



## **ARTICLES OF INCORPORATION OF USI GROUP HOLDINGS AG**

(Unofficial translation of the original German articles of incorporation (*Statuten*) which constitute the only definitive and legally binding text)

### **Chapter 1:**

#### **Company Name, Registered Office, Purpose and Duration of the Company**

##### **Article 1**

Company name                      Under the company name

USI Group Holdings AG

Registered office and duration      a corporation exists according to art. 620 ff. of the Swiss Code of Obligations (CO) having its registered office in Zurich. The duration of the company is unlimited.

##### **Article 2**

Purpose                                      The purpose of the company is to participate directly or indirectly in domestic or foreign enterprises, especially in the real estate sector. The company is empowered to engage in business and to enter into agreements, which are appropriate to promote the purpose of the company or are directly or indirectly within the scope of its activities.

It may also undertake financing for itself or on behalf of other parties, as well as enter into promise agreements and provide guarantees in favour of associated companies and third parties. It may acquire, hold and sell real estate.

## **Chapter 2:**

### **Share Capital**

#### **Article 3**

Share capital <sup>1</sup>The company's share capital is CHF 67'837'767.30. It is divided into 985'298 registered shares of CHF 68.85 par value each. The share capital is fully paid in.

<sup>2</sup>The shareholders' meeting may at any time resolve to convert registered shares into bearer shares and bearer shares into registered shares.

#### **Article 3a**

Conditional share capital for management and advisors <sup>1</sup>The share capital may be increased by a maximum amount of CHF 3'155'326.65 through the issuance of up to 45'829 fully paid registered shares with a nominal value of CHF 68.85 each through the exercise of option rights granted to the management and advisors of the company or its subsidiaries.

<sup>2</sup>The subscription rights of the shareholders shall be excluded.

<sup>3</sup>The conditions of the option rights, the issue price, the dividend entitlement as well as the type of contribution shall be determined by the board of directors.

<sup>4</sup>The acquisition of registered shares through the exercise of option rights as well as every subsequent transfer of shares shall be subject to the restrictions set forth in Article 4 of the articles of incorporation.

#### **Article 3b**

Conditional share capital for bondholders and other creditors <sup>1</sup>The share capital may be increased by a maximum amount of CHF 30'763'557.00 through the issuance of up to 446'820 fully paid registered shares with a nominal value of CHF 68.85 each through the exercise of conversion rights, warrant rights or option rights which

have been or will be granted to bondholders or other creditors of the company or its subsidiaries.

<sup>2</sup>The subscription rights of the shareholders shall be excluded.

<sup>3</sup>The conditions of the option rights and of the conversion rights, the issue price, the dividend entitlement as well as the type of contribution shall be determined by the board of directors.

<sup>4</sup>The board of directors may restrict or withdraw the right for advance subscription (*Vorwegzeichnungsrecht*) of the shareholders in connection with (i) the financing (refinancing inclusively) of acquisitions of enterprises or parts thereof, participations or other investment projects of the company and/or its subsidiaries or (ii) the issuance of bonds with option or conversion rights on national or international capital markets. If the right of advance subscription (*Vorwegzeichnungsrecht*) is excluded, (i) the bonds or bonds with warrants (*Anleihen oder Optionsanleihen*) have to be offered at market conditions, with (ii) the period of time for exercising the conversion and the options rights being not more than 10 years from the issue date, and (iii) the exercise price of the new registered shares corresponding to the market conditions at the time of issue.

<sup>5</sup>The acquisition of registered shares through the exercise of conversion and/or option rights as well as every subsequent transfer of these shares shall be subject to the restrictions set forth in Article 4 of the articles of incorporation.

### **Article 3c**

#### Authorised capital

<sup>1</sup>The board of directors may increase the share capital in the amount of up to CHF 17'996'357.25 until 26 May 2011 through the issuance of up to 261'385 fully paid in additional registered shares with a nominal value of CHF 68.85 each. An increase in partial amounts is permitted.

<sup>2</sup>The date of issuance, the issue price, the payments with regard to the issue price, the dividend entitlement as well as the allocation of not-exercised subscription rights shall be determined by the board of directors.

<sup>3</sup>The board of directors may restrict or withdraw subscription rights

in connection with mergers, acquisitions of interests, financing and/or re-financing of mergers or acquisitions of interests, or other investment projects, national or international placements of shares, conversion of loans or other equity securities into shares and for the broadening of the shareholder basis.

<sup>4</sup>The new registered shares are subject to the transfer restrictions specified in Article 4 of the articles of incorporation.

#### **Article 4**

Share register and restriction of the transferability, nominees <sup>1</sup>The company shall maintain a share register, in which the beneficial owners and the usufructuaries are registered with regard to their name and first name, residence, address and nationality (concerning legal entities: registered office).

<sup>2</sup>Acquirers of registered shares shall be registered in the share register as shareholders with the right to vote upon request if they expressly declare to have acquired the registered shares in their own name and for their own account.

<sup>3</sup>The board of directors can refuse the approval of an acquirer of registered shares as a shareholder with the right to vote, if the holdings of the shareholder together with his shares already registered exceed the limit of 2 % of all the shares recorded in the commercial register. Legal entities and associations that are linked together by capital, voting power, management or in other manner, as well as all persons, entities and partnerships that are acting in concert with a view to circumvent the percentage limit, shall be deemed as one person.

<sup>4</sup>If registered shares are acquired by inheritance, division of an estate, or marital property law, the acquirer may not be refused as a shareholder.

<sup>5</sup>After hearing the shareholder or nominee concerned, the board of directors may cancel, with retroactive effect as of the date of registration, entries in the share register, if these were made because of wrong information by the acquirer. He shall be immediately informed of such cancellation.

<sup>6</sup>The board of directors regulates the details of the entry in separate regulations. Based on separate regulations or individual agreements the board of directors can, irrespective of art. 4 sec. 2 of the articles, register nominees as shareholders with the right to vote.

## Article 5

### Shares

<sup>1</sup>Subject to paragraph 2, the company's registered shares are book-entry securities (*Wertrechte*, within the meaning of the Code of Obligations) and intermediary-held securities (*Bucheffekten*, within the meaning of the Intermediary-Held Securities Act).

<sup>2</sup>Following its registration in the share register, a shareholder may request the company to issue a written statement in respect of its registered shares at any time; however, it has no entitlement to the printing and delivery of certificates. In contrast, the company may print and deliver certificates for registered shares (whether for single or for multiple shares, or global certificates) at any time. It may withdraw registered shares issued as intermediary-held securities from the relevant custody system. With the consent of the shareholder, the company may cancel issued certificates which are returned to the company without replacement.

## Article 6

### Exercise of rights

<sup>1</sup>The shares are indivisible. The company accepts only one representative per share.

<sup>2</sup>Only one shareholder, usufructuary or nominee, who is registered in the share register as shareholder with the right to vote can assert the right to vote and the rights resulting there from vis-à-vis the company.

## Article 7

### Opting out

Persons acquiring shares of the company directly, indirectly or acting in concert with third parties shall be exempt from the obligation to make a public purchase offer pursuant to art. 32 of the Swiss Stock Exchange and Securities Trading Act, irrespective of the number of voting rights conferred by the shares acquired.

## Chapter 3:

### Corporate bodies

#### A. The General Meeting of Shareholders

### Article 8

Powers The supreme corporate body of the corporation is the general meeting of the shareholders.

Shareholders' meeting

### Article 9

a) General shareholders' meeting The general shareholders' meeting shall take place annually within six months after the close of the business year; at the latest twenty days prior to the day of the meeting the business report and the auditors' report shall be made available for inspection at the domicile of the company. Holders of registered shares shall be informed thereon by written notice.

### Article 10

b) Extraordinary shareholders' meeting <sup>1</sup>Extraordinary shareholders' meetings are called by direction of the board of directors, of the liquidators or of the auditors.

<sup>2</sup>Extraordinary shareholders' meetings shall be convened upon a resolution of an ordinary shareholders' meeting. One or more shareholders representing together at least ten percent of the share capital may also request the calling of an extraordinary shareholders' meeting; they shall state the agenda items and the motions.

### Article 11

Calling <sup>1</sup>The general meeting of shareholders is called at latest twenty days prior to the day of the meeting by the board of directors, if necessary by the auditors. The liquidators are also entitled to call a shareholders' meeting. The calling of the shareholders' meeting shall be published once in the bodies of publications of the company.

<sup>2</sup>The calling shall state the agenda items as well as the motions of the board of directors and if so of the shareholders who have requested the holding of a general meeting of shareholders or the inclusion of an item in the agenda. Concerning the elections the calling shall state the names of the proposed candidates.

### Article 12

Agenda <sup>1</sup>One or more shareholders representing together at least ten per-

cent of the share capital or shareholders representing shares of a par value of one million Swiss Francs may request items to be included in the agenda. The inclusion in the agenda shall be requested at least 60 days prior to the meeting in written form listing the items and the motions of the shareholder.

<sup>2</sup>No resolutions may be passed on motions concerning agenda items, which have not been duly announced. Excepted are motions for the calling of an extraordinary meeting of shareholders or for the initiating of a special audit.

### **Article 13**

Chairperson of the shareholders' meeting, minutes, counter votes

<sup>1</sup>The shareholders' meeting shall be held at the domicile of the company unless the board of directors determines another place. The chairman of the board of directors or in his absence the deputy chairman or another member appointed by the board of directors presides the meeting.

<sup>2</sup>The chairperson designates the keeper of the minutes and the counters of votes. The minutes have to be signed by the chairperson and by the keeper of the minutes.

### **Article 14**

Representation of shareholders

<sup>1</sup>The board of directors issues rules of procedure concerning the participation and the representation at the shareholders' meeting.

<sup>2</sup>The company only accepts one representative per share.

<sup>3</sup>A shareholder may be represented at the shareholders' meeting only by his legal representative, by the board of directors, by the independent proxy, by the representative of deposited shares or by another shareholder with the right to vote.

<sup>4</sup>The chairperson of the meeting decides about the admissibility of the representative.

### **Article 15**

Right to vote

Subject to the provisions of Article 4, each share carries one vote.

### **Article 16**

Resolutions, elections

<sup>1</sup>The shareholders' meeting passes resolutions and carries out elec-

tions by absolute majority of the votes allocated to the shares represented, to the extent the law or the articles of incorporation do not provide otherwise.

<sup>2</sup>The shareholders' meeting shall pass its resolution and elections by show of hands unless the meeting or the chairperson decides to pass the resolutions and elections by secret ballot.

<sup>3</sup>In case of doubt of the result the chairperson can at any time order to repeat the resolutions and elections passed by show of hands and to pass the resolution or election again by secret ballot. In this case the resolution or election passed by secret ballot shall prevail.

### **Article 17**

Powers of the general meeting The general meeting has the following powers which are inalienable:

1. the adoption and the amending of the articles of incorporation
2. the elections of the members of the board of directors and of the auditors
3. the approval of the annual report and of the consolidated statements of account
4. the approval of the annual financial statement as well as the resolution on the use of the balance profit, in particular, the declaration of dividends
5. the granting of discharge of the members of the board of directors and the executive management
6. passing resolution on matters which are by law or by the articles of incorporation reserved to the general meeting of shareholders

### **Article 18**

Important resolutions

A resolution of the shareholders' meeting passed by at least two thirds of the votes represented shall be required for:

1. the change of the company purpose
2. the creation of shares with privileged voting right
3. the restriction of the transferability of registered shares



4. adoption of an authorized or conditional capital increase
5. an increase of capital out of equity, against contributions in kind, or for the purpose of acquisition of assets and the granting of special benefits
6. the limitation or withdrawal of preemptive rights
7. the change of the registered office of the company
8. as well as in all other cases provided by the law

## **B. The Board of directors**

### **Article 19**

Number of members of the board of directors shall be composed of a minimum of three members.

### **Article 20**

Tenure of office <sup>1</sup>The members of the board shall hold office for at most three years. A year shall be the period from one ordinary shareholders' meeting to the next. The tenure of office is defined separately for each member of the board at the election.

<sup>2</sup>Members elected by a by-election step in the tenure of office of their predecessors. Members of the board of directors may be re-elected after their tenure of office ran out.

### **Article 21**

Organization of the board of directors, remuneration <sup>1</sup>The board of directors designates among its members its chairman and deputy chairman and appoints a secretary who does not need to be a member of the board of directors.

<sup>2</sup>The board of directors fixes the remuneration of its members.

### **Article 22**

Calling The board of directors shall meet at the invitation of the chairman as often as necessary. Any member of the board of directors may request in written notice the chairman to call a meeting. The chairman presides over the meeting.

### Article 23

Resolutions                   The board of directors can issue rules of procedure concerning the passing of resolutions by the board of directors in an organizational regulation.

### Article 24

Powers of the board of directors   <sup>1</sup>The board of directors has the following nontransferable and inalienable duties:

1. the ultimate management of the company and the giving of necessary directives
2. the establishment of the organization
3. the structuring of the accounting system and of the financial controls as well as the financial planning
4. the appointment and removal of the persons entrusted with the management and the representation
5. the ultimate supervision of the persons entrusted with the management, in particular, in view of compliance with the law, the articles of incorporation, regulations and directives
6. the preparation of the business report as well as the preparation of the general meeting of shareholders and the implementing of its resolutions
7. the notification of the judge in the case of over indebtedness

<sup>2</sup>Furthermore, the board of directors may take decisions on all matters that, by law or the articles of incorporation are not allocated to the general meeting of shareholders.

### Article 25

Delegation of power, organizational regulation   <sup>1</sup>The board of directors may with the proviso of art. 27 of the articles fully or partially delegate the management to individual members or third parties (executive management) in accordance with an organizational regulation.

<sup>2</sup>The board of directors issues an organizational regulation for the

internal organization, which set out its powers and organization in detail and the competences and duties of the executive management.

### **Article 26**

Authority to sign                   The board of directors designates the persons (members of the board and others) authorized to bind the company by their signature as well as the form of their signature power.

## **C. Auditors**

### **Article 27**

Tenure of office, powers and duties                   The powers and duties of the auditors, which are elected annually by the shareholders' meeting, are governed by the law.

## **Chapter 4:**

### **Annual account, consolidated group account, use of the balance sheet profit**

### **Article 28**

Fiscal year                                   The board of directors decides when the fiscal year begins and when it ends.

### **Article 29**

Business report                           The board of directors prepares for each year a business report which is composed of the annual financial statements (which is composed of the profit and loss statement, the balance sheet and the attachment), the consolidated statement and the annual report. The board of directors chooses the currency in which the consolidated statement is compiled.

### **Article 30**

Use of the balance sheet profit, reserves                   <sup>1</sup>The balance sheet profit shall be at the disposal of the shareholders' meeting subject to the legal provisions. The board of directors submits its proposals to the shareholders' meeting.

<sup>2</sup>Apart from the legal reserves further reserves can be created.

<sup>3</sup>Any dividends that have not been collected within five years of their allocation shall be forfeited to the company.

## **Chapter 5:**

### **Announcement**

#### **Article 31**

Announcement

All notices to shareholders shall be given by publication in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SHAB). The board of directors may also designate other bodies of publication.

## **Chapter 6:**

### **Contributions in kind and post capital increase acquisition**

#### **Article 32**

Contribution in kind

According to the agreement on the contribution in kind dated 30 June 2005 the company obtains of Credit Suisse acting on behalf of the shareholders of the USI Group Holdings Limited, Tortola (BVI) 2'753'643 shares of the USI Group Holdings Limited, Tortola (BVI) with a par value of USD 0.01 each and an aggregate value of CHF 119'784'256.20. Credit Suisse as fiduciary of the shareholders of the USI Group Holdings Limited, Tortola (BVI) receives a consideration of 739'820 fully paid in registered shares with a par value of CHF 100.00 each.

#### **Article 33**

Post capital increase acquisition

The company intends to acquire of the USI Limited, Tortola (BVI) 62'379 additional shares of the USI Group Holdings Limited, Tortola (BVI) with a par value of USD 0.01 each at the price of CHF 43.50 per share.

Zurich, 25 May 2010