

The Companies Act 2006

Private Company Limited By Shares
Articles of Association
Of

A.M. Best Europe - Rating Services Limited

Company number 02585837

(Adopted by Special Resolution passed on 26 June 2017)

TUESDAY



A16 *ACXRB5YA* #277
27/02/2024
COMPANIES HOUSE

1. PRELIMINARY

- 1.1 The regulations contained in “Table A”, being the Companies (Tables A To F) Regulations 1985 (S.I. 1985 No. 805) as amended at the date of adoption of these Articles, shall apply to the Company (except as varied or excluded by these Articles) and such regulations, with these Articles, shall be the Articles of Association of the Company.
- 1.2 References in these Articles to Regulations are to regulations of Table A.
- 1.3 In these Articles the expression “the Act” means the Companies Act 2006 but so that any reference in these Articles to any provision of that Act, or any other statutory provision, shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force and applicable to the Company.

2. OBJECTS OF THE COMPANY

- 2.1 The objects of the Company are unrestricted, except to the extent necessary to ensure that the Company complies with the laws and regulations which are applicable to it, and to its business, from time to time.

3. SHARE CAPITAL

- 3.1 The amount of, and the number of shares in, the capital of the Company, shall not be subject to any restriction or maximum amount.
- 3.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities those equity securities shall not be allotted to any person unless the Company has first offered them to all existing shareholders (as at the date of the offer) on the same terms, and at the same price, on a pari passu and pro rata basis to the number of shares held by them (as nearly as possible without involving fractions). The offer shall be made in writing, shall be open for acceptance for a period of 15 business days from the date of the offer, and shall give details of the number and subscription price of the relevant equity securities, and may stipulate

that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled, shall, in his acceptance, state the number of excess equity securities for which he wishes to subscribe.

3.3 Subject to the provisions of Article 3.2 above, the provisions of section 550 of the Act shall apply and the directors are accordingly authorised to allot shares in the Company, or to grant rights to subscribe for or to convert any security into shares in the Company. This authority is in substitution for all previous authorities conferred on the directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Companies Act 2006.

3.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

4. LIEN

4.1 For the avoidance of doubt the Company may issue shares as nil or partly paid, may make calls in respect of any such shares as provided for in the terms of issue, and shall have a lien in respect of shares whether or not they are fully paid.

4.2 Without prejudice to the lien conferred by Regulation 8, the Company shall have a first and paramount lien on all shares for all monies presently payable by a member or his estate to the Company. The lien conferred by Regulation 8 shall attach to nil, partly and fully paid shares and to all shares registered in the name of any person so indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.

4.3 The liability of any member in default in respect of a call shall be increased by the addition of the words "and all expenses incurred by reason of such non-payment" at the end of the first sentence of Regulation 18.

5. GENERAL MEETINGS AND RESOLUTIONS

5.1 Every notice convening a general meeting shall comply with the provisions of section 325(1) of the Act as to giving information to members about their right to appoint proxies, and notices of, and other communications relating to, any general meeting which any member is entitled to receive, shall be sent to the directors and to the auditors (if any) for the time being of the Company.

5.2 In accordance with the provisions of Regulation 40 the quorum shall be two unless the Company is a single member company.

5.3 Regulation 41 shall be read and construed as if the words "and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved" were added at the end of the last sentence.

5.4 If and for so long as the Company has only one member and that member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting.

- 5.5 Any decision taken by a sole member pursuant to Article 5.4 above shall be recorded in writing and delivered by that member to the Company for entry in the Company's minute book.
- 5.6 Resolutions under section 168 of the Act, for the removal of a director, or under section 510 of the Act, for the removal of an auditor, shall only be considered by the Company in general meeting and not as a resolution in writing.
- 5.7 A member present at a meeting by proxy shall be entitled to speak at the meeting, and shall be entitled to one vote on a show of hands. In any case where the same person is appointed proxy for more than one member he shall, on a show of hands, have as many votes as the number of members for whom he is proxy. A member present at a meeting by more than one proxy shall be entitled to speak at the meeting through each of the proxies, but the proxies together shall be entitled to only one vote on a show of hands. In the event that the proxies do not reach agreement as to how their vote should be exercised on a show of hands, the voting power is treated as not exercised. Regulation 54 shall be read and construed accordingly.
- 5.8 For the avoidance of doubt the Chairman of the Board shall also act as the Chairman at general meetings of the Company and shall be entitled to a casting vote at both Board and general meetings.

6. APPOINTMENT OF DIRECTORS

- 6.1 Notwithstanding any other provision of these Articles, for as long as A.M. Best Rating Services Inc. is a member of the Company it shall be entitled to appoint a director of the Company ("the Nominated Director") and at any time may remove such director from office and appoint a replacement Nominated Director. Any appointment or removal of a Nominated Director pursuant to this Article shall be in writing and signed by, or on behalf of, A.M. Best Rating Services Inc. and served on the Company at its registered office. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.
- 6.2 The maximum number and minimum number, respectively, of the directors may be determined from time to time by ordinary resolution and, unless otherwise determined, there shall be no maximum number of directors and the minimum number of directors shall be one. Whenever the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the directors generally. Regulations 64 and 89 shall be read and construed accordingly.
- 6.3 Subject to Article 6.1 above no person shall be appointed a director at any general meeting unless either:
 - 6.3.1 he is recommended by the directors; or
 - 6.3.2 not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice, signed by a member qualified to vote at the general meeting, has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.

- 6.4 Subject to Article 6.3 above the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- 6.5 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any maximum number of directors determined in accordance with Article 6.2 above.
- 6.6 In any case where as the result of a death or deaths the Company has no directors and there is no member, or members, capable of appointing directors the personal representatives of the last member to have died shall have the right, by notice in writing, to appoint a person to be a director of the Company, such appointment shall be as effective as if made by the Company in general meeting pursuant to Article 6.3 above. For the purpose of this Article, where two or more members die in circumstances rendering it uncertain which of them survived the other or others, the members shall be deemed to have died in order of seniority, and accordingly the younger shall be deemed to have survived the elder.

6.7 Directors shall not be required to retire by rotation.

7. ALTERNATE DIRECTORS

- 7.1 Unless resolved otherwise by the Company an alternate director shall not be entitled, as such, to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may, by notice in writing to the Company, from time to time direct, and the first sentence of Regulation 66 shall be read and construed accordingly.
- 7.2 Anyone duly appointed an alternate director in accordance with these Articles may act as an alternate director to represent more than one director.
- 7.3 An alternate director shall be entitled, at any meeting of the directors, or of any committee of the directors, to one vote for every director whom he represents, in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

8. PROCEEDINGS OF DIRECTORS

- 8.1 Notwithstanding any other provision of these Articles no directors meeting shall be quorate unless the Nominated Director (if there is a Nominated Director appointed for the time being) is present.
- 8.2 Until and unless the Company resolves otherwise, a director may be counted as participating in a directors' meeting, for the purposes of determining whether a quorum is present, and shall be entitled to vote at that meeting despite the fact that the meeting is concerned with an actual or proposed transaction in which the director has an interest which does, or may, give rise to a conflict with the interests of the Company, provided that:

8.2.1 the director has declared the nature and extent of the interest;

8.2.2 no decision of the Company to revoke or amend this authority shall have retrospective effect.

8.3 All directors shall comply with the Act, and any other provision of law, in relation to their obligations to disclose interests and conflicts of interest in transactions and arrangements, including potential conflicts.

8.4 Until and unless the Company resolves otherwise a director of the Company may act as a director of any other company which is within the same group as the Company. Any decision of the Company to alter this permission shall not have retrospective effect.

8.5 The directors may exercise the powers of the Company in relation to the payment of pensions, gratuities and other benefits and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

8.6 Regulation 87 and Regulations 94 to 97 (inclusive) shall not apply to the Company.

9. DECISION-MAKING BY DIRECTORS

9.1 Notwithstanding any other provision of these Articles no decision at a board meeting shall be carried without the consent of the Nominated Director (if there is a Nominated Director appointed for the time being).

9.2 If the Company only has one director, and no provision of these Articles requires it to have more than one director, then the sole director may take decisions in any manner he sees fit but must cause a written record of their decisions to be made and kept by the Company.

9.3 Directors are to be regarded as participating in a directors' meeting, or part of a directors' meeting, when:

9.3.1 the meeting has been called and takes place in accordance with these Articles; and

9.3.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other. If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

10. BORROWING

10.1 For the avoidance of doubt, the directors may exercise all the powers of the Company to borrow money, without limit as to amount, and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to having a valid authority under the Act, to grant any mortgage, charge, or standard security over its undertaking, property, and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities,

whether outright or as security for any debt, liability, or obligation of the Company, or of any third party.

11. OFFICERS LIABILITY AND INDEMNITY

11.1 A director of the Company or, an Associated Company, may be indemnified out of the Company's assets against:

11.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty, or breach of trust, in relation to the Company or an Associated Company;

11.1.2 any liability incurred by that director in connection with the activities of the Company or an Associated Company, in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act);

11.1.3 any other liability incurred by that director as an officer of the Company or an Associated Company.

11.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or any other provision of law.

11.3 For the purposes of this Article 11:

11.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

11.3.2 "relevant director" means any director or former director of the Company or an Associated Company.

11.4 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any loss or liability which has been, or may be, incurred by a relevant director in connection with that director's duties or powers in relation to the Company, any Associated Company, or any pension fund or employees' share scheme of the Company or Associated Company.

12. WEBSITE AND ELECTRONIC COMMUNICATIONS AND NOTICES

12.1 Subject to the provisions of the Act, and to any necessary consents having been obtained:

12.1.1 a document or information may be sent or supplied by the Company, to a person, by being made available on a website;

12.1.2 a document or information may be sent or received by the Company, using electronic communication.

12.2 If the Company sends or supplies notices, or other documents, by first class post and the Company proves that such notices or other documents were properly addressed, prepaid and posted, the intended recipient is deemed to have received such notices or other documents 48 hours after posting.

- 12.3 If the Company sends or supplies notices, or other documents, by electronic means and the Company proves that such notices or other documents were properly addressed, the intended recipient is deemed to have received such notices or other documents 24 hours after they were sent or supplied.
- 12.4 If the Company sends or supplies notices, or other documents, by means of a website, the intended recipient is deemed to have received such notices or other documents when such notices or other documents first appeared on the website or, if later, when the intended recipient first received notice of the fact that such notices or other documents were available on the website.
- 12.5 For the purposes of this Article no account shall be taken of any part of a day that is not a working day.

13. EXECUTION OF DOCUMENTS

- 13.1 Documents may be executed by the Company in any manner prescribed by the Act or any other relevant provision of law and Regulations 6 and 101 shall be read and construed accordingly.
- 13.2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

14. TRANSFER OF SHARES

- 14.1 The directors may, in their absolute discretion, decline to register the transfer of a share, whether or not it is a fully paid share, and the first sentence of Regulation 24 shall be read and construed accordingly.