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise, subject to the provisions of the Articles of the Company. Debentures

with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in General Meeting accorded by a Special Resolution.

## **16. MANAGING DIRECTOR AND CHAIRMAN**

### 16.1 The Managing Director

- (a) The Managing Director of the Company shall be nominated by TATA and appointed by the Board.
- (b) The appointment of the Managing Director in accordance with Article 16.1(a) shall be subject to the approval by the Shareholders (in accordance with the Agreement) in General Meeting as required under the Companies Act. The Managing Director can be removed by the Board of Directors at any time, and the provisions set forth in Article 16.1(a) and this Article 16.1(b) will again apply to the appointment of a replacement.
- (c) Neither the Board of Directors nor any Shareholder shall, whether at a Board or in General Meeting convened or by circular resolution, propose, accede to, concur with or approve the appointment of a Managing Director unless the Managing Director has been appointed in accordance with the procedures specified in Articles 16.1(a) and (b).
- (d) The Shareholders acknowledge that the appointment, removal and replacement of the Managing Director is subject to the approval of the IRDAI and other necessary Governmental Agencies. Accordingly, any decision with respect to the appointment, removal or replacement of the Managing Director made by the Board as specified in Article 16.1(a) shall be subject to the Company obtaining such approval from the IRDAI (or such other necessary Governmental Agency). If any appointment made by the Board is not approved by the IRDAI (or such other necessary Governmental Agency), the Board shall appoint another person as the Managing Director and the provisions of this Article 16.1 shall apply to such appointment."

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

### 16.2 Authority Conferred on the Managing Director.

- (a) Each Shareholder agrees that the Managing Director of the Company shall be granted the authority to manage the day to day operations of the Company including on matters specified in Annex A, subject to the supervision of the Board of Directors pursuant to the resolutions passed by the Board of Directors from time to time.
- (b) Subject to Indian Law and the terms of the Agreement, the Managing Director shall not be required to seek the approval of the Board of Directors on any issue which is within the delegation of authority from the Board of Directors in effect at that time.
- (c) The Board of Directors may at any time by resolution duly passed:
  - (i) revoke or vary the authority conferred on the Managing Director; or
  - (ii) veto, disapprove or otherwise reject any action or decision proposed by the Managing Director.

- (d) Notwithstanding the foregoing, the Board of Directors shall be the only organ of the Company with authority to pass resolutions concerning:
- (i) a matter which is required by Indian Law to be reserved to the board of directors of a company;
  - (ii) the declaration of dividends, as contemplated in Article 22;
  - (iii) the adoption of a Business Plan, as contemplated in Article 23;
  - (iv) any capital expenditure to be undertaken by the Company in excess of Rs.20,000,000, unless approved under the then current Business Plan of the Company;
  - (v) the issue of any security interest, encumbrance, mortgage or pledge by the Company to raise additional funds for the Company in accordance with applicable law;
  - (vi) any Related Party Transaction; or
  - (vii) capital calls for the issuance of Excess Capital Call Shares under Article 13.2(b)(i) or any Capital Call Shares under Article 13.2(b)(ii).
- (e) The Managing Director's duties shall include (but not be limited to):
- (i) regular reporting to the Board of Directors of the Company and the Chairman of the Board of Directors;
  - (ii) furnishing to the Chairman such information as the Chairman may require and call for on such matters as the Chairman may deem fit and consider necessary and suitable interacting with and briefing the Chairman;
  - (iii) conducting the business of the Company diligently by exercising due care and skill and in accordance will applicable law; and
  - (iv) assisting in the implementation of the principles of good corporate governance.

### 16.3 The Chairman.

- (a) The Chairman of the Board of Directors of the Company shall be appointed by the Board from amongst the Directors nominated by TATA.  
**(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)**
- (b) Any nomination of the Chairman shall be subject to the approval of the Board of Directors of the Company. The Chairman of the Board can be removed by the Board of Directors at any time, and the provisions set forth in this Article 16.3 will again apply to the appointment of a replacement.
- (c) Neither the Board of Directors nor any Shareholder shall, whether at a Board or General Meeting convened or by circular resolution, propose, accede to, concur with or approve the appointment of a Chairman unless the Chairman has been nominated and approved in accordance with the procedures specified in Articles 16.3(a) and (b).
- (d) If the Chairman of the Board of Directors is not present within 15 minutes from the commencement time of the Board Meeting, the Board shall nominate another Director to the position of Chairman and such Director shall be appointed as Chairman to chair such meeting.

(e) The Chairman shall not have a casting vote.

The words “To appoint or remove the Managing Director” “To approve or amend the Business Plan” and “To appoint or remove the Chairman or name a temporary Chair for the purpose of any meeting at which the Chairman is not present” appearing in Annexure D of the Articles of Association of the Company shall stand deleted and shall no longer be considered as part of Annexure D.

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

#### 16.4 Management Rights.

Except as otherwise provided in Article 9.3,

- (a) So long as an Initial Shareholder continues to hold Shareholding of not less than 26%, that Initial Shareholder shall be entitled to all of the rights accruing to an Initial Shareholder (whether by being described as "AIG MEA", "TATA" or as an "Initial Shareholder") under Articles 15, 16 and 17.
- (b) If an Initial Shareholder holds Shareholding of less than 26%, that Initial Shareholder shall not be entitled to the benefit of any rights accruing to an Initial Shareholder (whether by being described as "AIG MEA", "TATA" or as an "Initial Shareholder") under Articles 15, 16 or 17.
- (c) Notwithstanding any other provision in the Agreement, for the purpose of calculation of the Shareholding of an Initial Shareholder, as the case may be, under Articles 16.4(a) and 16.4(b), the Shares issued pursuant to or held under an ESOP Scheme shall be disregarded if the Shareholding of such Initial Shareholder goes below 26% of the total issued and paid-up Share capital of the Company, on account of an ESOP Scheme.”

#### 16.5 Key Management Persons.

The Key Management Persons shall be appointed by the Board based on recommendations of the Nomination and Remuneration Committee and in accordance with the applicable provisions of Indian Law. For this purpose, the term ‘Key Management Persons’ shall have the meaning ascribed to it in the Corporate Governance Guidelines for Insurers in India issued by the IRDAI as amended or substituted from time-to-time.

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

### **17. SHAREHOLDER MEETINGS AND DECISIONS**

#### 17.1 General Meeting.

The Company shall hold in each year in addition to any other meetings of the members of the Company, a general meeting as its “Annual General Meeting” and shall specify the meeting as such in the notice calling it. Not more than 15 months shall elapse between Annual General Meetings.

### 17.2 Extraordinary General Meetings.

Extraordinary General Meetings of the Shareholders of the Company shall be held upon the request of the Chairman or any two Directors of the Company (or as otherwise required pursuant to the provisions of the Companies Act) upon at least twenty one (21) days written notice (containing the agenda, date, time and place of the meeting) to all Shareholders and shall be held at such time and place designated in such notice, with attendance in person or (subject to Indian Law) by telephone, or by proxy; provided, however, that such twenty one (21) day notice requirement may be waived by Shareholders having an aggregate Shareholding of not less than ninety-five percent (95%) in a particular case.

### 17.3 Quorum.

A representative of each Initial Shareholder shall, in addition to any quorum requirements under Indian Law, be required to form a quorum for any meeting of the members of the Company. If within half an hour of the time appointed for the meeting of the members no quorum is present, such a meeting shall automatically be adjourned to the same day in the next week at the same time and place or to such other day or time as the Board of Directors may designate and if at the adjourned meeting also the quorum as aforesaid is not present then the presence or one Initial Shareholder at such an adjourned meeting shall constitute a quorum.

### 17.4 Shareholder Approval.

Each Shareholder agrees that for items listed in Annex D, it will not propose, accede to, concur with or approve a resolution put to the shareholders of the Company unless the Initial Shareholders have, prior to such General Meeting, agreed to the adoption of such resolution.

### 17.5 Chairman.

The Chairman of the Board of the Company for the time being shall also preside as chairman at any General Meeting. If the Chairman of the Board of the Company is not present within 15 minutes from the nominated commencement time of the General Meeting, a person nominated by the Board shall be appointed as the Chairman and shall chair such General Meeting.

### 17.6 Voting Power.

Each Shareholder of the Company agrees and promises to use its voting and other rights as a shareholder of the Company so as to implement the provisions of the Agreement. Without limiting the generality of the foregoing each Shareholder shall vote in favor of the candidates for Director, Managing Director and Chairman nominated in accordance with the Agreement and not for any other candidates.

17.7 (a) All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

(b) The Annual General Meeting shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the

foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Companies Act to extend the time within which any Annual General Meeting may be held.

- (c) Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the office of the Company is situated as the Board may think fit.
- (d) Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
- (e) At every Annual General Meeting of the Company, there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the audited Statement of Accounts), the Proxy Register with Proxies (if applicable) and the Register of Directors shareholder which Register shall remain open and accessible during the continuance of the meeting. The Board shall prepare the Annual List of Members, Summary of the Share Capital; Balance Sheet, and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Companies Act.

#### 17.8 Body Corporate Members.

A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act.

#### 17.9 No Business While Chair is Vacant.

No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.

#### 17.10 Chairman May Adjourn General Meeting.

The Chairman, with the consent of the Members present at the General Meeting may adjourn any General Meeting from time to time and from place to place in the city or town in which the office of the Company is for the time being situate, but no business shall be transacted at any adjourned General Meeting other than the business left unfinished at the General Meeting from which the adjournment took place.

#### 17.11 Demand For Poll Not To Prevent Other Business.

The demand for a poll, except on the question of an adjournment, shall not prevent the continuance of a General Meeting for the transaction of any business other than the question on which the poll has been demanded.



## **VOTES OF MEMBERS**

### **17.12 Members In Arrears Not To Vote.**

No Member shall be entitled to vote either personally or by proxy at any General Meeting either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.

### **17.13 Number of Votes to Which Members Entitled.**

Subject to the provisions of these Articles, every Member, not disqualified by Article 17.12, shall be entitled to be present, and to speak and vote at a General Meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company.

### **17.14 Voting in Person or by Proxy.**

Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Companies Act and such representative shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.

### **17.15 Appointment of Proxy.**

Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. The proxy so appointed shall not have the right to speak at the General Meeting.

### **17.16 General Meeting.**

An instrument of proxy may appoint a proxy either for the purpose of a particular General Meeting specified in the Instrument of Proxy and any adjournment thereof or it may appoint for the purpose of every General Meeting of the Company or of every General Meeting to be held before a date specified in the instrument of proxy and every adjournment of any such General Meeting.

### **17.17 Proxy to Vote Only On a Poll.**

A Member present by proxy shall be entitled to vote only on a poll.

### **17.18 Deposit of Instrument of Appointment**

The instrument appointing a proxy and a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the

office not later than forty-eight hours before the time being for holding the General Meeting at which the Person named in the instrument proposes to vote.

17.19 Form of Proxy.

Every Instrument of Proxy whether for a specified General Meeting or otherwise shall, as nearly as circumstance will admit, be in any of the forms set out in Section 105 of the Companies Act, 2013 and applicable rules made thereunder.

17.20 Validity of Votes by Proxy.

In the case of Shares registered in the name of any Member, any vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the Transfer of the Share in respect of which the vote is given provided that no intimation in writing of the death or insanity, revocation or Transfer shall have been received at the office of the Company before the General Meeting.

17.21 Time For Objection of Votes.

No objection shall be made to the validity of any vote except at any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

17.22 Chairman to Judge Validity of Votes.

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

**COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

17.23 Copies to be sent to Members.

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Companies Act shall be sent by the Company to every Member at his request within seven days of the request on payment of the sum of Rupee one for each copy.

**MANAGEMENT**

17.24 Management.

The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely:

- (a) Managing Director; and
- (b) Manager

## THE SECRETARY

### 17.25 Appointment of Company Secretary.

The Board may from time to time appoint and at their discretion, remove any individual, firm or body corporate (hereinafter called “the Secretary”) to perform any functions, which by the Companies Act are to be performed by the Secretary, and to execute any other purely ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Board. The Board may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

## SEAL

### 17.26 Official Seal.

- (a) Reserved.
- (b) The Company shall also be at liberty to have an official Seal in accordance with Section 22 of the Companies Act, for use in any territory, district or place outside India.

### 17.27 Execution of Deeds.

The common Seal of the Company shall be affixed or used by or under the authority of the Directors or by a Committee of the Board authorised by the Board in that behalf on every deed or other instrument to which the Seal of the company is required to be affixed in the presence of at least one Director who shall sign every instrument to which the seal is affixed. Such instruments shall be counter signed by the Company Secretary or such other officers appointed for this purpose, if any.

## 18. BOARD AND SHAREHOLDER DISAGREEMENTS

- (a) In the event that a matter brought before the Board of Directors or Shareholders of the Company for deliberation is not approved upon a vote of the Board of Directors or the Shareholders at three successive meetings of the Board of Directors or Shareholders as a result of the absence of a quorum or absence of the required voting requirements, as the case may be, as required by the terms of the Agreement, and an Initial Shareholder issues a notice to the other Initial Shareholder and the Company invoking this Article 18 (such matter in dispute shall then constitute a “Disagreement”), the Initial Shareholders shall, within a period of 10 days from the third successive Board or Shareholders meeting, as the case may be, each nominate a representative who shall have authority to make final and binding decisions on behalf of the relevant Initial Shareholder (a “Shareholder Representative”). Each Shareholder Representative shall be required to be available and exhaust all reasonable means to resolve such Disagreement through discussions conducted in good faith for a 30 day period commencing on the date that the last Shareholder Representative is appointed.
- (b) In the event that the Disagreement is not resolved by the Shareholder Representatives by the expiration of the thirty day period referred to in Article 18(a), the chairman of Chartis

(or his nominee who shall not be a member of the Board of Directors or an officer of the Company) and the chairman of TATA (or his nominee who shall not be a member of the Board of Directors or an officer of the Company) shall then be obligated to promptly meet with each other (and shall be entitled to appoint a mediator) and attempt to reach a resolution of the Disagreement within a further period of 20 days.

- (c) In the event that either;
  - (i) the Board of Directors or Shareholders initially;
  - (ii) the Shareholder Representatives, or;
  - (iii) the chairman of Chartis and the chairman of TATA (or their respective nominees, as aforesaid) reach a resolution to the Disagreement, the resolution shall immediately be reported to the Board of Directors or Shareholders and the Board of Directors or Shareholders (as the case may be) shall promptly approve such resolution.
- (d) Under no circumstances shall any Shareholder be entitled to refer a Disagreement to arbitration under the Agreement, or to any court, tribunal, dispute resolution forum, Governmental Agency, or other independent or external body (including the Company Law Board exercising power under the Companies Act for resolution or adjudication). This Article 18 sets out the entire rights and obligations of the Parties with respect to the occurrence of a Disagreement.

## **19. GENERAL MATTERS RELATING TO GOVERNANCE**

### **19.1 Investment.**

The Company shall comply with all requirements under the Insurance Act and the IRDAI Act with respect to accounting, investment of assets, deposits and such other provisions as may be made from time to time under the Insurance Act and the Rules and Regulations made thereunder in relation to the operation and functioning of the Company.

### **19.2 Accounting Matters.**

The Company shall keep one set of accounting records expressed and maintained in accordance with accounting principles applicable to Indian insurance companies and one set of accounting records expressed in U.S. Dollars and maintained in accordance with U.S. Generally Accepted Accounting Principles (US GAAP).

### **19.3 Reserves.**

The Company shall establish any and all reserve funds required by Indian Law or desirable for the efficient operation of its activities and for the accomplishment of its purposes.

### **19.4 Auditors.**

The Board of Directors of the Company shall recommend for appointment an independent accounting firm of repute to serve as statutory auditors of the Company as and when necessary

in compliance with the applicable Indian law. The internal audit of the Company shall be executed as provided by Indian Law and in accordance with international standards.

## **20. EVENTS OF DEFAULT**

### **20.1 Events of Default.**

Each of the following shall constitute an “Event of Default” with respect to a Shareholder (a “Defaulting Party”):

- (a) any material breach by a Shareholder of a Transaction Agreement, provided that in the case that such breach is capable of cure, if such breach is not cured, in the event such breach is of a payment obligation of such Shareholder, within thirty (30) days, or otherwise if such breach is capable of cure, within ninety (90) days, after receipt of notice from the Company or any of the other Shareholders to the Defaulting Party following the occurrence of such material breach; or
- (b) the filing against a Shareholder of a petition in bankruptcy or a petition seeking any composition, liquidation or similar relief under any applicable law, which petition shall remain undismissed or unstayed for an aggregate of one hundred eighty (180) days; or entry of a decree or order of a court having jurisdiction for the appointment of a receiver, custodian, liquidator or trustee of a Shareholder or of all or any substantial part of its property or for the winding up or liquidation of its affairs and the continuation of such decree or order in force undischarged or unstayed for a period of one hundred eighty (180) days; or
- (c) the adjudication of a Shareholder as a bankrupt or insolvent, or institution by a Shareholder of proceedings to be adjudicated a voluntary bankrupt, or consent by a Shareholder to the filing of a bankruptcy proceeding against it, or the filing by such Shareholder of a petition or answer or consent seeking reorganization under any applicable law, consent by a Shareholder to the filing of such, petition, or consent to the appointment of a receiver, custodian, liquidator or trustee of it or of all or any substantial part of its property, or the admission by a Shareholder in writing of its inability to pay its debts generally as they become due or the taking of corporate or other action by a Shareholder in furtherance of any of the foregoing; or
- (d) final action being taken by a Shareholder to be wound up or the liquidation of a Shareholder, or a provisional liquidator or an official receiver or custodian of a Shareholder is appointed and the appointment of such liquidator shall remain undismissed or unstayed for a period of ninety (90) days; or
- (e) the occurrence of a Change in Control with respect to a Shareholder.

It is hereby clarified that if a Shareholder is a “Defaulting Party” as defined in Article 20.1, each of such Defaulting Party's Affiliates or Designated Purchasers that hold any Shares shall also

deemed to be a “Defaulting Party” and this Article 20 shall accordingly apply to such persons as well.

## 20.2 Consequences of Default.

- (a) Upon the occurrence of an Event of Default with respect to a Defaulting Party, such Defaulting Party shall, immediately upon receipt by it of a written request (a "Defaulting Notice") to that effect from another Shareholder (the "Non-Defaulting Party"), at the election of a Non-Defaulting Party:
  - (i) purchase all of the Shares then owned by the Non-Defaulting Party (“Termination Put Option”); or
  - (ii) sell to the Non-Defaulting Party all of the Shares owned by the Defaulting Party (and if more than one Non-Defaulting Party makes an election under this Article 20.2(a)(ii), then in proportion to each Non-Defaulting Party's Shareholding) (“Termination Call Option”); or
  - (iii) vote in favor of a resolution to commence, subject to applicable law, a voluntary winding up of the Company, in consultation with all necessary Governmental Agencies.
- (b) Subject to applicable law, the price payable for Shares under Article 20.2(a) shall be the Fair Value of such Shares being Transferred. The Fair Value shall be determined as at the end of the month preceding the month in which the Event of Default occurred.
- (c) Upon the occurrence of an Event of Default, the Non-Defaulting Party and the Defaulting Party shall initiate the process of determining the Fair Value of the Shares being Transferred in accordance with the provisions of Annex D.
- (d) If at any time, AIG MEA is not, under Indian Law, permitted to acquire or purchase any part of the Shares the subject of a call or put under this Article 20, AIG MEA shall be entitled to designate a Designated Purchaser. Notwithstanding anything to the contrary herein, AIG MEA shall not be obliged to purchase such Shares under Article 20.2(a)(i) unless it is entitled under Indian Law to do so, or unless AIG MEA has designated a Person under this Article 20.2(d) (it being agreed by AIG MEA that if AIG MEA is the Defaulting Party, AIG MEA shall designate such a Person if permitted under Indian Law, and if not so permitted then AIG MEA shall use its best endeavors to obtain such permission and, upon the receipt of such permission, shall designate such a Person).

## 20.3 Additional Rights upon Default.

The rights specified in Article 20 shall be in addition to and not in substitution for, any other remedies that may be available to the Non-Defaulting Parties, and any exercise of such right shall not relieve the Defaulting Party from liability and damages to the Non-Defaulting Party for breach of the Agreement.

#### 20.4 No Waiver.

The failure of a Shareholder at any time to require observance or performance by any other Shareholder of any of the provisions of the Agreement shall in no way affect any other Shareholders' right to require such observance of performance at any time thereafter, nor shall the waiver by any Shareholder of a breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision.

### **21. SPECIAL PROVISIONS FOR CERTAIN NAMES**

#### 21.1 **RESERVED.**

#### 21.2 Absolute Ownership by American International Group, Inc and the Chartis Group.

The Shareholders hereby acknowledge the exclusive and absolute ownership by the American International Group, Inc. of the words "AIG", "American International", "AI" and (if applicable) its service mark registration in India (collectively, the "AIG Marks"). Accordingly, for so long as AIG MEA has a Shareholding of 26% or more, AIG MEA will license, or procure the licensing to the Company of the use of the word "AIG" in its name in India.

#### 21.3 American International Group, Inc. Chartis Group Change of Name.

- (a) The Shareholders agree that at any time American International Group, Inc. has an indirect Shareholding of less than 26% in the Company, AIG MEA shall have the unconditional absolute right to request the change of the name of the Company so as to eliminate any AIG Marks and replace the name with other mutually agreeable words which do not appear graphically or phonetically similar to the AIG Marks. The Shareholders further agree that, after a name change eliminating the AIG Marks, the Company shall refrain from using not only the specific AIG Marks but also, in general, any words, expressions and designs that distinguish American International Group, Inc. or its Affiliates (other than the Chartis Group). Provided however if the indirect Shareholding of American International Group, Inc. falls below 26% in the Company due to AIG MEA becoming a Defaulting Party under Clause 20 of the Agreement upon occurrence of an Event of Default, AIG MEA shall bear the Company's entire cost of re-branding of the Company upon change of its name on AIG MEA's request.
- (b) The Shareholders agree that in connection with the global re-branding of the Chartis Group that occurred in July 2009, AIG MEA shall have the unconditional absolute right to request the change of the name of the Company so as to eliminate any AIG Marks and replace the name with other names, letters or words which reflect such new brand (collectively, the "Chartis Marks"). The Shareholders further agree that, after a name change eliminating the AIG Marks, the Company shall refrain from using not only the specific AIG Marks, but also, in general, any words, expressions and designs that distinguish American International Group, Inc. or its Affiliates (other than the Chartis Group).

In the event of such a global re-branding, TATA and the Company shall acknowledge the exclusive and absolute ownership by Chartis of the Chartis Marks and (if applicable) Chartis's service mark registration in India and AIG MEA shall procure that Chartis enters

into with the Company a license agreement with respect to the use of the Chartis Marks on terms substantially similar to the terms pursuant to which the Company currently licenses the name "TATA" from the TATA Group, provided TATA is agreeable to use by the Company of such new Chartis Marks. Provided further that the Company's entire cost of re-branding of the Company resulting from the global re-branding of Chartis Group shall be borne by AIG MEA alone and not by TATA or the Company.

- (c) The Shareholders agree that at any time that Chartis has an indirect Shareholding of less than 26% in the Company, AIG MEA shall have the unconditional absolute right to request the change of the name of the Company so as to eliminate the Chartis Marks and replace the name with other mutually agreeable words which do not appear graphically or phonetically similar to the Chartis Marks. The Shareholders further agree that, after a name change eliminating the Chartis Marks, the Company shall refrain from using not only the specific Chartis Marks but also, in general, any words, expressions and designs that distinguish the Chartis Group. Provided however if the indirect Shareholding of Chartis falls below 26% in the Company due to AIG MEA becoming a Defaulting Party under Clause 20 of the Agreement upon occurrence of an Event of Default after the date hereof, AIG MEA shall bear the Company's entire cost of rebranding of the Company upon change of its name on AIG MEA's request.

#### 21.4 American International Group, Inc. Chartis Group Period in which to Change Name.

Any change of name contemplated in Article 21.3 must be completed within a term of 6 (six) months following the written notification made by AIG MEA to such effect, to the Company.

#### 21.5 Absolute Ownership by TATA.

The Shareholders hereby acknowledge the exclusive and absolute ownership by TATA of the word "TATA" and (if applicable) its service mark registration in India. Accordingly, for so long as TATA has a Shareholding of 26% or more, TATA will license, or procure the licensing to the Company of the use of the word "TATA" in its name in India.

#### 21.6 TATA Change of Name.

The Shareholders agree that at any time TATA has a Shareholding of less than 26% in the Company, TATA shall have the unconditional absolute right to request the change of the name of the Company so as to eliminate the word "TATA" and replace it with other mutually agreeable words which do not appear graphically or phonetically similar to this word. The Shareholders further agree that, after a name change eliminating the word "TATA", the Company shall refrain from using not only the word "TATA" but also, in general, any words, expressions and designs that distinguish TATA. Provided however if the indirect Shareholding of TATA falls below 26% in the Company due to TATA becoming a Defaulting Party under Clause 20 of the Agreement upon occurrence of an Event of Default, TATA shall bear the Company's entire cost of rebranding of the Company upon change of its name on TATA's request.



### 21.7 TATA Period in which to Change Name.

The change of name contemplated in Article 21.6 must be completed within a term of 6 (six) months following the written notification made by TATA to such effect, to the Company.

### 21.8 Obligation to Assist with Change of Name.

The Shareholders hereby undertake that, upon receipt of any such written notification from either AIG MEA or TATA, as the case may be, they will jointly do and perform all such acts as may be legally required to call and hold a shareholders meeting of the Company for the purpose of changing the name of the Company, to vote their Shares so as to approve said change of name and, further, to comply with all the legal requirements to accomplish the change of name. The Company shall furnish to the Shareholders copies of the documents evidencing such change of name.

21.9 Notwithstanding the provision of Articles 21.2, 21.3, 21.5 and 21.6, for the purpose of calculation of the Shareholding of AIG MEA and TATA, as the case may be, under the above referred Articles, the Shares issued pursuant to or held under an ESOP Scheme shall be disregarded if the Shareholding of an Initial Shareholder goes below 26% of the total issued and paid-up Share capital of the Company, on account of an ESOP Scheme.

## **22. DIVIDEND POLICY AND DISTRIBUTIONS**

### 22.1 Declaration.

The Board of Directors of the Company shall decide the extent and ratio of the recapitalization of earnings and the declaration of dividends of the Company.

### 22.2 Compliance with the Insurance Act.

Notwithstanding anything to the contrary, the Shareholders agree and understand that any distribution of dividends shall, at all times, be made in accordance with the requirements of Indian Law including the Insurance Act and that when declaring such dividends, the Shareholders shall take into consideration the business needs of the Company, as detailed in the Business Plan and solvency requirements of the Company.

## **23. BUSINESS PLAN**

No later than two months prior to the commencement of each fiscal year of the Company, the Managing Director of the Company will prepare, and submit for the review and approval of the Board of Directors, a Business Plan for such fiscal year and a budget for such fiscal year for the ensuing two-year period. In the event that the circumstance in Article 13.2(f) applies, then the Managing Director shall promptly prepare and submit for the review and approval of the Board of Directors a revised version of the Business Plan that is relevant to such circumstances. The Managing Director will prepare and submit for the review of the Board of Directors quarterly accountability reports, which shall include comparisons of actual expenditures with the expenditures provided for in the operating budget.

## **24. CONTRIBUTIONS AND INTERNAL DEALINGS**

### **24.1 Intellectual Property and Services.**

- (a) The Parties hereto recognize that a Shareholder may deliver to the Company information, know how and data that is proprietary to such Shareholder and in particular Chartis may deliver to the Company for its exclusive use in India, various methods, formulas, charts, actuary tables, forms of insurance policies, operating software, rule books, operating instructions, marketing know how and the like, all of which were developed or acquired and used by the Group in the course of its worldwide operations and which, as such, constitutes the proprietary information and intellectual property of the Chartis Group; and thus the Company shall only use such information and intellectual property for the purpose of its business and shall maintain confidential such information and intellectual property and such information and intellectual property shall at all times remain the property of and under the ownership of such Shareholder.
- (b) AIG MEA agrees to provide, and procure that the Chartis Group provide, to the Company management support and expertise in the various areas of insurance which the Company intends from time to time to develop.
- (c) TATA agrees to provide, and procure that the TATA Group provide, to the Company market and product research services, corporate strategy services, marketing, distribution, research and development services, together with overall business planning services.

### **24.2 TATA Insurance Requirements.**

TATA agrees with AIG MEA that it will use its best endeavors to promote the products and services offered by the Company within the TATA Group.

## **25. INCOMPATIBLE ACTIVITIES**

### **25.1 No Competitive Activity.**

Each Shareholder agrees that for the duration of the Non-Compete Period it will, and will ensure that the other members of the Chartis Group or TATA Group, as the case may be, conduct its business in such a manner as to avoid any competition with the Company in India, including without limitation, with regard to any form of insurance coverage or type of insurance policy in India. Each Shareholder agrees that the restrictions set forth in this Article 25 are reasonable in the light of their respective investments in the Company.

### **25.2 Competing Organizations.**

- (a) Subject to Articles 25.2(b), (c) and (d), each Shareholder agrees that for the duration of the Non-Compete Period it will not, and will not permit any member of the Chartis Group or TATA Group, as the case may be, to;
  - (i) acquire any equity or other ownership interest in, or acquire a right or enter into an arrangement, to manage, control, participate in the management or ownership of (whether by way of joint venture, partnership, other profit-sharing relationship

or in any other similar manner whatsoever), render services for, or in any manner engage in any business with, a Competing Organization;

- (ii) acquire a right or enter into an arrangement to manage, control or participate in the management or ownership of (whether by way of joint venture, partnership, other profit sharing relationship or in any other similar manner whatsoever) an entity (the “Upstream Competing Organization”) which derives 10% or more of its profits or revenues from such Competing Organization, (the Competing Organization and the Upstream Competing Organization shall collectively be a “Prohibited Organization”); or
- (iii) provide or license to any Prohibited Organization the use of its name or names or service marks.

A Shareholder shall give notice to all other Shareholders and the Company of any such acquisition or arrangement.

- (b) If at any time during the Non-Compete Period, a member of the Chartis Group, or TATA Group, as the case may be, acquires an equity or other ownership interest in an entity where the result is that the Upstream Competing Organization becomes a direct or indirect Affiliate of the relevant Shareholder or member of the Chartis Group, or TATA Group, as the case may be, the Shareholder shall ensure that either the Competing Organization or Upstream Competing Organization is sold, transferred or otherwise divested (subject to receipt of all necessary regulatory approvals which the Shareholder shall use reasonable endeavors to obtain) within a period of 18 months from the time of acquisition by the member of the Chartis Group, or TATA Group, as the case may be.
- (c) A Shareholder, or another member of the Chartis Group, or TATA Group, as the case may be, shall be permitted to undertake any passive investment by way of acquisition or any equity or other ownership interests in a Competing Organization or Upstream Competing Organization, as the case may be, provided that during the Non Compete Period:
  - (i) in the case of a passive investment in an Upstream Competing Organization, such acquired interest does not exceed, in aggregate for the Shareholder, and the Chartis Group or TATA Group, as the case may be, 10% of all ownership interests in the Upstream Competing Organization; and
  - (ii) in the case of a passive investment in a Competing Organization, such acquired interest:
    - (A) does not exceed, in the aggregate for the Shareholder and the Group, or TATA Group, as the case may be, 10% of all ownership interests in the Competing Organization; and
    - (B) is made through a bona fide investment fund managed, controlled or directed by, the a member of TATA Group or Chartis Group, as the case may be.

A Shareholder shall give notice to all other Shareholders and the Company of any such acquisition.

- (d) For the purposes of Article 25.2(c), a passive investment shall not include any investment whereby the investor takes an active role in the direction and management of the investee, or otherwise directs or controls the corporate decision making process of the investee.
- (e) A Shareholder, other than an Initial Shareholder, shall provide to the Company and to the Initial Shareholders undertakings in form and substance equivalent to the undertakings given in the preceding paragraphs upon becoming a Shareholder.

### 25.3 Non Compete Period.

For the purposes of Article 25 and except as otherwise provided in Article 9.3, the period in which the undertakings set out in Article 25.1 and 25.2 shall survive and bind a Shareholder (the "Non Compete Period") shall be for so long as that Shareholder owns any Shares in the Company.

### 25.4 No Objection to Investments.

Each of TATA and the Company hereby represents and confirms that they have no objection to AIG MEA, subject to the Agreement, including Articles 25.1 and 25.2, and Indian Law, making any investments in the share capital of companies in India engaged in any activity whatsoever including without limitation in activities that may be in the same or related fields as the Company at any time. Further, TATA and the Company hereby covenants and undertakes that in the event that at any time subsequent to the execution of the Agreement (and notwithstanding any termination hereof) AIG MEA requires a certification or confirmation in writing reiterating the terms of the preceding sentence it shall forth forthwith and without demur or delay issue such a certification or confirmation in writing.

### 25.5 Non-Solicitation.

- (a) Subject to Article 25.5(b), each Shareholder agrees that, while it remains a Shareholder, and for a further period of 2 years immediately following that Shareholder ceasing to be a Shareholder for whatever reason, that Shareholder shall not either directly or indirectly solicit, induce, hire, recruit or encourage any of the Company's employees to leave their employment, either for themselves or for any other Person.
- (b) Article 25.5(a) shall not prohibit a Shareholder from employing a former employee of the Company, if that employee voluntarily ceases employment with the Company, and applies to commence employment with the Shareholder, in each case without any inducement or encouragement made by the Shareholder while the employee was in the employ of the Company.

## **26. COMMENCEMENT, DURATION AND TERMINATION**

### Shareholding threshold.

Except as provided in Article 16.4, if an Initial Shareholder, together with its Permitted Transferees (other than a Permitted Transferee to which Article 8.1(h) applies), ceases to hold at least 10% of the Shareholding of the Company, such Initial Shareholder shall cease to have any rights, other than those rights described in an agreement if any between the Shareholders on Survival provisions, available to it under the Agreement; provided such Initial Shareholder shall continue to be bound by all the obligations it has under that agreement till the time it holds any Shares. Provided however that in case of AIG MEA, the rights available under the Agreement would continue if the reduction in its shareholding below 10% occurs solely due to mandatory Indian Law requirements.

## **27. DISSOLUTION AND LIQUIDATION OF THE COMPANY**

If the Company is to be wound up in accordance with the provisions of the Agreement, the Company shall be promptly wound up by General Meeting in accordance with the provisions of the Articles of Association of the Company, the Companies Act and otherwise subject to applicable Indian Law.

## **28. CONFIDENTIAL INFORMATION**

### 28.1 Obligation to Keep Information Confidential.

- (a) Subject to Article 28.1(b), each Shareholder agrees to keep in strictest confidence all information relating to or acquired from the other in connection with the performance of the Agreement or any other Transaction Agreement, or through participation in the management of the Company. Each Shareholder further agrees that it will not publish, communicate, divulge, disclose or use any information described in the preceding sentence except for the purpose of furthering the aims and interests of the Company and the performance of its duties connected with it.
- (b) Notwithstanding Article 28.1(a), the obligations of confidentiality shall not apply to any disclosure:
  - (i) of information that is in, or enters, the public domain other than by reason of a breach of this Article 28.1;
  - (ii) of information that was in the possession of the receiving Person prior to its disclosure by a Shareholder or the Company to such Person;
  - (iii) required by law, regulation, legal process, or order of any court of governmental or regulatory body having jurisdiction; or
  - (iv) of information to the professional and legal advisers of the respective Shareholders as reasonably necessary.

- (c) Prior to any disclosure under Article 28.1(b)(iii) above, the receiving Person shall notify the providing Person and provide all reasonable cooperation to the providing Person in the effort to prevent or limit such disclosure.

#### 28.2 Injunction and Damages.

In the event of a breach or threatened breach of the provisions of this Article 28, the Parties agree that compensation in money will not afford adequate relief and the Company or a Shareholder shall be entitled to an injunction restraining the Shareholder from disclosing or using, in whole or in part, such confidential information. Nothing in the Agreement shall be construed as prohibiting the Company or a Shareholder from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of damages.

### **29. RESERVED**

### **30. ARBITRATION**

#### 30.1 Best Endeavors to Resolve Disputes.

Subject to an Agreement between the Shareholders, in the event of any dispute or difference arising out of or relating to that Agreement or the breach thereof, the Shareholders shall use their best endeavors to settle such disputes or differences. To this effect they shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution satisfactory to all Shareholders.

#### 30.2 Referral to Arbitration.

If Shareholders do not reach such solution within period of thirty (30) days, then all disputes arising out of or in connection with the Agreement shall be finally settled by three (3) arbitrators appointed under the Indian Arbitration and Conciliation Act 1996.

#### 30.3 Place of Arbitration.

The place or seat of arbitration shall be Mumbai India and the language of the arbitration proceedings shall be English.

*(Amended at the Seventeenth Annual General Meeting held on 27<sup>th</sup> July 2017)*

#### 30.4 Arbitral Award: Court Action.

The arbitral award and decision granted by the tribunal shall be final, binding and incontestable and shall be enforceable in any court of competent jurisdiction. The Shareholders agree that notwithstanding any provision of law otherwise applicable in the jurisdiction where the arbitration is held and where any order, award or decision of the arbitral tribunal may be delivered, the right of appeal of any Shareholder to a court of law shall be excluded in relation to the order, award or decision of the tribunal, and each Shareholder hereby waives any such right to the maximum extent permitted by applicable law, provided that nothing contained herein shall prevent a Shareholder from applying to a court of competent jurisdiction for recognition and enforcement of the arbitral order, award decision or for injunctive, interim or other equitable relief while arbitration proceedings are pending. Subject to the foregoing, none

of the Shareholders shall be entitled to commence or maintain any action in a court of law upon any dispute arising out of or relating to or in connection with the Agreement, except to ensure reference of such dispute to arbitration and for enforcement of the order award or decision.

### 30.5 Continued Performance during Arbitration.

Pending the submission to arbitration and thereafter until the arbitrator renders his award or decision, the Shareholders shall, except in the event of termination of the Agreement, continue to perform their obligations under the Agreement. All costs of arbitration (including, without limitation, those incurred in the appointment of the arbitrators) shall be payable in accordance with the ICC Rules and shall be apportioned by the tribunal in the final arbitral order, award or decision.

## **31. MISCELLANEOUS**

### 31.1 Encumbrances.

Without the prior written consent of the other Shareholders, no Shareholder shall have the right to assign, pledge, hypothecate or in any manner transfer, convey, alienate, or encumber any Agreement between the Shareholders or any of its obligations, rights and privileges hereunder to any other person, firm or corporation and any such purported assignment, pledge, transfer, conveyance, alienation, or encumbrance shall be void, except as otherwise permitted in the Agreement.

### 31.2 Reserved.

### 31.3 Reserved.

### 31.4 Limitations Imposed by Law.

The Shareholders agree that their rights under any Agreement between them shall be subject to the limitations or restrictions imposed on them by applicable laws or regulations, as well as provisions applicable to the arbitration proceedings.

### 31.5 Reserved.

### 31.6 Reserved.

### 31.7 Reserved.

### 31.8 Reserved.

### 31.9 Specific Performance.

The Shareholders and the Company agree that irreparable damage would occur and compensation in money would not afford adequate relief in the event that any of the provisions of any Agreement between them were not performed in accordance with their specified terms or were otherwise breached, and accordingly agree further that a Shareholder or the Company shall be entitled to an injunction or injunctions to prevent breaches of the Agreement and to

enforce specifically the term and provisions of that Agreement, this being in addition to any other remedies to which that Shareholder or the Company is entitled at law or equity.

## **32. REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION**

### **32.1 Representations.**

Each Shareholder represents and warrants individually to each other that:

- (a) they are duly organized, validly existing and in good standing under the laws of their respective jurisdictions of incorporation;
- (b) neither the execution or delivery of the Agreement, nor the consummation of the transactions contemplated herein, will conflict with or result in a breach of, or give rise to a right of termination of, or accelerate the performance required by, any terms of any agreement to which the Shareholder is now a party or constitute a default, or result in the creation of any lien, charge or encumbrance, upon any of the assets or properties of such Shareholder;
- (c) Reserved.
- (d) there are no actions, suits or proceedings, commenced or threatened against them before any court, board or governmental or administrative agencies which if adversely determined would materially affect their business, properties, assets or condition, financial or otherwise, their right to conduct their business, or their ability to enter into the Agreement and to consummate the transactions contemplated herein;
- (e) the Shareholder has not acquired and does not hold any equity interest in any Competing Organization, nor has any Competing Organization acquired any equity interest in the Shareholder's own economic associations, companies and Affiliates, nor is the Shareholder a party to any joint venture, partnership, or any other profit sharing relationship with such Competing Organizations; and
- (f) in the case of TATA, no Foreign Person holds shares in TATA.

### **32.2 Indemnification.**

- (a) A Shareholder (“Indemnifying Shareholder”) shall indemnify and hold harmless the other Shareholders (the “Indemnified Shareholders”), their Affiliates, their nominee Directors on the Board of Directors of the Company and their respective directors, officers, employees, agents, and representatives from and against any and all costs, losses, claims, damages and liabilities, including reasonable attorneys' fees, incurred by the Indemnified Shareholders or such other Persons, arising out of,
  - (i) the fraud, gross negligence, or willful misconduct of the Indemnifying Shareholder, its Affiliates, or any of their respective directors, officers, employees, agents, or representatives relating to matters arising out of the Agreement and the transactions contemplated by it, or



- (ii) the breach of a Transaction Agreement by the Indemnifying Shareholder or any of its Affiliates.
- (b) The Company, to the extent permitted by applicable law, shall indemnify and hold harmless each relevant Shareholder and their nominee Directors and their respective directors, officers, employees, agents and representatives (each an “Indemnified Person”) from and against any and all costs, losses, claims, damages and liabilities, including reasonable attorneys’ fees, incurred by such Indemnified Person or to which such Indemnified Person may be subject arising out of or in connection with any legal action (and the defense thereof) commenced as a result of, or in connection with or arising out of the Indemnified Person's actions or position with respect to the Company, except to the extent of the fraud, gross negligence or willful misconduct of the Indemnified Person.

### **33. COVENANTS**

#### **33.1 Compliance with Laws.**

Each Shareholder and the Company shall comply with and shall cause its Affiliates to comply with, all applicable laws, rules and regulations of India or any other jurisdiction that are or may be applicable to the Company’s business and the Shareholders’ and their Affiliates’ activities in connection with their investment in the Company.

#### **33.2 Outward Remittances.**

Without limiting Article 33.1, the Company shall make necessary application to procure any required Governmental Authorizations that are necessary to remit moneys outside India in connection with the Agreement, and the Joint Venture generally.

#### **33.3 Governmental Agencies.**

Each Party acknowledges that certain matters on which they have agreed in the Agreement, and various actions required or contemplated under the Agreement, may require the consent or approval of a Governmental Agency, and agree to use reasonable endeavors to obtain the approval of the relevant Governmental Agency to all such matters or actions on the terms set out in the Agreement.

#### **33.4 Compliance with Agreement.**

Each Shareholder agrees that the terms of any Agreement between them are bona fide and in the interests of the Company, and that each such Shareholder shall at all times comply with the terms and conditions of the Agreement, and refrain from undertaking any act, or omit to do any act, as a consequence of which the Company acts in a manner which is contrary to the Agreement and the undertakings recorded in the Agreement.

#### **33.5 Foreign Corrupt Practice Act.**

In the performance of their respective roles in respect of the development of the Joint Venture and transactions contemplated under the Agreement, the Parties, and each of their officers,

directors, agents and employees shall comply with the Foreign Corrupt Practices Act of 1977 (the "FCPA"). Each Party acknowledges that the FCPA prohibits employees, agents, consultants or anyone else acting on behalf of United States companies or any of their domestic or foreign subsidiaries from making (directly or indirectly) payments (whether made in the United States or elsewhere) to a Government Official for the purpose of influencing official acts or decisions of any Governmental Agency. Each Party represents, warrants and covenants that in connection with the Joint Venture or the transactions contemplated under the Agreement:

- (a) no Party has, and no Party will, make, directly or indirectly, any payment, loan or gift (or any offer, promise or authorization of any such payment, loan or gift) of money or anything of value to or for the use of:
  - (i) any Government Official; or
  - (ii) any officer, director, employee, or owner of any actual or potential customer of the Company; or
  - (iii) any other person under circumstances in which the Party knows that all or any portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any person named in Articles 33.5(a)(i) or (ii),

for the purpose of inducing the aforementioned person to do any act or make any decision in his official capacity (including a decision to fail to perform his official function) or use his influence with a Government Agency in order to assist the company in obtaining or retaining any business (other than certain facilitating payments specified in the FCPA that are permitted).

- (b) no payment has been, or shall be approved or made, by the Party with the intention or understanding that any part of such payment is to be used for any purpose other than that described by the documents supporting such payment;
- (c) no employee, officer, owner, or director of such Party is a Government Official; and
- (d) should it learn of any payment, offer, or agreement to make a payment to the Government Official for the purpose of maintaining or securing business for the Company, it will as soon as practicable advise the other Parties.

### **34. NOTICES**

All notices, consents and other communications under or pursuant to the Agreement ("Communications") shall be in writing and in the English language and shall be deemed to have been duly given

- (i) when delivered by hand,
- (ii) when sent by facsimile or electronic means (with receipt confirmed); provided, however, that a copy is promptly thereafter mailed by reputable courier, return receipt requested,
- (iii) when received by the addressee or

(iv) by such other means as the Parties may agree from time to time; in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses or facsimile numbers as a Party may designate as to itself by not less than five (5) Business Days notice to the other Parties):

If to AIG MEA, to: AIG MEA Investments and Services, LLC  
1271 Avenue of the Americas FL 37  
New York NY 10020-1304  
United States

Attn.: APAC President & CEO & APAC General  
Counsel  
Fax: +65 6634 0419  
Ph: +65 6319 7721

Copy to: AIG Property Casualty International, LLC  
1271 Avenue of the Americas FL 37  
New York NY 10020-1304  
United States

Attn.: General Counsel  
Fax: +1 (855) 878 8557  
Ph: +1 (212) 458-2866

If to TATA, to: Tata Sons Private Limited  
Bombay House, 24 Homi Mody Street,  
Bombay 400 001, India

Attn.: Chairman  
Fax: (91 22) 6665 8080  
Ph: (91 22) 6665 7127

If to the Company, to: Tata AIG General Insurance Co. Ltd  
15<sup>th</sup> Floor, Tower A, Peninsula Business Park,  
G.K. Marg, Lower Parel  
Mumbai-400 013, India

Attn.: Managing Director  
Ph: (91 22) 66699700

(b) Any Communication may be delivered personally or by prepaid post, or facsimile or electronic transmission and shall be deemed to have been served

(i) if by personal delivery, at the time of delivery;

(ii) if by private courier, within two (2) days after sending to an address in country, and within seven (7) days after sending to an address outside the sending country; and

(iii) if by facsimile or electronic transmission, at the time of transmission if successful transmission is confirmed by a transmission report generated by the sender's machine.

## **ANNEX A**

### **MANAGING DIRECTOR**

#### **I. Powers to be granted to the Managing Director:**

Subject to and in accordance with the provisions of the Companies Act 2013, and the statutory powers exercisable only by the Board of Directors, the Managing Director shall have all the

powers necessary or appropriate to manage the Company, which will, inter alia, include the following:

- (a) institute, prosecute and defend any proceeding in the Company's name;
  - (b) engage, suspend or dismiss any employee; provided that any dismissal of a direct report of the Managing Director shall be undertaken after consultation with the Chairman of the Board of Directors;
  - (c) select the suppliers of materials, supplies and services (including accounting, administrative, legal, technical, financial, management, consulting and other services) necessary for operations conducted by the Company;
  - (d) incur all reasonable expenditures and pay all obligations of the Company;
  - (e) execute and deliver any and all contracts, agreements, documents or instruments of any kind which the Managing Director may deem necessary or appropriate for carrying out the purposes of the Company;
  - (f) acquire and maintain any contract of insurance which the Managing Director any deem necessary or appropriate and covering such risks as are appropriate in the discretion of the Managing Director including, without limitation, insurance policies insuring the Company and for the conservation of the Company's property;
  - (g) invest the funds of the Company in accordance with the investment policy approved by the Board;
  - (h) deposit funds in banks and authorize withdrawals therefrom on the signature of such persons as the Managing Director determines;
  - (i) as may be delegated by the Board of Directors of the Company:
    - (i) issue debentures;
    - (ii) borrow moneys;
    - (iii) make loans; and
  - (j) perform any and all other acts or activities necessary or incidental to the business of the Company.
- II. The delegation of authority in favor of the Managing Director as provided above may be varied or modified in any manner as may be considered appropriate by the Board of Directors of the Company by resolution duly passed.
- III. The Managing Director shall be empowered to delegate (but shall remain responsible for), where necessary and to the extent required, any of his powers to any other Director or any other officer of the Company.

## **ANNEX B**

### **RIGHTS OF TRANSFEREES**

1. The proposed transferee:

- (a) shall be bound by all the obligations imposed upon AIG MEA or TATA as the case may be, as the transferor personally (whether being described as "AIG MEA" or "TATA", as the case may be, or an "Initial Shareholder"); and
  - (b) shall have all of the rights conferred on AIG MEA or TATA, as the case may be, as the transferor personally (whether being described as "AIG MEA" or "TATA", as the case may be, or an "Initial Shareholder"), except the proposed transferee:
    - (i) (subject to paragraph 2 below) will not have the benefit of the provisions set forth in Article 15.1 with respect to the right to nominate Directors, which provisions shall be deemed to not apply in favor of the proposed transferee;
    - (ii) (subject to paragraph 3 below) will not have the benefit of the provisions set forth in Article 15.2 with respect to the proceedings of Directors (including quorum requirements), which provisions shall be deemed to not apply in favor of the proposed transferee; and
    - (iii) (subject to paragraph 3 below) will not have the benefit of the provisions set forth in Articles 17.3 and 17.4 with respect to the proceedings of Shareholders (including quorum requirements), which provisions shall be deemed to not apply in favor of the proposed transferee.
2. The proposed transferee and the other Shareholders shall have a right to proportional Director representation, that is to say, by prorating the number of Directors which collectively the proposed transferee and other Shareholders are entitled to appoint to the Board of directors by the relative Shareholding of the proposed transferee and the other Shareholders.
  3. The Board of Directors shall pass resolutions by simple majority, and the proposed transferee will have the benefit that each of the decisions referred to in Article 16.2(d) of the Agreement shall, whether at Board level or shareholder level, require the affirmative vote of a director nominated by the proposed transferee (if at Board level), or by the affirmative vote of the proposed transferee (if a shareholder decision), in addition to any protections offered to shareholders by applicable law.
  4. The foregoing provisions shall be implemented by way of an amending agreement to the Agreement contemporaneously with the Transfer of Shares to the proposed transferee.

## ANNEX C

### GUIDELINES AND PROCEDURE FOR DETERMINATION OF FAIR VALUE

- (1) Upon the provisions of Article 9.1(d) / Article 20.2(c) becoming applicable, TATA or AIG MEA, as the case may be, may give a notice to the other and the Company whereupon TATA and AIG MEA shall in good faith agree on and jointly appoint a mutually acceptable reputable international investment bank (“Nominated Investment Valuer”) within 30 days of such notice to determine the Fair Value in accordance with the provisions of this Annex. In acting as the Nominated Investment Valuer, such international investment bank shall be deemed to be acting as an arbitrator. The Fair Value determination made by the Nominated Investment Valuer shall be rendered and delivered in writing within 60 (sixty) days of its appointment, shall be final and binding on the Parties in relation to the price per Share and none of the Parties shall dispute such valuation absent manifest error.
- (2) If TATA and AIG MEA fail to jointly appoint such mutually acceptable reputable international investment bank within such 30-day period, TATA and AIG MEA shall each nominate one independent investment banker of international repute to determine the Fair Value of the Shares in accordance with the provisions of this Schedule. Should these two investment bankers arrive at different determinations of such Fair Value and
  - (i) such difference is an amount that is 25% or less of the amount of the lower Fair Value determination, then the Parties will accept as the final and binding Fair Value for purposes of Articles 9.1(d) / Article 20.2(c) the average of the determinations made by each of the investment banks; and
  - (ii) such difference is an amount that is more than 25% of the amount of the lower Fair Value valuation, then the two investment bankers appointed by TATA and AIG MEA as per Article 2 above, shall mutually appoint an independent valuer (the “Independent Valuer”) to determine the Fair Value of the Shares, which shall be an amount that is within the range of the determinations made by the two investment banks. The Fair Value as determined by the Independent Valuer shall be final and binding on TATA and AIG MEA in relation to the price per Share for purposes of Articles 9.1(d)/20.2(c) and none of the Parties shall dispute such valuation absent manifest error.
- (3) In determining the Fair Value, each of the investment bankers appointed by the Shareholders, the Nominated Investment Valuer and the Independent Valuer, as the case may be, shall take into account internationally accepted norms/methods for valuation of general insurance business.
- (4) The Company shall promptly submit all data requested by the Valuers referred to above for determination of the Fair Value.
- (5) TATA and AIG MEA shall be jointly responsible for the fees and expenses of a jointly appointed Nominated Investment Valuer or an Independent Valuer. In the event TATA and AIG MEA fail timely to jointly appoint a Nominated Investment Valuer, then each of TATA

and AIG MEA shall be responsible for the fees and expenses of the investment banker it independently nominates.



## ANNEX D

### MATTERS REQUIRING AFFIRMATIVE VOTE

Matters requiring affirmative vote of (i) the Authorized Nominee Director of each Initial Shareholder at the Board meeting and (ii) representative of each Initial Shareholder at the Shareholders meeting:

- To change registered office of the Company from one state to another.
- To change the name of the Company (except as provided in Article 21).
- To alter the Articles of Association or the Memorandum of Association (except as may be necessary to change the name of the Company as provided in Article 21).
- To repurchase any Shares.
- To issue of sweat equity Shares to employees of the Company.
- Except as otherwise expressly provided in the Agreement, to offer further Shares to any Person (whether or not those Persons include Shareholders), including pursuant to an ESOP Scheme. It is clarified that (i) this paragraph does not apply to offer of Shares to the intended beneficiaries of an ESOP Scheme pursuant to the terms thereof to the extent the offer of Shares under an ESOP Scheme has been approved already pursuant to this paragraph, and (ii) any approval of an ESOP Scheme pursuant to this paragraph shall include the maximum number of Shares to be issued pursuant to such ESOP Scheme.
- To reduce the Share capital, subject to confirmation by all necessary Governmental Agencies.
- To effect any reorganization, reclassification, reconstruction, consolidation or subdivision of the capital of the Company or the create any different class of securities in the capital of the Company.
- To alter the rights of holders of special classes of shares, if any.
- To commence any new line of business by the Company.
- To authorize remuneration to a Director who is neither in the whole time employment of the Company nor the Managing Director.
- For a Director holding an office or place of profit or his specified associate holding an office or a place of profit carrying monthly remuneration under the Company or its subsidiary with remuneration as prescribed under the Indian Law.
- To commence a voluntary liquidation, winding up dissolution or file any petition in bankruptcy.
- To wind-up the Company (except as expressly provided by the Agreement).
- To declare or pay dividends.
- To enter into any arrangement to give any guarantee, mortgage, charge, lien or other security over the assets of the Company other than in the ordinary course of business.
- To purchase or agree to purchase any material asset or assets or make any material investment or investments or commit to purchase in any one year any material asset or assets or to make any material investment or investments other than as provided in the approved Business Plan.

- To lease or sell or enter into any agreement for the lease or sale of any material asset or assets of the Company or a commitment to lease or sell in any one year any material assets other than as provided in the approved Business Plan.
- To establish or form any Subsidiary of joint venture of the Company.
- To undertake or effect any merger, consolidation, sale of all or substantially all of the assets or amalgamation of the Company or any Subsidiary into or with one or more Persons, or undertake or effect a reorganization or other transaction having a similar effect.
- To enter into any arrangement between the Company and its creditors so as to bind the Company and Shareholders.
- To approve any material tax election or substantial change in tax or accounting practices.
- To appoint or remove the auditors of the Company.

We, the several persons whose names and addresses and descriptions are hereunder subscribed below, and desirous of being formed into a Company in pursuance of these ARTICLES OF ASSOCIATION.

Names, Address, Description and Occupation of Subscribers	Signature of the Subscribers	Signature of witness and his name, address description and Occupation
<p>Atul Bansal 7 A, Peregrine, 40 Veer Savarkar Marg, Prabhadevi, Mumbai 400 025. Son of Avadh Bansal Occupation: Service</p>	Sd/-	
<p>Farrokh K. Kavarana 9, CCI Chambers, 5flr., D. Vachha Road, Mumbai 400 020. Son of Late K.R. Kavarana Occupation: Service</p>	Sd/-	
<p>Ishaat Hussain 222, NCPA Apts., Dorabji Tata Road, Nariman Point, Mumbai 400 021. Son of Dr. Rayasat Hussain Occupation: Service</p>	Sd/-	
<p>Syamal Gupta Quest-End, 5<sup>th</sup> Flr., 47, Cuffe Parade, Mumbai 400 005. Son of Late KR. Kavarana Occupation: Service</p>	Sd/-	
<p>Noshir Adi Soonawala 29 Hampton Court, 7<sup>th</sup> Flr., Opp Colaba Post Office, Colaba, Mumbai 400 005. Son of Late Adi F. Soonawala Occupation: Service</p>	Sd/-	

Place: Mumbai

Dated: 17-08-2000