



January 9, 2023

National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra – Kurla Complex Bandra (E)
Mumbai 400051

Dear Sir/ Madam,

Subject: Submission of Restated Articles of Association (“AOA”) of Max Life Insurance Company Limited (“Company”)

This refers to our disclosure letter dated January 9, 2023 regarding the submission of proceedings of an Extra-ordinary General Meeting held on January 9, 2023 for approval and adoption of restated Articles of Association (“AOA”) of the Company.

As a part of good governance practice, we hereby submit the restated Articles of Association for the records of the NSE. Kindly note that the key changes in the AOA emanates from the modifications in the agreements entered between the shareholders/ promoters of the Company and cessation of membership of one of the shareholders of the Company.

The restated AOA of the Company is enclosed to this letter for the records of NSE.

You are requested to take the same in your records.

Yours faithfully,

For Max Life Insurance Company Limited

A handwritten signature in blue ink, appearing to read 'Anurag Chauhan', is written over a horizontal line.

Anurag Chauhan
Company Secretary

MAX LIFE INSURANCE CO. LTD.

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Corporate Identity Number (CIN): U74899PB2000PLC045626. IRDAI Reg. No. - 104

Registered office: 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533.

ARTICLES OF ASSOCIATION

OF

MAX LIFE INSURANCE COMPANY LIMITED

(COMPANY LIMITED BY SHARES)

I. PRELIMINARY

The Regulations contained in Table “F” in Schedule I to the Companies Act, 2013 shall apply to the Company except in as far as otherwise expressly incorporated hereinafter.

II. INTERPRETATION

1. Unless the context otherwise requires or unless expressly defined elsewhere, the following words or expressions when used in these Articles shall have the following meanings:

“**ACL**” shall mean Axis Capital Limited, a public company incorporated in accordance with the provisions of the Companies Act, 1956, and having its registered office at Axis House, 8th Floor, C-2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025;

“**Act**” means the (Indian) Companies Act, 2013, read with the rules, circulars, notifications, orders and clarifications issued thereunder, in each case, as amended or re-enacted from time to time;

“**Additional Director**” shall have the meaning assigned to it in Article 41(f)(ii) hereof;

“**Additional Shares**” shall have the meaning ascribed to it in the SPA;

“**Affiliate**” means with respect to any Person, any other Person directly or indirectly Controlling, Controlled by, or under direct or indirect common Control with, such Person; and where the Person is an individual, it will mean his ‘Relatives’ as such term is defined in the Act;

“**Agreed Lock-in**” shall have the meaning assigned to such term in Article 27(b)(ii) hereof;

“**Alternate Director**” shall have the meaning assigned to such term in Article 9(a) hereof;

“**Annual General Meeting**” or “**AGM**” shall have the meaning ascribed to such term in Article 14(b)(i);

“**Applicable Law**” means all applicable legislation, statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, bye-laws, approvals, orders or judgment of any court, directives, guidelines, policies, requirements, or other governmental restrictions or any similar form of decision of, or determination by, or adjudication having the force of law in relation to the foregoing, by any Government Authority having jurisdiction over the matter in question, whether in effect as of the date on which these Articles come into effect or at any time thereafter;

“**Articles**” or “**Articles of Association**” shall mean the articles of association of the Company, as amended from time to time, in accordance with these Articles of Association and the Act;

¹ Amended and restated *vide* special resolution passed by the shareholders at the extra-ordinary general meeting held on [●].

“**ASL**” shall mean Axis Securities Limited, a public company incorporated in accordance with the provisions of the Companies Act, 1956, and having its registered office at Axis House, 8th Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025;

“**AVI Request**” has the meaning given in Article 15(a) hereof;

“**Axis**” shall mean Axis Bank Limited, a public listed banking company incorporated in accordance with the provisions of the Companies Act, 1956, and having its registered office at Trishul, 3rd Floor, Opp. Samartheshwar Temple, Law Garden Ellisbridge, Ahmedabad, Gujarat - 380006;

“**Axis AVI**” shall mean business item requiring the affirmative vote of Axis as provided in **Schedule I** to these Articles;

“**Axis Director(s)**” has the meaning given in Article 5(a)(ii) hereof;

“**Axis Fall Away Event**” has the meaning given in Article 68(b) hereof;

“**Axis Shareholders**” shall mean Axis, ASL and ACL;

“**BAS**” shall mean Mr. Analjit Singh, s/o Late Dr. Bhai Mohan Singh, a non-resident Indian citizen, residing at 15, Dr. APJ Abdul Kalam Road, New Delhi – 110011;

“**Board**” or “**Board of Directors**” means the board of directors of the Company;

“**Board Meeting**” shall mean a meeting of the Board in accordance with Article 10;

“**Business**” shall mean the business of establishing, organizing, managing, promoting, encouraging, providing, conducting, sponsoring, subsidizing, operating, developing and commercializing, the life insurance business (including certain types of health insurance, pensions and savings businesses);

“**Business Day**” shall mean a day on which scheduled commercial banks are open for normal banking business in Mumbai, India, Tokyo, Japan and New Delhi, India. It is hereby clarified that in the context of a Business Day, the relevance of scheduled commercial banks being open for normal banking business in Tokyo, Japan shall be restricted to only those actions which are required to be taken by MSI;

“**Business Plan**” shall have the meaning assigned to such term in Article 2(a) hereof;

“**Chairman**” shall mean the chairman of the Board, appointed in accordance with Article 8 hereof;

“**Charter Documents**” shall mean the Articles and Memorandum of Association of the Company;

“**Claw Back Period**” shall have the meaning ascribed to the term in the SHA;

“**Closing Date**” shall have the meaning ascribed it in the SHA;

“**Committee Meeting**” shall have the meaning assigned to such term in Article 10(e)(iii) hereof;

“**Company**” shall mean Max Life Insurance Company Limited;

“**Control**” (including with correlative meaning, the terms, “**Controlling**”, “**Controlled by**” or

“under direct or indirect common Control with”) shall mean and include with respect to any Person, (a) the direct, indirect, legal or beneficial ownership of more than 50% (fifty percent) of the issued equity share capital or other voting securities or voting rights of such entity; or (b) the power to appoint a majority of the directors, managers, partners or other individuals exercising similar authority with respect to such Person whether through the ownership of voting securities or by way of agreement; or (c) the power to direct the management or policies of such Person through contractual or other arrangements;

“Corporate Governance Guidelines” shall mean the Guidelines for Corporate Governance for Insurers in India notified by the IRDAI vide its circular bearing reference no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 and any amendments or modifications thereto;

“Cure Period” shall have the meaning ascribed such term in Article 54;

“D&O Expenses” shall have the meaning assigned to such term in Article 12(a) hereof;

“D&O Insurance” shall have the meaning assigned to such term in Article 11(a) hereof;

“D&O Proceeding” shall have the meaning assigned to such term in Article 12(a) hereof;

“Deed of Adherence” shall mean the Deed of Adherence required to be executed in terms of the SHA in the form provided therein;

“Deputy Managing Director” shall have the meaning assigned to such term in Article 5(g) hereof;

“Dilutive Event” shall have the meaning assigned to it in Article 44 hereof;

“Director(s)” shall mean a director appointed to the Board of the Company or Max or List Co, as the context may require;

“Effective Shareholding” means a sum of the direct and indirect shareholding of a Person in an entity. For this purpose, indirect shareholding of a Person in an entity held through an intermediate entity, which shall be calculated on a proportionate basis. An illustration for the calculation of indirect shareholding is as follows:

- (a) Z’s direct shareholding in Y is 30% (thirty percent) (say “**A**”);
- (b) additionally, Z holds 20% (twenty percent) shareholding in X (say “**B**”) and X holds 10% (ten percent) shareholding in Y (say “**C**”); then Z’s indirect shareholding in Y is equal to $(20 \times (10/100))\%$ i.e. 2% (two percent) (“**D**”);
- (c) then, Z’s Effective Shareholding in Y is equal to $A + D = 32\%$, (thirty two percent) with A, B and C being individually computed on a Fully Diluted Basis;

“Equity Shares” shall mean the equity shares of the Company which, as on date, have a par value of INR 10 (Rupees Ten only) per equity share;

“Equity Share Capital” shall mean the total issued and fully paid-up equity share capital of the Company, determined on a Fully Diluted Basis;

“Existing Shares” means the Equity Shares held by Axis immediately prior to the Closing Date;

“Extra Ordinary General Meeting” or “**EGM**” shall mean an extraordinary meeting of the Company convened and held in accordance with the Act and the Articles;

“FMV Price” shall have the meaning assigned to it in Article 48 hereof;

“Fair Market Value” means the value of an Equity Share determined using the discounted cash flow method of valuation;

“Fresh Shares” means Equity Shares subscribed to by the Axis Shareholders after the Closing Date in terms of the SHA and shall not include Further Shares;

“Fully Diluted Basis” shall mean that the calculation is to be made assuming that all outstanding convertible securities and stock options (whether or not by their terms then currently convertible, exercisable or exchangeable) and Equity Shares convertible, exercisable or exchangeable for Equity Shares, have been so converted, exercised or exchanged into equity. For avoidance of doubt, it is clarified that the right of the Axis Shareholders to acquire Additional Shares in terms of the SPA shall not be included in the calculations, unless and until the Axis Shareholders have acquired such Additional Shares;

“Further Shares” shall have the meaning assigned to it in Article 48 hereof;

“Further Shares Notice” shall have the meaning assigned to it in Article 48 hereof;

“Further Shares Notice Date” shall have the meaning assigned to it in Article 48 hereof;

“General Meeting” shall have the meaning ascribed to such term in Article 14(a);

“Government or Governmental Authority” means the government of India or any other applicable jurisdiction (including a jurisdiction in which a Person is incorporated or carrying on any business or activities) and shall include, without limitation, any province, state or any other political subdivision thereof, and includes: (i) any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to the government, including any, agency, department, body, commission or instrumentality; (ii) any court, quasi-judicial tribunal or arbitrator; and (iii) any securities exchange or body or authority regulating the securities markets;

“Governmental Approval” means any authorisation, license, permit, approval, consent, ratification, registration, exemption or other authorization granted by a Government Authority;

“Indemnified Director” shall have the meaning assigned to such term in Article 12(a) hereof;

“Initial Public Offering” shall have meaning as ascribed to such term under Regulation 2(w) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time);

“INR” or “Rupees” or “Rs.” shall mean Indian rupees, being the lawful currency of India;

“IRDAI” shall mean the Insurance Regulatory and Development Authority of India;

“IRDAI Lock-in” shall have the meaning assigned to such term in Article 27(b)(i) hereof;

“LifeCo Parties” shall have the meaning ascribed to such term in Article 9;

“LifeCo Shareholders” shall have the meaning ascribed to such term in Article 9;

“ListCo” shall mean the Company upon listing of its Equity Shares on BSE Limited and National Stock Exchange of India Limited in compliance with the applicable legal and regulatory framework (including regulations issued by the IRDAI) and in the manner as agreed

in writing between Axis Shareholders, Max, BAS and MVIHPL;

“Max” shall mean Max Financial Services Limited, a company incorporated under the laws of India having its registered office at Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab 144533 and corporate office at Max House, 1, Dr. Jha Marg, Okhla, Phase III, New Delhi – 110020 and CIN L24223PB1988PLC008031;

“Max AVI” shall mean business item requiring the affirmative vote of Max as provided in **Schedule II** to these Articles;

“Max Director(s)” shall have the meaning assigned to such term in Article 5(a)(i) hereof;

“Max Fall Away Event” has the meaning given in Article 68(c) hereof;

“Memorandum of Association” or **“Memorandum”** shall mean the Memorandum of Association of the Company, as amended from time to time;

“Minimum Solvency Margin” means a solvency margin of 170% (one hundred and seventy percent) or such other margin as may be prescribed by the IRDAI, whichever is higher;

“MSI” shall mean Mitsui Sumitomo Insurance Company Limited, a Japanese joint stock company incorporated and existing under the laws of Japan, with its registered office at 9, Kanda-Surugadai, 3-Chome, Chiyoda-ku, Tokyo, 101-8011, Japan and shall include its successors and permitted assigns;

“MSI Director(s)” has the meaning given in Article 5(a)(i) hereof;

“MSI EOD” shall have the meaning ascribed to such term in Article 53;

“MSI Nominee Executive” shall have the meaning assigned to such term in Article 5(g) hereof;

“MSI Undertaking” means the Undertaking provided by MSI which is effective from October 30, 2020;

“MVIHPL” shall mean Max Ventures Investment Holdings Private Limited, a private limited company incorporated in accordance with the provisions of the Companies Act, 1956, and having its registered office at Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110011;

“Original Director” shall have the meaning assigned to it in Article 9(a) hereof;

“Party(ies)” shall mean Max, Axis, ACL, ASL, MSI, BAS, MVIHPL and the Company;

“Person” means any individual, entity, joint venture, company (including a limited liability company), corporation, partnership (whether limited or unlimited), proprietorship, trust (including its trustee or beneficiaries) or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, or Government Authority, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

“Promoter EOD” shall have the meaning ascribed to such term in Article 51;

“Promoter Group” means BAS, MVIHPL and any other entity which is 100% (one hundred percent) owned by BAS and is solely and directly controlled by BAS provided that for the purposes of this definition the term ‘control’ shall mean (a) 100% (one hundred percent) of the issued equity share capital or other voting securities or voting rights of such entity; and (b) the

power to appoint a majority of the directors, managers, partners or other individuals exercising similar authority with respect to such entity whether through the ownership of voting securities or by way of agreement; or (c) the power to direct the management or policies of such entity through contractual or other arrangements;

“Promoter Undertaking” means (i) the Undertaking provided by BAS which is effective from October 30, 2020; and (ii) the Undertaking provided by MVIHPL which is effective from October 30, 2020;

“Proposed Additional Shares” shall have the meaning assigned to it in Article 39(a) hereof;

“Proposed Issuance” shall have the meaning assigned to it in Article 38 hereof;

“Proposed Issuance Acceptance Notice” shall have the meaning assigned to it in Article 40 hereof;

“Proposed Issuance Notice” shall have the meaning assigned to it in Article 39 hereof;

“Proposed Issuance Price” shall have the meaning assigned to it in Article 39(b) hereof;

“Purchase Shares” shall mean Axis Shares (as defined under the SPA), the ACL Shares (as defined under the SPA) and the ASL Shares (as defined under the SPA);

“Released Shares” shall have the meaning assigned to it in Article 28(a) hereof;

“Restricted Party Exceptions” shall have the meaning assigned to it in Article 27(b)(iv) hereof;

“Restricted Third Party(ies)” shall mean Persons listed in **Schedule IV** hereof;

“ROFO Process” shall have the meaning assigned to it in Article 27(b)(iii) hereof;

“SHA” shall mean the amended and restated shareholders’ agreement, dated October 30, 2020, executed amongst the Company, Max, Axis, ACL, ASL, MVIHPL, BAS and MSI, as amended;

“Shareholder(s)” shall mean Axis, ACL, ASL, and Max;

“Shareholders Committee” shall have the meaning assigned to it in Article 10(e)(v) hereof;

“Shareholder Nominee” shall have the meaning assigned to it in Article 41 hereof;

“SPA” shall mean the share purchase agreement, dated April 27, 2020, executed amongst the Company, Max, Axis, ACL and ASL, as amended;

“Subscribing Shareholder” shall have the meaning assigned to it in Article 41 hereof;

“Swap” shall have the meaning assigned to such term in Article 27(b)(ii) hereof;

“T Days” shall have the meaning ascribed to such term in Article 58(a);

“Term” shall have the meaning assigned to it in Article 59 hereof;

“The Seal” means the seal of the Company;

“Third Party” means any person who is not a Party;

“Top Up Notice” shall have the meaning assigned to it in Article 45(a) hereof;

“**Top Up Right**” shall have the meaning assigned to it in Article 44 hereof;

“**Top Up Shares**” shall have the meaning assigned to it in Article 44 hereof;

“**Transfer**” (including with correlative meaning, the terms “**Transferred by**” and “**Transferability**”) shall mean to transfer, sell, assign, pledge, hypothecate, create a security interest in or lien on, place in trust (voting or otherwise), exchange, gift or transfer by operation of Applicable Law or in any other way subject to any encumbrance or dispose of, whether or not voluntarily;

“**Unsubscribed Portion**” shall have the meaning assigned to it in Article 41 hereof;

“**Unsubscribing Shareholder**” shall have the meaning assigned to it in Article 41 hereof;

“**Valuer**” shall mean any of the investment banks as identified in **Schedule III** or any other merchant banker/valuer as may be identified by the Parties (other than MSI) and appointed jointly by the Parties (other than MSI).

Singular shall include plural or vice versa as appropriate.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force.

The words “directly or indirectly” mean directly or indirectly through one or more intermediary Persons or through contractual or other legal arrangements, and “direct or indirect” shall have the correlative meanings.

Headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation.

Reference(s) to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

Reference to the word “include” shall be construed without limitation.

Time is of the essence in the performance of the Parties respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence.

Any time period specified herein shall exclude the time period taken to obtain Regulatory Approvals required under Law.

If any provision in Article 1 is a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to it as if it was a substantive provision of these Articles.

In the event of any conflict or inconsistency between the provisions of these Articles and the SHA, the provisions of the SHA shall prevail.

III. **THE COMPANY**

2. Business of the Company

- (a) The Company shall be engaged in the Business in accordance with the Memorandum of Association and the current business plan of the Company, as updated from time to time

by the Board in accordance with the provisions of these Articles (the “**Business Plan**”). The Company shall not engage in any business or activity other than the Business or any activities regulated by IRDAI.

- (b) If the Company is required to increase its capital to meet requirements for maintenance of minimum surplus, solvency margins or reserves under Applicable Law, the Shareholders shall take all actions necessary, subject to applicable Law, to authorize and empower the Company to meet such minimum surplus, solvency margins and reserves in accordance with the Business Plan and to the extent required by applicable Law, in accordance with these Articles.
- (c) Each of the Shareholders shall exercise their respective rights and powers in the Company in accordance with these Articles to ensure that the Business of the Company is carried out in accordance with all Applicable Laws and the Business Plan.
- (d) Each Shareholder shall vote with respect to its Equity Shares at any General Meeting of the Shareholders and shall take all other actions as may be necessary, to give effect to the provisions of these Articles (including without limitation, Articles 5 to 10 hereof). In order to effectuate the provisions of these Articles, each Shareholder further agrees and undertakes, subject to Applicable Laws, to use its best efforts to cause its nominees to the Board to adopt, either at a meeting of the Board or by written consent of the Board, all the resolutions necessary to effectuate the provisions of these Articles.

IV. CAPITAL

- 3. The authorized share capital of the Company shall be as specified from time to time in the Memorandum of Association of the Company. The share capital of the Company shall comprise equity shares of Rs.10 (Rupees ten) each and with power to increase, reduce, subdivide or to repay the same or divide the same into several classes and to attach thereto any rights and to consolidate or subdivide or re-organize the shares subject to Section 48 of the Act, to vary such rights as may be determined in accordance with the regulations of the Company.
- 4. Subject to the provisions relating to the issue and allotment of the Shares in these Articles, the Shares shall be under the control and disposal of the Board who may allot or otherwise dispose of the same to such persons and on such terms as the Board may think fit and to give any persons any Shares whether at par or at a premium and for such consideration as the Board may think fit.

4A. For the purpose of this Article:

“**Beneficial Owner**” means a person or persons whose name is recorded as such with a Depository;

“**Depository**” means a company formed and registered under the Act and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992;

“**SEBI**” means Securities & Exchange Board of India established under the Securities & Exchange Board of India Act, 1992.

- (a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities pursuant to the Depositories Act, 1996.
- (b) All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

- (c) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting the transfer of ownership of security on behalf of the Beneficial Owner
- (d) Save as otherwise provided in (d) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (e) Every person holding the securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.
- (f) Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivering of pen drive etc.
- (g) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.
- (h) The Register and Index of Beneficial Owners, as maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

V. **DIRECTORS AND OFFICERS**

5. Number and composition

- (a) Subject to the provisions of the Act and Corporate Governance Guidelines, the Board of the Company shall consist:
 - (i) up to four (4) Directors nominated by Max (out of which 1 (one) director (“**MSI Director**”) shall be identified by MSI till such time that (A) MSI holds at least nine percent (9%) Effective Shareholding in the Company and (B) Max continues to have the right to appoint Directors in the Company) (“**Max Directors**”);
 - (ii) up to three (3) directors nominated by Axis (collectively the “**Axis Directors**” and individually a “**Axis Director**”);
 - (iii) up to 2 (two) executive Directors who may be the Managing Director and the Deputy Managing Director, to be jointly appointed by the Parties, it being clarified that the present Managing Director and the Deputy Managing Director shall continue in accordance with their respective employment agreements;
 - (iv) such number of independent directors as required under Applicable Laws to be appointed by the Board;
 - (v) in addition to (i) to (iv) above, at least one woman director as appointed by the Board from time to time as required under the Applicable Laws. It being clarified that, on and from the Closing Date and until such time that the Board deems appropriate, Marielle Theron shall be the woman director on the Board

of the Company.

- (b) No Director shall be required to hold any qualification shares.
- (c) Each Axis Director and Max Director shall be a non-executive Director. An executive director shall be responsible or liable for the day-to-day management, operations or affairs of the Company and be liable for any failure by the Company to comply with Applicable Law. To the extent permissible under Applicable Laws, including the Act, the non-executive directors shall not be responsible or liable for the day-to-day management, operations or affairs of the Company.
- (d) The Company shall nominate, represent or identify executive Directors or individuals other than the Max Directors and Axis Directors as “persons in charge”, “authorised officers”, “compliance officer”, “officers in charge”, “officer in default” under any Applicable Law.
- (e) The Company shall (i) make best endeavours (at its cost and expense) to procure that the names of Axis Director(s) and Max Director(s) (if included) in any proceedings, claims or charges in, are withdrawn expeditiously and (ii) promptly pay all costs, damages, fines, levies etc. that are levied against such Max Directors and Axis Director (including by recourse to the D&O Insurance).
- (f) The MSI Director (who shall, at all times, form part of the Directors nominated by Max), shall always be deemed to be “non-rotational” for the purposes of the Act.
- (g) Till MSI holds at least nine percent (9%) Effective Shareholding in the Company and Max continues to have the right to appoint Directors in the Company, MSI may second 2 (two) trainees and 2 (two) managers to the Company. One of the managers seconded to the Company as aforesaid shall be a middle manager and the other manager shall be employed by the Company as part of its distribution function (“**MSI Nominee Executive**”), and shall be required to report to the head of distribution of the Company, presently designated as “**Deputy Managing Director**”. The MSI Nominee Executive shall be a member of the Company’s senior leadership team and will head the international corporate business, including group and corporate related insurance (such as business insurance and worksite marketing), focused on Japanese companies in India. The MSI Nominee Executive shall also be MSI's point of contact to provide advice on international best practices as requested by the Company from time to time.
- (h) All expatriates seconded by MSI to the Company for more than 30 (thirty) days shall be treated as employees of the Company and reimbursed by the Company in accordance with the remuneration policies of the Company. Any additional costs that may be incurred in this regard shall be borne by MSI. All expatriates of MSI shall be required to execute appropriate non-disclosure agreements/ confidentiality agreements with the Company. The aforesaid trainees and managers shall not be employed or appointed to the position of key managerial personnel of the Company.

6. Removal and replacement of directors

- (a) A Shareholder who has a right to nominate a Director in accordance with the terms hereof and the provisions of the Act shall have the right to remove such Director.
- (b) A Director shall be removed from the Board upon, and only upon, the affirmative vote of the Shareholder who nominated such Director. Where a Director has been appointed based on mutual acceptance of both Max and Axis, then the consent of both Max and Axis shall be required for the removal of such Director.

- (c) MSI shall have the right, acting through Max, to remove the MSI Director till MSI holds nine percent (9%) Effective Shareholding in the Company. MSI shall exercise this right through Max. For the avoidance of doubt, the MSI Director shall, at all times, form part of the Directors nominated by Max.
- (d) In the event any Director resigns, retires, vacates or is removed from the office of Director in accordance with this Article 6, the Shareholder that nominated such Director shall have the right to nominate such Director's successor or replacement and such successor shall be nominated and elected on or as soon as possible after the date of such resignation, retirement, vacation or removal.
- (e) The Company shall ensure that necessary corporate authorisations as per Applicable Law and necessary Governmental Approvals, if applicable, are promptly applied for and maintained (when obtained) for any appointment of any new Director or any change, removal or replacement of any existing Director, on or after the Closing Date, whether on the Board or any Committee.

7. Management

Subject to Section VI (*Affirmative Voting Items*) of these Articles and the Act, the Board shall have the power and authority to make decisions with respect to all matters of the Company that are not reserved for the action of the shareholders by Applicable Law, these Articles or Memorandum of Association of the Company and the SHA. The Board shall have ultimate responsibility for the superintendence, vision, direction, and control of the business activities of the Company.

8. Chairman of the Board

- (a) BAS shall be the Chairman for a period of twelve (12) months from the Closing Date. Thereafter, for the next twenty four (24) months, Axis shall have the right to nominate the Chairman. The Chairman nominated by Axis shall be from amongst the Chairman/ Managing Director/ Executive Directors of Axis, as appointed from time to time. Subject to Section XII of these Articles (*Event of Default*), after the initial 36 (thirty six) months from the Closing Date, the Chairman shall be on a rotational basis by Max and Axis for a period of twenty four (24) months each at a time.
- (b) The Chairman nominated by Max shall be BAS, except (i) as may be agreed between Axis Shareholders, Max, MSI, BAS and MVIHPL in writing; or (ii) in the event, BAS is unable to discharge his obligations as the Chairman due to ill health or incapacity under Applicable Laws.
- (c) Subject to occurrence of a Max EOD which remains uncured till the end of the Cure Period, the Chairman shall not have a casting vote.

9. Alternate directors

- (a) Max and Axis (collectively "**LifeCo Shareholders**") shall be entitled to nominate an alternate Director ("**Alternate Director**") in place of any Director nominated by them ("**Original Director**") from time to time. Upon the appointment of the Alternate Director, the Company shall ensure compliance with the provisions of the Act in relation to effecting such appointment, including by filing necessary forms with the relevant registrar of companies. The Alternate Director shall be entitled to receive notice of all Board Meetings and to attend and vote at such Board Meetings in place of the Original Director and generally to perform all functions of the Original Director in his or her absence. Each LifeCo Shareholder shall also have a right to withdraw their

nominated Alternate Director and nominate another in his or her place. The Company and LifeCo Shareholders (collectively “**LifeCo Parties**”) shall take all such actions as may be required under Applicable Law to cause any Alternate Director nominated pursuant to this Article 9 to be duly elected or appointed.

- (b) If requested by MSI, Max shall nominate an Alternate Director (“**MSI Alternate Director**”) in place of the MSI Director from time to time. Upon the appointment of the MSI Alternate Director, the Company shall ensure compliance with the provisions of the Act in relation to effecting such appointment, including by filing necessary forms with the relevant registrar of companies. The MSI Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the original MSI Director and generally to perform all functions of the original MSI Director in his or her absence.

10. Board Meetings

(a) *Frequency and Location*

Meetings of the Board shall take place in accordance with the requirements of the Act. At least four (4) meetings shall be held every year in such manner that the gap between two (2) consecutive meetings does not exceed 120 days. The meetings of the Board shall take place at the registered office of the Company or such other location as may be agreed to by majority of the Directors or electronically through video conferencing or by audio visual means, as may be permissible in accordance with the Act.

(b) *Notice*

- (i) A written notice of at least seven (7) Business Days of every Board Meeting shall be given to every Director, every Alternate Director, by electronic mail to such email address as may be notified by that Director to the Company from time to time, provided that a Board Meeting may be convened by a shorter notice with the consent of required number of Directors under the Act, provided at least one (1) Max Director (other than the MSI Director) and one (1) Axis Director shall have consented for such meeting at a shorter notice.
- (ii) The notice of each board meeting shall include an agenda setting out the business to be transacted at such Board Meeting including any Axis AVI to be discussed at such Board Meeting in accordance with Section VI of these Articles.
- (iii) The meetings of the Board or any Committees may be held by video conferencing or other audio-visual means as may be permissible in accordance with the Act.

(c) *Quorum*

- (i) No business shall be transacted at a Board Meeting unless a quorum is present as per this Article 10(c);
- (ii) Subject to Applicable Laws and Article 5, the quorum for a meeting of the Board of the Company (including for an adjourned meeting) shall be one-third of the total number of Directors for the time being. Provided however, that there shall be no quorum unless at least two (2) Max Directors (out of which one (1) shall be the MSI Director) and at least one (1) Axis Director, is present for the meeting. The participation of the MSI Director by video conferencing or by other audio-visual means shall also be counted for the purposes of quorum, in case of physical meeting. MSI may waive the requirement of the presence of MSI Director to form a quorum as specified in this Article for any meeting.

- (iii) A LifeCo Shareholder may waive the requirement in writing that the Director nominated by such LifeCo Shareholder (it being clarified that the presence of MSI Director to constitute quorum may be waived by Max only with the consent of MSI) should be present to constitute a quorum at any Board Meeting, provided that at such meeting (i) no Axis AVI shall be approved or authorized, unless the written consent of Axis has been received for such Axis AVI prior to the Board Meeting in accordance with Section VI of these Articles below.
- (iv) If a proposed Board Meeting does not have a quorum as per Article 10(c)(ii) above, within thirty (30) minutes from the time appointed for holding such Board Meeting, then such Board Meeting shall adjourn to the same day of next week, same time and place and if such day is not a Business Day then the next available Business Day. At the adjourned and reconvened Board Meeting, if there is no quorum within thirty (30) minutes from the time appointed for the reconvened Board Meeting, then in terms of the Act, any two (2) Directors or one-third of total strength, whichever is higher, shall constitute a quorum.

Provided that if at any Board Meeting (including at a reconvened Board Meeting) at least one (1) Axis Director is not present at the beginning and throughout the duration of such Board Meeting, then no Axis AVI shall be approved or authorized, unless the written consent of Axis has been received for such Axis AVI prior to such reconvened meeting in accordance with Section VI (*Affirmative Voting Items*) of these Articles below.

- (v) If the prior written consent of Axis in respect of Axis AVI has been delivered prior to any Board Meeting (including at a reconvened Board Meeting), then any approval, authorization and implementation of such Axis AVI, can only be in accordance with such prior written consent (and any conditions imposed therein). It is hereby clarified that no Axis AVI can be approved or authorised at any Board Meeting (including at a reconvened meeting) if Axis has not provided its prior written consent in relation to such Axis AVI prior to such meeting (or reconvened Board Meeting).

(d) *Voting*

Subject to Section VI (*Affirmative Voting Items*) of these Articles and as permissible under the Applicable Law, a resolution by circulation shall be valid and effectual as a resolution duly passed at a meeting of the Board or any Committee called and held, if (a) it has been circulated in draft form together with the necessary documents, if any; (b) to all the Directors or members of the Committee, as the case may be; (c) at their usual address in India or abroad or *vide* email or any other form of electronic communication which such Directors or members of the Committee, as the case may be, has consented to; (d) for a minimum period of 5 (five) Business Days prior to being put to vote, unless such prior notice requirement is waived by at least 1 (one) Max Director (not being a MSI Director) and an Axis Director; and (e) has been approved by a majority of the Directors or members, as the case may be, entitled to vote thereon. However, if the resolution relates to an Axis AVI, then written approval of Axis, must be obtained prior to the draft resolution being circulated to the Directors or members of the Committee, as the case may be, for their approval. All draft resolutions in relation to the Axis AVIs shall be in conformity with the written approval of Axis.

(e) *Committees of the Board*

- (i) The Company shall constitute Committees of the Board in accordance with Applicable Laws and in compliance with the Corporate Governance Guidelines

issued by the IRDAI. Subject to Applicable Laws and Section VI (*Affirmative Voting Items*) of these Articles, all decisions in the Committees of the Board shall be taken in a manner as may be decided by the Board. Provided that, the Board shall not authorize or delegate powers to any Committees such that such a Committee is empowered to decide matters which in terms of the Act are to be mandatorily decided by the Board.

- (ii) Subject to Article 5 of the Articles, Max shall be entitled to nominate two (2) Max Directors (out of which one (1) shall be MSI Director, till such time that (i) MSI has Effective Shareholding of at least 9% (nine percent) in the Company and-(ii) Max continues to have the right to appoint Directors in the Company on each Committee and Axis shall be entitled to nominate one (1) Axis Director on each Committee. Max and Axis may, in writing, waive the requirement of appointment of their nominee or withdraw the nomination of such Director, as a member on the Committee, provided that Max and Axis shall retain the right, at any time, to revoke its waiver in writing or nominate another Director to the relevant committee, and if Max and Axis revoke their waiver or appoint another Director to the relevant Committee, such a Director shall be appointed a member of the relevant Committee. The Board shall have the right to constitute fresh committees and disband existing committees. For the avoidance of doubt, the provisions of these Articles, including this Article 10(e), shall also apply to any fresh committees constituted by the Board.
- (iii) The quorum for a meeting of the Committee (“**Committee Meeting**”) shall be at least one-third of all members forming part of a Committee, provided that in order to constitute a quorum, at least two (2) Max Directors (out of which 1 (one) shall be the MSI Director till such time that MSI has Effective Shareholding of at least 9% (nine percent) in the Company) and one (1) Axis Director shall be required to be present at such Committee Meeting provided further that, the presence of the Max Director(s) and/or Axis Director, as the case may be, shall not be required to form a quorum, only if Max (it being clarified that the presence of MSI Director to constitute quorum may be waived by Max only with the consent of MSI) and/ or Axis respectively has waived, in writing, the requirement of the appointment of such Max Director(s) and/or Axis Director to the relevant Committee or has withdrawn the nomination of such Max Director(s) and/or Axis Director as a member on the Committee without naming a replacement. The quorum requirement shall reapply if, at any time, Max and/ or Axis revokes its waiver in writing or nominates another Max Director(s) and/ or Axis Director. Provided further that Max Director(s) or Axis Director(s) may waive the requirement in writing that the Director nominated by such Max Director(s) or Axis Director(s) (it being clarified that the presence of MSI Director to constitute quorum may be waived by Max only with the consent of MSI) should be present to constitute a quorum at any Committee Meeting. Subject to Section VI of these Articles, if such quorum is not present within thirty (30) minutes from the time appointed for the Committee Meeting, the Committee Meeting shall adjourn to the same place and time seven (7) calendar days later, at which Committee Meeting requisite number of members as per Applicable Law being present shall constitute a valid quorum even though the Max Director(s) and/or Axis Director is not present.
- (iv) All matters to be decided by any Committee shall be deemed to have been so decided (i) if such matters are approved by a simple majority of the members of such committee; and (ii) if any such matter is an Axis AVI, then in accordance with the process set out in Section VI of Part I (*Affirmative Voting Items*) of these Articles. Each member of the Committee shall be entitled to one (1) vote.

- (v) A committee comprising of at least one (1) representative from each of Max and Axis shall be constituted and shall meet once every financial quarter simultaneous with a Board Meeting to discuss and evaluate the performance of the Company and discuss and agree upon any shareholder level discussion matter (“**Shareholders Committee**”).
- (vi) The Company shall ensure compliance with the Corporate Governance Guidelines and regulations as prescribed by the IRDAI from time to time (and in particular paragraph 3A of the Corporate Governance Guidelines).

(f) *Expenses of Directors*

The Company shall reimburse the Directors for all reasonable travel and accommodation expenses incurred by them or their Alternate Directors in connection with the performance of their duties as Directors of the Company upon presentation of appropriate documentation therefor. Unless otherwise agreed between the LifeCo Shareholders and subject to Applicable Laws, no separate compensation will be available to the Directors for participation in the Board Meetings other than to independent directors who shall be entitled to sitting fees and commissions. Executive directors on the Board shall be paid as per the terms of their employment.

(g) *Board Resolutions*

Except as provided in Section VI (*Affirmative Voting Items*) of these Articles, all matters shall be said to have been passed or decided at a Board Meeting only if such resolutions are approved at a validly constituted and duly quorate meeting by a simple majority of the Directors (who are entitled to vote on the matter) present and voting at such Board Meeting. Each Director shall be entitled to 1 (one) vote. In the event of occurrence of an Event of Default, which remains uncured till the end of the Cure Period, the Chairman appointed by the non-defaulting party shall have a casting vote.

11. *D&O Insurance*

- (a) The Company shall procure the maintenance of director and officer indemnity insurance policies which are customary for similar companies in respect of all directors and officers of the Company (“**D&O Insurance**”). The insurance policies shall cover all Directors appointed on or after Closing Date and shall be effective from the Closing Date.
- (b) The minimum limit per Director shall be as determined by the Board basis the industry standards followed by groups or conglomerates of a size similar to the Max Group and/or Axis Group. Axis shall have the right to seek a review of such D&O Insurance by the Board. Upon review by the Board, the Board may determine modifications, if required, to the D&O Insurance.

12. *Directors' Indemnity*

- (a) Without prejudice to Article 11 (*D&O Insurance*) above, the Company shall indemnify every person who is and has been a Director on the Board (“**Indemnified Director**”) against any and all expenses (including all attorneys’ fees and all other costs, expenses and obligations incurred in connection with investigating, defending, appealing, being a witness in or otherwise participating in or preparing to defend, appeal, be a witness in or otherwise participate in a D&O Proceeding (*as defined hereinafter*), losses, liabilities, judgments, fines, penalties and amounts paid in settlement, and including all interest, assessments and other charges in connection therewith (“**D&O Expenses**”), incurred by the Indemnified Director in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including

without limitation a claim, demand, discovery request, formal or informal investigation, inquiry, administrative hearing, arbitration or other form of alternative dispute resolution), including an appeal from any of the foregoing, which is in any way connected with, resulting from or related to the fact that the Indemnified Director is or was a director of the Company or by reason of any action or inaction on the part of the Indemnified Director while serving in such capacity (“**D&O Proceeding**”).

- (b) The Company shall advance all D&O Expenses incurred by the Indemnified Director, such advances to be made by the Company as soon as practicable before incurrence of such costs, by the Indemnified Director.
- (c) No indemnification shall be provided to the Indemnified Director, (i) to the extent that the D&O Expenses are fully covered by a policy of insurance and fully paid or reimbursed by an insurer to the Indemnified Director; or (ii) to the extent that such indemnification would be void, illegal or unenforceable under Applicable Law.
- (d) The right of indemnification provided herein shall not affect any other rights to which any Indemnified Director may be entitled.

13. Directors’ Access

- (a) Each Director shall be entitled to examine the Books and Records and shall have access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide access and information relating to the business, affairs and financial position of the Company as and when any such Director may require.
- (b) Each Axis Director shall be entitled to disclose to Axis, ACL and ASL any and all information pertaining to the Company to which he/ she has access as per these Articles or under applicable Law, subject to, and in compliance with their duties under applicable Law.
- (c) Each Max Director shall be entitled to disclose to Max, and MSI Director shall be entitled to disclose to MSI and its parent company (if permitted under Applicable Law) as the case may be, any and all information pertaining to the Company to which he/she has access as per these Articles or under Applicable Law, subject to, and in compliance with their duties under applicable Law.
- (d) The right of the Max Directors, MSI Director and the Axis Directors under Article 13(b) and Article 13(c) above, respectively, to share information pertaining to the Company, to which he/she has access to, is subject to the requirements under Applicable Law (including the requirements under Applicable Law to maintain confidentiality of the policyholders’ information).

14. General Meeting

- (a) The Board may, whenever it thinks fit, convene a General Meeting of the Company (“**General Meeting**”). The Board shall also proceed to convene a General Meeting if so requisitioned by any Shareholder in accordance with the provisions of the Act or the Charter Documents.
- (b) *Quorum*
 - (i) Every year the Company shall hold, in addition to any other General meetings, an annual general meeting (“**AGM**”) in accordance with Applicable Law. The time period between the date of 1 (one) AGM and that of the next shall not exceed

the time period prescribed in the Act. All other General Meetings, other than the AGM, shall be EGMs. The quorum for a General Meetings (including an AGM) shall be as required by the Act, provided that there shall be no quorum unless one (1) representative of each of the LifeCo Shareholder is present throughout such General Meeting (including an AGM) unless the presence of such representative is waived by Max and/or Axis, as the case may be, in writing. A corporate shareholder represented by a duly authorized representative/ proxy shall be deemed to be present in person for purposes of this Article 14.

- (ii) Subject to the provisions of the Act, if within 30 (thirty) minutes of the time appointed for holding a General Meeting (including an AGM) a quorum as specified in this Article 14(b) is not present then such General Meeting (including an AGM) shall be adjourned and reconvened at the same day in the next week, at the same time and place or such other place, date or time as the Board may decide.
- (iii) Subject to the provisions of Section VI (*Affirmative Voting Items*) of these Articles below, at such reconvened General Meeting (including an AGM), if there is no adequate quorum within 30 (thirty) minutes from the time appointed for the reconvened General Meeting (including an AGM), such number of shareholders as required under the Act being present shall constitute a valid quorum.

(c) *Notice*

- (i) Subject to the Applicable Laws, at least twenty one (21) days written notice of every General Meeting (including an AGM) shall be given to all the Shareholders, at its usual address whether in India or abroad; provided however, that a General Meeting (including an AGM) may be convened by a shorter notice with the consent of all Shareholders.
- (ii) Every notice of a General Meeting (including an AGM) shall specify the place, date and hour of the meeting and shall contain a statement of the business to be transacted thereof. Where any such business consists of special business, as defined under the Act, there shall be annexed to the notice an explanatory statement in accordance with the provisions of the Act

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(d) *Voting*

Subject to Section VI of these Articles, voting on all matters to be considered at a General Meeting (including an AGM) shall be by way of a poll and show of hands unless otherwise agreed upon in writing between the LifeCo Shareholders.

(e) *Chairman*

The Chairman shall be the chairman of the General Meeting (including an AGM). If the Chairman is not present within thirty (30) minutes after the time appointed for holding a General Meeting (including an AGM) or is not willing to act as chairman of a General Meeting (including an AGM), the LifeCo Shareholders entitled to elect a chairman during that period and present at the meeting shall elect one of the Directors as the chairman of the General Meeting.

(f) *Shareholders Resolutions*

Subject to Section VI of these Articles (*Affirmative Voting Items*), any resolution which under the provisions of the Act, these Articles or Memorandum of Association is

permitted or is required to be done or passed by the Company in a General Meeting (including an AGM) shall be said to have been passed or decided at a General Meeting (including an AGM), if passed, at a validly constituted and duly quorate General Meeting (including an AGM), by an ordinary resolution (as defined under the Act), unless either the Act or the Charter Documents specifically require such act to be done or resolution passed by a special resolution (as defined under the Act).

VI. AFFIRMATIVE VOTING ITEMS

15. Notwithstanding anything stated to the contrary in these Articles but subject to Article 16 below and Article 63, no decision or action shall be taken in respect of Axis AVI, whether (a) at a Board Meeting or any Committee Meeting or at any General Meeting (including an AGM), or (b) by way of a circular resolution or postal ballot as may be permitted under the Act, or (c) by the management of the Company, or (d) otherwise, in any manner whatsoever, unless each of the following conditions are met:
- (a) The Company shall provide a written request (“**AVI Request**”) to Axis if a decision needs to be taken in relation to an Axis AVI, along with a copy of the draft agenda of the Board Meeting or Committee Meeting or General Meeting (including an AGM) or draft circular resolution where such Axis AVI will be taken up. Such request shall set out the details of the Axis AVI and be accompanied by all supporting documents that may be reasonably required by Axis to make an informed decision regarding such Axis AVI.
 - (b) Upon receipt of an AVI Request, Axis shall be entitled to seek any further information or documents as it may deem fit.
 - (c) Upon receipt of all such information or documents, Axis may provide their response to the Company no later than five (5) Business Days thereafter.
 - (d) If Axis has provided its prior written consent to the Company in relation to such Axis AVI, in accordance with Article 15(c) above, only then such AVI shall be included as part of the agenda for the meeting of the Board Meeting or Committee Meeting or General Meeting (including an AGM) and shall be placed for decision before the Board or Committee or the Shareholders.
 - (e) If Axis has given conditional consent under this Article 15, then that particular matter cannot be implemented by the Company in a manner inconsistent with such conditions, if any, imposed by Axis.
 - (f) If Axis does not provide written consent (or does not respond) or dissent within the specified time period, such Axis AVI shall not be included in the agenda for any Board Meeting or Committee Meeting or General Meeting (including an AGM) and such Axis AVI shall not be placed before the Board or a Committee or the Shareholders for voting.
 - (g) If Axis has provided its prior written consent to the Company in relation to an Axis AVI, then such prior written consent shall not be deemed to apply to any other Axis AVI unless the AVI Request also expressly sought a prior written consent of Axis, as the case may be, for such other Axis AVI, provided its prior written consent to such other Axis AVI.
16. Notwithstanding anything stated to the contrary in Articles but subject to Section XII of these Articles (*Event of Default*), no decision or action shall be taken in respect of the Max AVI, whether (a) at a Board Meeting or any Committee Meeting or at any General Meeting (including an AGM), or (b) by way of a circular resolution or postal ballot as may be permitted under the Act, or (c) by the management of the Company, or (d) otherwise, in any manner whatsoever,

unless such Max AVI matter is placed before the Shareholders Committee and agreed upon by both Axis and Max in writing till such time that Max holds at least fifty one percent (51%) of the Equity Share Capital of the Company. On the occurrence of a Max EOD the right of Max to exercise the Max AVI right shall fall away.

17. Notwithstanding anything contained in Articles 15 and 16 above, neither Axis nor Max shall have affirmative voting rights in relation to the Company entering into/ executing any bancassurance agreement with any financial institution other than Axis.

VII. **TRANSFER OF SHARES**

18. The Company shall keep a register of transfer and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any Shares.
19. Shares may be transferred in the form and manner as prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provisions of Section 56 of the Act, from time to time.
20. The instrument of transfer duly stamped and executed by the transferor and transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the Shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall not be deemed to be the holder of such Shares until the name of the transferee shall have been entered in the register of members/ digital records in respect thereof. Before the registration of a transfer, the certificate or certificates of the Shares must be delivered to the Company.
21. The Board shall have power on giving not less than seven (7) days' previous notice by advertisement in one vernacular and one English newspaper circulating in the district in which the registered office of the Company is situated and publishing the notice on the Company's website as well as any other website, if any, prescribed under the Act, to close the transfer books, the register of members or register of debenture-holders at such time or times and for such period or periods, not exceeding in the aggregate forty-five (45) days in each year, and thirty (30) days at one time.
22. Subject to the provisions of Section 58 of the Act, the Board may, by sending notice giving reason for refusal to the transferor and the transferee, decline to register or acknowledge any transfer of Shares whether fully paid or not and (notwithstanding that the proposed transferee be already a member) but in such cases it shall, within 30 days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor, notice of the refusal to register such transfer provided that the registration of a transfer shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a Lien on the shares.
23. 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 Act.
24. [Omitted]
25. No fee may be charged:
 - (a) For splitting up, sub-division and consolidation of Shares.
 - (b) For issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized.

- (c) For registration of transfer.
26. Except in case of transfers in violation of the terms hereof, the Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard to attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and the effect thereto if the Board shall so think fit.
27. Restrictions on Transfer

The following restrictions on transfer of shares of the Company are emanating from the SHA, as agreed amongst the Parties:

(a) *Transfers by Max*

- (i) Till such time that any of the Axis Shareholder is a shareholder of the Company, Max shall not, Transfer any Equity Shares held by it in the Company to any Third Party, without prior written consent of Axis.
- (ii) Notwithstanding anything contained in these Articles, Max shall not and shall ensure that any Third Party to whom it Transfers any Equity Shares, in accordance with the terms hereof, shall not directly or indirectly, Transfer any Equity Shares held by it in the Company to any Restricted Third Party until such time that any of the Axis Shareholder is a shareholder of the Company or Max or the ListCo.
- (iii) Any purported Transfer or attempt to Transfer any Equity Shares by Max in violation of this Article 27(a), shall be null and void *ab initio*.
- (iv) The Company hereby agrees and undertakes that it shall not recognize and/or record any Transfer of the Equity Shares that is not in accordance with the terms of this Article 27(a).

(b) *Transfer by Axis*

- (i) The Axis Shareholders shall not, directly or indirectly, Transfer any Equity Shares held by it in the Company for a period as may be directed by the IRDAI (“**IRDAI Lock-in**”). Subject to sub-clause (ii) below, if the IRDAI does not impose a restriction on Transfer of Equity Shares on one or more of the Axis Shareholders, then the IRDAI Lock-in shall not be applicable to such Axis Shareholder.
- (ii) Subject to the provisions of Section XII of these Articles (*Event of Default*) and Article 28, the Existing Shares, Purchase Shares and Additional Shares held by the Axis Shareholders in the Company shall be locked-in (“**Agreed Lock-in**”). It is clarified that the Agreed Lock-in shall continue to be applicable to the Axis Shareholders in relation to the shares issued to or held by the Axis Shareholders in the ListCo or pursuant to the Axis Shareholders acquiring shares of Max in lieu

of the Equity Shares (including the Additional Shares) (“**Swap**”). For avoidance of doubt, it is clarified that the restrictions contained in this Article are distinct from the IRDAI Lock-In. Equity Shares of the Company subscribed to by Axis Shareholders after the Restatement Date shall not be subject to the Agreed Lock-in.

- (iii) The Axis Shareholders shall not Transfer any of its Purchase Shares, Existing Shares and Additional Shares, except the Released Shares (*as defined hereinafter*). Out of the Released Shares, Axis Shareholders shall first Transfer the Equity Shares held by ACL and ASL and once the Equity Shares held by ACL and ASL have been Transferred fully, only then Axis shall Transfer Equity Shares held by it, provided that if the Equity Shares held by ACL and ASL cannot be Transferred due to Regulatory Lock-in, then Axis shall be entitled to Transfer the equivalent number of Equity Shares out of the Released Shares. Subject to the foregoing, Released Shares may be transferred by the Axis Shareholders at their sole discretion. Max may at its sole discretion, on a written request from any of the Axis Shareholders, approve a Transfer of Equity Shares by such Axis Shareholders which are subject to the Agreed Lock-in, and any such Transfers approved by Max shall also be subject to right of first offer of Max and such selling Axis Shareholders shall follow the process relating to right of first offer (“**ROFO Process**”) as set out below.
- (iv) Further, each of the Axis Shareholders shall not and shall ensure that any Person to whom it Transfers any Equity Shares, in accordance with the terms hereof, shall not, directly or indirectly, Transfer any Equity Shares held by it in the Company or ListCo to any Restricted Third Party, except in the cases as set out in Section XII of these Articles (*Event of Default*) and which remains uncured after the Cure Period (“**Restricted Party Exceptions**”).
- (v) Any purported Transfer or attempt to Transfer any Equity Shares by the Axis Shareholders in violation of this Article 27, shall be null and void *ab initio*.
- (vi) The Company shall not recognise and/or record any Transfer of the Equity Shares that is not in accordance with the terms of Articles 27 and 28.

28. Release of shares

- (a) Unless otherwise mutually agreed between Max and Axis, the first 1.86% (one point eight six percent) of the Purchase Shares and the Existing Shares, held by Axis Shareholders shall be free from the Agreed Lock-in restriction contained in Article 28(b)(ii) on June 30, 2021 and thereafter, 1.86% (one point eight six percent) of the Purchase Shares and Existing Shares held by Axis at the end of each successive 12 (twelve) month period, however, if Axis Shareholders have acquired the entire Additional Shares, then 1.67% (one point six seven percent) of the Purchase Shares, Existing Shares and Additional Shares shall be free from the Agreed Lock-in for each successive 12 months. Provided further that, if Axis Shareholders acquire a part (and not all) of the Additional Shares in accordance with the terms of the SPA, the annual percentage of Purchase Shares, Existing Shares and Additional Shares to be released from the Agreed Lock-in shall be between 1.67% (one point six seven percent) to 1.86% (one point eight six percent) per year as agreed between the Parties and based on the number of Additional Shares. Subject to the restrictions contained in Article 27(b)(i) and Article 27(b)(iii), the Purchase Shares, Existing Shares and Additional Shares which become free from the Agreed Lock-in (“**Released Shares**”) may be sold by Axis to any Third Party purchaser at a price as may be mutually decided by Axis and such Third Party purchaser.
- (b) The Company shall make necessary application to the IRDAI for the sale of the Released

Shares by the Axis Shareholders and shall use all reasonable endeavours to expedite the receipt of such approval. The Company shall co-operate with the Axis Shareholders and provide the proposed purchaser of the Released Shares all information as may be required to enable such proposed transferee to conduct a detailed due diligence on the Company, subject to such proposed transferee executing a confidentiality and non-disclosure agreement.

- (c) Any Released Shares not sold by the Axis Shareholders due to IRDAI Lock-in or otherwise, shall accumulate and may be sold by the Axis Shareholders in one or more tranches to a Third Party purchaser, in compliance with Article 27(b)(i) above, as and when the Axis Shareholders may deem fit post expiry of the IRDAI Lock-in.
- (d) Notwithstanding anything contained hereinabove, subject to the IRDAI Lock-in, the entire Equity Share Capital held by the Axis Shareholders shall be immediately released from the Agreed Lock-in and may be sold by the Axis Shareholders to any Third Party purchaser at a price as may be mutually decided by the Axis Shareholders and such Third Party purchaser, upon occurrence of events as set out in Section XII of these Articles (*Event of Default*) and which remains uncured after the Cure Period.

29. Transfers to Affiliates

- (a) For avoidance of doubt, it is clarified that no Shareholder shall be entitled to Transfer, directly or indirectly, the Equity Shares held by it to its Affiliates, except in accordance with these Articles and with a prior written consent of Axis (if the transferor is Max) and/or Max (if the transferor is any of the Axis Shareholders), as the case may be. Provided that, (i) if any of the Axis Shareholder(s) is required to transfer its Equity Shares under applicable Law, or (ii) if ACL and/or ASL are likely to cease being wholly owned subsidiaries of Axis and Axis chooses to Transfer the ACL Shares and/or ASL Shares to another Subsidiary of Axis or to Axis (if permitted under Applicable Law), then consent of Max shall not be required. For purposes of this Article, a “Subsidiary” means a company: (A) whose at least 50% (fifty percent) of the paid up share capital is held by Axis; and (B) which is Controlled by Axis.
- (b) Notwithstanding anything contained in sub-clause (a) above, the Axis Shareholders may Transfer the Equity Shares including those which are subject to the Agreed Lock-in *inter-se* amongst themselves, provided however, Axis shall not transfer the Axis Shares (which are subject to the Agreed Lock in) to any other Axis Shareholder unless required under Applicable Law.
- (c) Notwithstanding anything to the contrary contained in these Articles, (a) MVIHPL shall be permitted to Transfer its equity shares in Max to only such Affiliate which is 100% (one hundred percent) solely and directly held by BAS and the board of the said entity is solely and directly controlled by BAS; (b) BAS shall be permitted to Transfer its equity shares in MVIHPL to only such Affiliate which is 100% (one hundred percent) solely and directly held by BAS and the board of the said entity is solely and directly controlled by BAS.

30. Governmental Approval for transfer and issuance

If any Governmental Approval is required for the completion of any Transfer or issuance of Equity Shares pursuant to the terms of these Articles or the Applicable Laws (including pursuant to occurrence of an event in Section XII of these Articles (*Event of Default*)), then the Company (if it is the applicant) shall make best efforts to obtain such approvals. Notwithstanding anything to the contrary contained in these Articles, the time period for transfer or issuance of the Equity Shares set out in these Articles shall be deemed to be automatically extended by a period of 90 (ninety) days if any Governmental Approval required for the transfer or issuance is not obtained

within the original time period for issuance set out in the relevant provisions of these Articles. The transferring shareholder shall bear all costs and expenses for the same. The Company shall use all reasonable endeavours to expedite the receipt of any such Governmental Approval, and the other Shareholders shall extend reasonable co-operation in this regard. All Parties agree to cooperate in the obtaining of such Governmental Approvals.

31. The Company shall co-operate with each Shareholder and provide the proposed third party purchaser all information as may be required to enable such proposed transferee to conduct a detailed due diligence on the Company, subject to such proposed transferee executing a confidentiality and non-disclosure agreement containing substantially the same confidentiality obligations as set out in the SHA.
32. **[OMITTED]**
33. Till the time ACL is a shareholder of the Company and/or Max and/or ListCo, Axis shall continue to: (a) own at least 50% (fifty percent) of paid up share capital of ACL; and (b) Control ACL. Till the time ASL is a shareholder of the Company and/or Max and/or ListCo, Axis shall continue to: (a) own at least 50% (fifty percent) of paid up share capital of ASL; and (b) Control ASL.
34. It is clarified that reference to Parties in Section X, Articles 27, 28 and 29 shall exclude MSI and shall collectively only refer to the Company, Axis Shareholders, Max, MVIHPL and BAS.

VIII. **ADDITIONAL MATTERS**

35. Information Rights
 - (a) Upon the receipt of 3 (three) Business Days prior written notice, the Company shall allow each of LifeCo Shareholders, and their authorised representatives the right during normal business hours to seek information regarding the Books and Records, and property and assets of the Company, which information shall not be unreasonably withheld.
 - (b) The Company shall provide to each LifeCo Shareholder (i) within 90 (ninety) calendar days or such other days as mutually agreed upon between the LifeCo Parties after the end of each financial year, the annual audited consolidated financial statements of the Company prepared in accordance with Indian GAAP and Applicable Law for such financial year; (ii) within 45 (forty five) calendar days after the end of each quarter a report, by the managing director; (iii) within 30 (thirty) calendar days of the end of each month, the monthly business performance reports of the Company; (iv) within 90 (ninety) days after the end of each financial year, a report on the annual appraisal value of the Company, which shall include embedded value and cash flow projections; and (v) such other reports as the Board may determine. The Company shall furnish to LifeCo Shareholders and their auditors such financial and other information relating to the business of the Company as any of them may reasonably require.

IX. **LIQUIDATION PREFERENCE**

36. In the event of a liquidation or dissolution, subject to the provisions of Applicable Laws and fulfilment of outstanding statutory liabilities and the Company's debt obligations and payments to policyholders:
 - (a) Each of the Axis Shareholders shall have a preferential right ahead of Max, to receive an amount equivalent to their respective Purchase Consideration (*as defined in the SPA*) including consideration paid by the Axis Shareholders for the Additional Shares (if any) compounded annually at 25% (twenty five percent) per annum;
 - (b) Subsequent to sub-clause (a), each of Max and the Axis Shareholders (in relation to the

Fresh Shares and the Further Shares) shall have a preferential right to obtain an aggregate consideration equal to the aggregate consideration paid by the Axis Shareholders to acquire the Fresh Shares and/or Further Shares and Max to acquire the Equity Shares, as the case may be; and;

- (c) Any remaining proceeds would be distributed pro-rata among all shareholders of the Company.

X. **PRE-EMPTION RIGHTS**

- 37. Any additional funding required by the Company shall be in accordance with: (a) the Business Plan; or (b) as may be required to maintain the Minimum Solvency Margin as prescribed by the IRDAI in respect of the Company, provided that nothing contained in this Article 37 shall obligate MSI to undertake any additional funding obligations towards the Company (including whether by way of shareholders' debt or capital contributions).
- 38. Subject to Applicable Law, in the event that the Company is desirous of issuing Equity Shares in accordance with Article 37 ("**Proposed Issuance**") in favour of any Person ("**Potential Investor**"), such Proposed Issuance shall first be offered to the Shareholders in order to enable them to maintain their respective ownership in the Company on a Fully Diluted Basis. It is clarified that the Shareholders shall have the pre-emption rights under this Section X of the Articles only until such time as follows: (a) in case of the Axis Shareholders, till such time the Axis Effective Shareholding in the Company is at least 9% (nine percent); (b) in case of Max, till such time the shareholding of Max is at least 9% (nine percent) of the Equity Share Capital.
- 39. For the purposes referred to in Article 38, the Company shall deliver to the Shareholders, written notice of the Proposed Issuance ("**Proposed Issuance Notice**") setting forth:
 - (a) the total number of Equity Shares ("**Proposed Additional Shares**") to be issued pursuant to the Proposed Issuance;
 - (b) the terms of the Proposed Issuance, including the proposed issue price per Proposed Additional Share shall be determined in accordance with Applicable Law subject to not being lower than the Fair Market Value, which, for the avoidance of doubt, shall be identical for all the Shareholders and/or new shareholders participating in the Proposed Issuance ("**Proposed Issuance Price**");
 - (c) the date of closing of the Proposed Issuance (which shall not be less than 90 (ninety) Business Days from the date of delivery of the Proposed Issuance Notice), unless otherwise agreed to amongst the Shareholders;
 - (d) the total number of Proposed Additional Shares proposed to be issued and the total number of Proposed Additional Shares offered to the relevant Shareholder; and
 - (e) the details of the bank account and settlement details for payment of the application monies for subscribing to the Proposed Additional Shares.

It is clarified that the Fair Market Value will be determined by the Valuer.

- 40. If the Shareholder(s) elect(s) to exercise its/ their rights under this Section X of the Articles, it/ they shall provide to the Company, a written notice ("**Proposed Issuance Acceptance Notice**") within 90 (ninety) Business Days after receipt of the Proposed Issuance Notice and shall, within the time period set forth in the Proposed Issuance Notice, settle the payment for the Proposed Issuance in cash. It is clarified that if any Axis Shareholder seeks to, as per the terms of this Article 40, subscribe to the unsubscribed portion of the other Axis Shareholders, such intimation shall also be issued within the 90 (ninety) Business Days' after receipt of the Proposed Issuance

Notice as per Article 39 above, and no additional time shall be provided to such Axis Shareholder.

41. Failure by the Shareholder to either (a) give a notice within such 90 (ninety) Business Days' period as to whether or not it wishes to exercise its rights under Article 40; or (b) settle the payment of such consideration to the Company within the period as set out in the Proposed Issuance Notice, shall be deemed a waiver by such Shareholder ("**Unsubscribing Shareholder**") of its rights under this Section X of the Articles with respect to such Proposed Issuance, and such portion of the Proposed Issuance ("**Unsubscribed Portion**") shall, subject to Article 42, be offered to the remaining shareholders of the Company ("**Subscribing Shareholder**"), which have subscribed to their respective portion of the Proposed Issuance, *pro rata* to their then existing shareholding in the Company. Such Subscribing Shareholders shall be entitled to subscribe their respective *pro-rata* share of the Unsubscribed Portion either themselves or through any other Third Party nominated by such Subscribing Shareholder ("**Shareholder Nominee**"), provided however:
- (a) if Max is the Unsubscribing Shareholder, and the Axis Shareholders are Subscribing Shareholders, and are desirous of subscribing to the Unsubscribed Portion of Max through a Third Party Nominee, then Axis Shareholders shall be entitled to collectively nominate only 1 (one) Shareholder Nominee to subscribe to such Unsubscribed Portion;
 - (b) if any of the Axis Shareholders is the Unsubscribing Shareholder, then at the first instance the other Axis Shareholders shall be entitled to subscribe to the Unsubscribed Portion of such Axis Shareholder. However, if no Axis Shareholder subscribes to another Axis Shareholders' Unsubscribed Portion then Max shall be entitled to either subscribe to such Unsubscribed Portion or identify only 1 (one) Shareholder Nominee to subscribe to such Unsubscribed Portion;
 - (c) such Shareholder Nominee shall not be a Restricted Third Party;
 - (d) such Shareholder Nominee shall be required to execute the Deed of Adherence as a condition to the issue and allotment of the Proposed Additional Shares;
 - (e) all the obligations applicable to Shareholder which has nominated the Shareholder Nominee shall apply to such Shareholder Nominee *mutatis mutandis*; and
 - (f) such Shareholder Nominee shall be:
 - (i) if the Proposed Issuance was to comply with Minimum Solvency Requirement, the Shareholder Nominee shall be the entitled to (A) appoint 1 (one) Director on the Board from the quota of Directors available to Axis if the Unsubscribing Shareholder is Axis, ACL and/ or ASL; (B) appoint 1 (one) Director on the Board from the quota of Directors available to Max if the Unsubscribing Shareholder is Max; and (C) such affirmative voting rights, as (i) Max may provide, if any of the Axis Shareholders is the Unsubscribing Shareholder and such Axis Shareholders' Unsubscribed Portion is not subscribed by any of the other Axis Shareholder and Max is a Subscribing Shareholder; (ii) Axis may provide, if Max is the Unsubscribing Shareholder and the Axis Shareholders are Subscribing Shareholder(s) on a block basis. However, the affirmative voting rights provided by the Subscribing Shareholder to such Shareholder Nominee shall not be more than the Axis AVI. For avoidance of doubt, it is clarified that either Subscribing Shareholder (whether being Axis or Max) shall be entitled to provide such affirmative vote rights to such Shareholder Nominee.
 - (ii) if the Proposed Issuance was to fund the Company for reasons other than to comply with the Minimum Solvency Requirement and the Shareholder

Nominee invests a minimum of USD 100,000,000 (United States Dollar one hundred million), the Shareholder Nominee shall be entitled to (A) appoint 1 (one) Director on the Board as an additional Director (i.e. not be considered to be part of any of Max's and Axis's nominee directors) ("**Additional Director**"); and (B) such affirmative voting rights as (i) Max may provide, if any of the Axis Shareholders is the Unsubscribing Shareholder and such Axis Shareholders' Unsubscribed Portion is not subscribed by any of the other Axis Shareholder and Max is a Subscribing Shareholder; (ii) Axis may provide, if Max is the Unsubscribing Shareholder and the Axis Shareholders are Subscribing Shareholder(s) on a block basis. However, the affirmative voting rights provided by the Subscribing Shareholder to such Shareholder Nominee shall not be more than the Axis AVI. For avoidance of doubt, it is clarified that the Subscribing Shareholder (whether being Axis (including for ACL and/or ASL or Max) shall be entitled to provide such affirmative vote rights to such Shareholder Nominee.

- (g) There will be no share transfer restrictions on the Shareholder Nominee except transfer to a Restricted Third Party.
 - (h) If both Max and Axis Shareholders fail to subscribe to their respective entitlement of Proposed Additional Shares then each of Max and all the Axis Shareholders (with the Axis Shareholders acting jointly and as a block), shall be entitled to nominate 1 (one) Shareholder Nominee each for their respective entitlements and may grant such Shareholder Nominee(s) the right to appoint 1 (one) Director on the Board from their quotas and such affirmative voting rights as may be agreed between the Max and its Shareholder Nominee and Axis Shareholders and its Shareholder Nominee. However, the affirmative voting rights provided to such Shareholder Nominee by either Max or the Axis Shareholders (acting as a block) shall not be more than the Axis AVI.
42. Notwithstanding anything contained in Article 41 above, in the event Max is required to obtain regulatory approval for subscribing to its share of the Proposed Issuance and such approval is not granted by such regulator, then the Axis Shareholders shall be entitled to subscribe to Max's Unsubscribed Portion. Further, if any of the Axis Shareholder is required to obtain regulatory approval for subscribing to its share of the Proposed Issuance and such approval is not granted by such regulator, then at the first instance the other Axis Shareholders shall be entitled to subscribe to such Axis Shareholder's Unsubscribed Portion failing which Max shall be entitled to subscribe to Axis Shareholder's Unsubscribed Portion. In the event the Axis Shareholders and/or Max, as the case may be, fails to subscribe to the Unsubscribed Portion within 30 (thirty) days of the concerned regulator refusing to grant approval, the Axis Shareholders and/or Max, as the case may be, shall be entitled to nominate its Affiliate and/or any other Third Party to subscribe to its share of the Proposed Issuance, provided however, in such an event all the conditions mentioned in Article 41 (a) to (e) shall apply *mutatis mutandis*. Such Third Party shall be entitled to such affirmative voting rights and quorum rights as Axis and/or Max, as the case may be, may provide to the Third Party (which shall not exceed the Axis AVIs) and shall also be entitled to appoint 1 (one) Director on the Board as an Additional Director in the manner as set out in Article 41.
43. Any Proposed Additional Shares which are not subscribed by the Shareholders or Shareholder Nominee, in accordance with the process as set out in Article 39 to Article 42, if any, may be offered and issued at the Proposed Issuance Price to the Potential Investor by the Board, subject to Article 44 below.
44. Notwithstanding the aforesaid, in the event that any Equity Shares are issued by the Company ("**Dilutive Event**") and such issuance results in a consequent dilution of the ownership of any of the Axis Shareholder(s) and/or Max in the Company, then such Axis Shareholder(s) and/or Max, shall be entitled to increase its ownership ("**Top Up Right**") by subscribing to Equity Shares ("**Top Up Shares**") in accordance with this Article 44 provided that the Equity Shares

have not been issued by the Company to a Third Party. It is clarified that if any of the Axis Shareholder(s) has subscribed to the Unsubscribed Portion of Max then Max shall have the right to exercise the Top Up Right by acquiring Equity Shares from the Axis Shareholders and if Max has subscribed to the Unsubscribed Portion of any of the Axis Shareholder then such Axis Shareholder shall have the right to exercise the Top Up Right by acquiring Equity Shares from Max. It is further clarified that such Top Up Right shall not be available to any of the Axis Shareholders, if any of the Axis Shareholder has fully subscribed to the entitlement of any of the other Axis Shareholders. It is clarified that such secondary transfer of Equity Shares between the Shareholders shall be at Fair Market Value of the Equity Shares. However, if the Unsubscribed Portion is partially subscribed by a Third Party and partially by any of the Axis Shareholder(s) and/or Max, as the case may be, the Top Up Right can be exercised only by way of a secondary transaction. The Company shall notify such Axis Shareholder(s) or Max, as the case may be, in writing of the occurrence of a Dilutive Event and the extent of the resulting dilution to the Axis Shareholder(s) or Max, as the case may be, within 5 (five) Business Days of the issuance of Equity Shares.

45. The Top Up Right shall be exercisable as follows:
 - (a) Within 1 (one) year of the notification of the Dilutive Event by the Company to the Axis Shareholder(s) or Max, as the case may be, the Axis Shareholder or Max, as the case may be, shall have the right to issue a written notice to the Company and Max or the Axis Shareholders, as the case may be, confirming the exercise of its Top Up Right and shall inform Max or the Axis Shareholder, as the case may be, and the Company if any Equity Shares held by Max or the Axis Shareholders, as the case may be, should be included in the Top Up Shares (“**Top Up Notice**”);
 - (b) Within 75 (seventy five) days of issuance of the Top Up Notice, the Axis Shareholder(s) shall acquire/subscribe to, and Max and/or the Company jointly and severally be liable to transfer/issue the Top Up Shares to the Axis Shareholder(s). Similarly, within 75 (seventy five) days of issuance of the Top Up Notice, Max shall acquire/subscribe to, and the Axis Shareholder (s)and/or the Company jointly and severally be liable to transfer/issue the Top Up Shares to Max; and
 - (c) The issuance or transfer of the Top Up Shares shall be at Fair Market Value of the Top Up Shares on the date of exercise of the Top Up Right.
46. For the avoidance of doubt, it is clarified that the provisions of Articles 39, 40, 41, 42, 44 and 45 shall apply *mutatis mutandis* in respect of a rights issue of Equity Shares by the Company.
47. In addition to the procedure set out in this Section X of the Articles for the issuance of Equity Shares, the Parties shall also comply with the procedure set out in the Act for such issuance.
48. If there is Proposed Issuance between the Closing Date and 42 (forty two) months from the Closing Date then the Proposed Issuance Price shall be at Fair Market Value of the Equity Shares determined in accordance with these Articles (“**FMV Price**”). Further, the Axis Shareholders have the right but not the obligation, exercisable by issuing a written notice to Max (“**Further Shares Notice**” and the date on which Further Shares Notice is issued “**Further Shares Notice Date**”), to purchase on or before the expiry of 42 (forty two) months from the Closing Date such number of Equity Shares (“**Further Shares**”) from Max that the Axis Shareholders would have been entitled to had the Axis Shareholders acquired the Additional Shares (which it holds or has proposed to acquire any Additional Shares by serving the Additional Right Notice as on the date of the Further Shares Notice) at the time of the said Proposed Issuance shareholding in the Company, less any shares already subscribed by Axis Shareholders in such Proposed Issuance. Provided however, the obligation of Max to sell the Further Shares shall be contingent upon Axis acquiring proportionate number of Additional Shares. In such event the per share consideration payable by Axis Shareholders to Max for purchasing Further Shares post Proposed Issuance shall

be the FMV Price per share. Max shall sell the Further Shares to the Axis Shareholders and Axis shall pay the entire consideration in relation to such Further Shares within 90 (ninety) days of issuance of the Further Shares Notice Date, on a spot delivery basis.

49. All further issuances (including rights issue) under this Section X of these Articles, except the issue of employee stock options, shall be issued at Fair Market Value.
50. The basis of determination of Fair Market Value as referred to in Articles 44, 45(c), 48 and 49 above shall be in accordance with these Articles and be uniformly followed throughout these Articles and shall be determined by the Valuer.

XI. GENERAL COVENANTS

- (a) Max agrees and undertakes that:
 - (i) it shall not omit or commit to do anything which would nullify or dilute in any manner, the board and shareholders' resolution passed by Max prior to the Closing Date; it shall not change the business it currently carries out i.e. holding shares of the Company and providing management services to group companies;
 - (ii) it shall not borrow or encumber any of its assets; and
 - (iii) it shall continue to be Indian owned and controlled in terms of the Guidelines on Indian owned and controlled dated October 19, 2015 issued by the IRDAI, as amended from time to time. Max agrees to provide copy of any notice received by it from the IRDAI for breach of this condition within 5 (five) Business Days of receipt of such notice by Max.

XII. EVENT OF DEFAULT

51. An event of default of the Promoter Group ("**Promoter EOD**") is said to have occurred if:
 - (a) the Promoter Group breaches the terms of the Promoter Undertaking;
 - (b) BAS commits a breach of its non-compete obligations provided in Article 60(a)(i) or Article 60(b);
 - (c) an Max EOD in accordance with any of Articles 52(a), 52(d), 52(e), 52(f), 52(g) and 52(h) hereof occurs; or
 - (d) such other breaches as may be agreed between the Axis Shareholders, Max, MSI, BAS and MVIHPL in writing.
52. An event of default of Max ("**Max EOD**") and events under Article 58 is said to have occurred if:
 - (a) Max commits a breach of Article 27(a) (*Transfer by Max*) hereof;
 - (b) Max fails to contribute additional funding required by the Company in terms of Section X of these Articles (*Pre-emption Rights*) above to meet the Minimum Solvency Margin;
 - (c) blocks appointment of a Chairman nominated by Axis in terms of Article 8 above;
 - (d) commits a breach of its non-compete obligations provided in Article 60(a)(i) or Article 60(b);
 - (e) convenes a Board Meeting and/or a General Meeting without presence of Axis nominees

as provided in Article 10(c) (*Quorum for Board Meetings*) and Article 14(*Quorum*) respectively;

- (f) an Axis AVI is passed by the Board of the Company without the prior approval of Axis;
 - (g) commits a breach of its obligations provided in Section XI of these Articles;
 - (h) there is a breach of the Promoter Undertaking;
 - (i) in the event there is a breach of the Business Plan as a result of the instructions or directions of the Max Directors; or
 - (j) such other breaches as may be agreed between the Axis Shareholders, Max, MSI, BAS and MVIHPL in writing.
53. An event of default of MSI (“**MSI EOD**”) is said to have occurred if (a) MSI commits a breach of its obligations under the MSI Undertaking; (b) MSI commits a breach of its non-compete obligations provided in Article 60(a)(ii) or Article 60(b); or (c) such other breaches as may be agreed between the Axis Shareholders, Max, MSI, BAS and MVIHPL in writing;
54. On the occurrence of an Event of Default, Promoter Group / Max / MSI, as the case may be, shall ensure that the Event of Default is cured forthwith and in any event within 30 (thirty) days from the date of intimation of such Event of Default by Axis, or such further date as may be granted by Axis in its sole discretion (“**Cure Period**”). It is further clarified that during the Cure Period, (a) Max’s quorum rights at the Board Meeting, Committee Meeting and General Meeting (including an AGM) shall stand in abeyance; (b) the Promoter Group shall not be entitled to exercise affirmative voting rights in Max; and (c) Axis shall be entitled to appoint the Chairman;
55. Notwithstanding the consequences set out under Article 56 below, upon occurrence of a Promoter EOD, which remains uncured at the expiry of the Cure Period:
- (a) Promoter Group shall not be entitled to appoint nominee directors on the board of Max;
 - (b) Promoter Group shall also not be entitled to exercise affirmative voting rights in Max except in relation to rendering support for Axis to successfully exercise the Future Arrangements;
 - (c) Axis shall have the exclusive right to appoint the Chairman of the Board with a casting vote;
 - (d) The Agreed Lock-in obligations of the Axis Shareholders shall fall away and the Axis Shareholders shall be free to Transfer any Equity Shares held by it in the Company to any Third Party purchaser (including to a Restricted Third Party) at a price as may be mutually decided by the Axis Shareholder and such Third Party purchaser (subject only to IRDAI Lock in, if applicable) without such Third Party purchaser having to execute the Deed of Adherence;
56. Upon occurrence of a Max EOD, which remains uncured at the expiry of the Cure Period or pursuant to Article 58 (*IOAC EOD*):
- (a) Axis shall have the exclusive right to appoint the Chairman of the Board with a casting vote;
 - (b) Max shall not be entitled to appoint the Max Directors (including the MSI Director), and Max shall lose its quorum rights at the Board Meeting, Committee Meeting and General Meeting (including an AGM);

- (c) Subject to Applicable Law, Axis shall have the right to nominate such number of additional directors on the Board so as to ensure that the majority directors on the Board are nominees of Axis;
 - (d) The Agreed Lock-in obligations of the Axis Shareholders shall fall away and the Axis Shareholders shall be free to Transfer any Equity Shares held by them in the Company to any Third Party purchaser (including to a Restricted Third Party) at a price as may be mutually decided by the Axis Shareholders and such Third Party purchaser (subject only to IRDAI Lock in, if applicable) without such Third Party purchaser having to execute the Deed of Adherence;
 - (e) The Charter Documents shall be amended to appropriately record the aforesaid consequences;
 - (f) Such other consequences as may be agreed between the Axis Shareholders, Max, MSI, BAS and MVIHPL in writing.
57. Notwithstanding the consequences set out in Article 56 above, on the occurrence of an MSI EOD which remains uncured at the expiry of the Cure Period, MSI shall (a) lose the right to appoint directors and observers on the board of the Max or ListCo, as the case may be; and (b) lose the right to second trainees and managers to the Company or ListCo, as the case may be; and (c) lose the right to appoint the MSI Director.
58. IOAC EOD: The Company, Max, Axis Shareholder, MVIHPL and BAS collectively agree that if IRDAI issues notice in relation to non-compliance of the Guidelines on Indian owned and controlled dated October 19, 2015 by Max (in relation to the Company), then:
- (a) if IRDAI provides 90 (ninety) days or more (“**T Days**”) to cure such non-compliance, Axis shall have the right to exercise any of the rights set out in Article 56 (*Max EOD consequences*) on T Days minus 90 (ninety days); or
 - (b) if IRDAI provides less than 90 (ninety) days to cure such non-compliance, Axis shall have the right to exercise any of the rights set out in Article 56 (*Max EOD consequences*) on the 30th day of the notice issued by the IRDAI.

XIII. TERM AND TERMINATION

59. Term

The provisions of these Articles shall be effective from the Closing Date until the date, with respect to Axis, all Axis Shareholders cease to hold any Equity Shares in the Company, Max and ListCo, with respect to MSI, MSI ceases to hold any shares in the Company or Max or the ListCo and with respect to Max, Max ceases to hold any shares in the Company (the “**Term**”), subject to the continuing obligations of the relevant Shareholders under these Articles.

The expiry of the provisions of these Articles shall be without prejudice to any claim or rights of action previously accrued to the Shareholders hereunder.

XIV. NON COMPETE AND NON SOLICITATION

60. Non compete

- (a) In consideration of the purchase consideration under the SPA and the purchase of goodwill attached to the insurance products and the Business,

- (i) Max and BAS (including its/his Affiliates) hereby agree and covenant to Axis that Max and BAS (including its/his Affiliates) shall not, and shall procure that their Affiliates shall not during the Max Non-Compete Period directly or indirectly, engage in any business which is in competition with the Business.
 - (ii) MSI hereby agrees and covenants to Axis that MSI shall not, and shall procure that its Affiliates shall not during the MSI Non-Compete Period, directly or indirectly, engage in any business, in India which is in competition with the Business;
- (b) Without prejudice to the generality of the foregoing, Max and BAS and MSI shall not, and shall procure that their respective Affiliates do not during the Max Non-Compete Period (in the case of Max and BAS) or the MSI Non-Compete Period (in the case of MSI), as the case may be:
 - (i) make or hold investments (or other financial or pecuniary interests) in or become a member, partner, promoter, joint venture partner, collaborator or consultant, whether for profit or otherwise, of any Person engaged in any business, in India which is in competition with the Business; or
 - (ii) participate in, or provide in any form whatsoever to any person, any funding whether of seed capital or other capital or associate with as a partner, promoter or investor of any Person engaged in any business, in India which is in competition with the Business; or
 - (iii) license or otherwise permit any Person engaged in any business, in India which is in competition with the Business to use, any intellectual property (whether or not statutorily protected), including but not limited to any brand-name, know-how, trade secrets or trademarks, in relation to which the Company has any right, title or interest.
- (c) In view of the special and unique nature of the knowledge of the life insurance business of the Company, the non-compete obligations contained in this Article 60 are fair and reasonable for the legitimate protection of the business of the Company and the Purchase Consideration is adequate compensation for these obligations.
- (d) Notwithstanding anything to the contrary in these Articles, the restrictions in this Article 60 shall not operate to prohibit Max or BAS or MSI or any of its Affiliates from:
 - (i) acquiring or holding not more than 2% (two percent) of the issued share capital of any company engaged in any business which is in competition with the Business, the securities of which are listed on a Stock Exchange and which holding does not entitle it or its Affiliates (whether alone or together with its Affiliates) to any Control, board or management rights or the ability to exercise significant influence over the policies or procedures of such entity; or
 - (ii) acquiring or holding units of any mutual fund registered with the SEBI which makes investments in any business which is in competition with the Business.
- (e) Investment by MSI in, and the conduct of the general insurance business and related activities by, Cholamandalam MS General Insurance Company Limited and its subsidiaries shall not be deemed to be a breach of MSI's obligations under this Article 60. The activities of a Person in which MSI or its Affiliates, directly or indirectly, hold purely passive financial investments of not more than 5% (five percent) of the share capital or other interests in the aggregate shall not be deemed a breach of such Party's obligations under Articles 60 and 61, provided that MSI or its Affiliates do not have any

Control of such investee.

61. Non-Solicit

- (a) For a period of 36 (thirty six) months from the Closing Date, Max, Promoter and MSI shall not, and shall procure that its Affiliates do not, directly or indirectly, engage or employ or solicit, any employee of the Company, whether or not such Person would commit any breach of his or her employment or engagement contract or arrangement with the Company by reason of his or her leaving the service of the Company.
- (b) Notwithstanding the generality of the above, the restrictions prescribed in Article 61(a) above shall not apply in case:
 - (i) an employee of the Company accepts employment of Max, BAS or MSI pursuant to a general advertisement, not specifically targeted towards the employees of the Company; or
 - (ii) an employee of the Company contacts Max, BAS or MSI on his/her own initiative without any direct or indirect solicitation by Max, BAS or MSI.

XV. INDEMNITY

62. Managers' and Others' Right to Indemnity

Subject to the provisions of the Act, the Chairman, Directors, Auditors, managing directors and other officers for the time being acting in relation to any of the affairs of the Company and their heirs and executors, shall be indemnified out of the assets and funds of the Company from or against all bona fide suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duties in their respective offices except those done through their willful neglect or default. Any such officer or trustee shall not be answerable for acts, omissions, neglects or defaults of any other officer or trustee. The shareholders shall cause the Company to at all times maintain directors and officers insurance policies reasonably calculated to provide adequate coverage of such rights of indemnification, as determined by the Board.

For purposes of this Article, the term "Auditors" means and includes those persons appointed as such for the time being by the Company to discharge the duties of auditors under the Act.

XVI. FALL AWAY RIGHTS

63. They are:

- (a) Max's quorum rights at General Meeting shall fall away if its shareholding in the Company falls below 9% (nine percent).
- (b) Axis's AVI rights, quorum rights at the General Meeting falls away if the Axis Effective Shareholding falls below 9% (nine percent), subject to Applicable Law.
- (c) The right of Axis to appoint Axis Directors and Max to appoint Max Directors would fall away in accordance with Schedule V of the Articles.

XVII. SECRECY

64. Every manager, auditor, trustee, member of a Committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting

all bonafide transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any general meeting or by the law of the country and except so far as may be necessary in order to comply with any of the provisions of these Articles and the provisions of the Act.

XVIII. BORROWING POWERS

65. Subject to the provisions of Sections 73, 76, 179 and 180 of the Act, the Board shall have the power, from time to time and at their discretion, to borrow, raise or secure the payment of any sum of money for the purpose of the Company in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of debentures or bonds of the Company or by mortgage or charge upon all or any of the properties of the Company both present and future including its uncalled capital for the time being.

XIX. OPERATION OF BANK ACCOUNTS

66. The Board shall have the power to authorize any Director or Directors or any other officers of the Company to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

XX. THE SEAL

67. Seal

- (a) The Board may provide for the safe custody of the Seal of the Company.
- (b) The Seal may be affixed to any instrument by the authority of the Board or a Committee authorized by it in that behalf and in the presence of at least two Directors or one Director and an authorized person and that two Directors or one Director and an authorized person shall sign every instrument to which the seal of the Company is so affixed in their presence. The share certificate will, however, be signed and sealed in accordance with the Act.

XXI. USE OF NAME

68. Corporate Name and Brand Name

- (a) The Business of the Company shall be conducted under the logo and brand as set out in **Schedule VI** of the Articles. The Parties further agree that the design, artwork and the tag line featuring the name “Axis” shall be in the form and manner set out in **Schedule VI** of the Articles and the same shall not be modified in any manner without prior written consent of Axis, Max and the Company, unless such modification is required under Applicable Law. Further, the Company shall adhere to the Axis Brand Usage Policy (as may be amended from time to time) while using the ‘Axis’ brand name and the terms of the trademark license agreement dated July 27, 2016 between Max India Limited and Max and trademark sub-license agreement dated October 12, 2016 between Max and the Company while using the “Max” brand name.
- (b) In the event the Axis Effective Shareholding falls below 9% (nine percent) in the Company or in the ListCo (“**Axis Fall Away Event**”), the design, artwork and the tag line of the Company shall be modified to remove references to the name “Axis”, unless otherwise agreed by Max and Axis, provided however that the Company shall be

allowed a transition period of six (6) months from the Axis Fall Away Event.

- (c) In the event the Promoter Group's shareholding in Max or the ListCo falls below 10% (ten percent) of share capital of Max or the ListCo ("**Max Fall Away Event**"), then the Company shall not be entitled to use the 'Max' brand name and other 'Max' trademarks in its brand, logo, design, artwork and the tag line, provided however, the Company shall be allowed a transition period of 3 (three) years from the date of Max Fall Away Event. Notwithstanding the foregoing, in case of a Max Fall Away Event, the Promoter Group may, at its sole discretion, require the Company to not modify the 'Max' brand name and other 'Max' trademarks in its brand, logo, design, artwork and the tag line during such period as may be agreed between the Axis Shareholders, BAS and MVIHPL and Max in writing.
- (d) The license of any brand or trademark to the Company by either Axis or Max shall be on a royalty free basis, unless both Max and Axis charge a fee for such usage in a mutually agreed manner. The Company, Max and Axis will enter into appropriate trademark license agreements as mutually agreed to between them and which will be in compliance with the requirements of the IRDAI including the circular dated May 5, 2014 (Guidelines on usage of Trade Logo of Promoting Partners of Insurance Companies). The aforesaid trademark license agreements will also include relevant guidelines for use of the trademark during the transition period as mentioned in Article 68(b) and (c) above.
- (e) The name 'Axis' shall be used by the Company only for conducting its Business within the territory of India. The Company shall seek prior written consent of Axis for using the name 'Axis' for marketing or conducting its Business outside India. Such consent shall be granted by Axis on a royalty free basis.
- (f) Each Party agrees that it shall fully cooperate with the Company in applying for, securing and protecting all intellectual property belonging to the Company. The Shareholders further agree that all products and intellectual property, whether developed by the Company or by any Shareholder for and on behalf of the Company during the Term, shall be the property of the Company (whether or not any written documentation evidencing such ownership is entered into by the Company with a Shareholder), unless otherwise agreed to in writing between the Shareholders. Each Shareholder shall maintain the confidentiality of all such intellectual property and products of the Company.

XXII. NOTICES

69. Notices

Each notice, demand or other communication given or made under the provisions of these Articles shall be in writing and delivered or sent to the relevant Party in accordance with the SHA.

XXIII. DIVIDENDS

70. Dividends

Subject to the provisions of Chapter VIII of the Act, the Company shall declare and pay dividends in respect of the Shares only to the extent that it shall have made adequate provision for its expected cash requirements (including debt service, operating expenses and capital expenditures) and in accordance with the other provisions of these Articles.

XXIV. BUY BACK

71. Buy Back of Securities

Subject to the provisions of the Act, as amended from time to time and such conditions, approvals or consents as may be required under the Act, and subject to any agreements between the Shareholders in this regard, the Company shall have the power to buy-back its own securities including shares, whether or not there is any consequent reduction of capital. If and to the extent permitted by Act as amended from time to time or applicable Laws, the Company shall also have the power to re-issue the securities including shares so bought back.

SCHEDULE I

Axis AVI

The list of affirmative voting items are as follows:

1. Any contract or agreement to be entered into by the Company which creates obligations of more than Rs. 50,00,00,000 (Rupees fifty crores) in the aggregate, other than contracts entered into in the normal course of the Business;
2. Any related party contract or any amendment, modification or termination thereof;
3. Declaration or payment of any dividends or the making of any distributions upon any Equity Shares in excess of 75% (seventy five percent) of the distributable profits of the Company subject to maintaining minimum solvency margin of 190% (one hundred ninety percent) as per prevailing insurance regulations
4. Any alteration of share capital (including buybacks) and any transaction that would dilute or adversely affect any shareholder's equity interest in the Company other than execution of the Future Arrangements as may be agreed to in writing between the Shareholders.
5. Entering into a new business not related to the Business;
6. Commencement, settlement or compromise of any legal proceedings by the Company (other than in relation to insurance claims) involving in excess of Rs. 50,00,00,000 (Rupees fifty crores) in the aggregate;
7. Any transaction altering the rights pertaining to the equity securities issued by the Company;
8. Other than as set out in the Articles, any change in the name, branding, logo or tag line of the Company, other than any change that is necessitated by a change in the brand, trade name, logo or other intellectual property of Max or Axis;
9. Any public offering of securities of the Company and the terms and conditions of the same, and any delisting of securities of the Company, other than as provided by the definitive agreements;
10. Amendment to the memorandum or articles of association of the Company;
11. The transfer or restructuring of the Business or any part thereof, whether by a merger, demerger, spin-offs, reorganisations, consolidation, debt restructuring, divestments, slump sale, sale of some or all the assets of the Company or of the relevant business, except, in the case of asset sales, sale of assets in the ordinary course of the Business or as approved in the business plan;
12. Any bankruptcy filing, voluntary liquidation, winding up or dissolution by or in relation to the Company;
13. Any loans, borrowings or financial assistance or facility taken by the Company, except for temporary unsecured overdraft facilities of up to Rs. 50,00,00,000 (Rupees fifty crores) in the aggregate, in a financial year in the ordinary course of business;
14. Creation of any encumbrance on any of the assets of the Company;

15. Approval or amendment of the Business Plan and Annual Budget;
16. Enter into, terminate or amend any contract, finance lease/operating lease (that is not in the business plan) which has a value of more than Rs. 50,00,00,000 (Rupees fifty crores) other than in the ordinary course of business or as per Business Plan;
17. Buy assets outside the Business Plan or other than in the ordinary course of business;
18. Approving payment of any directors' remuneration, commission, fees and salary;
19. Appointment, termination or replacement of any Key Employees, statutory auditor, internal auditor, independent directors and executive Directors of the Company;
20. Any change to the size of the Board, constituting or changing the size of any of the Committees in any manner, unless required by Applicable Law;
21. Approval of the financial statements of the Company, or change in the accounting or tax policies or practices of the Company (except on account of any change mandatorily required by Applicable Law);
22. Provision of any guarantee, indemnity or surety contract or any contract of a similar nature in favour of or for the benefit of any Person in excess of Rs. 50,00,00,000 (Rupees fifty crores) per financial year, other than in the ordinary course of business;
23. Extension of loans, credit or advances (including by subscribing to any debentures) in favour of any Person other than in the ordinary course of business. Entry into any loan agreement or other financing agreement or incurring similar commitments;
24. Enter into joint venture, partnership or profit-sharing agreement with any person;
25. Entering into any agreement or arrangement in relation to any of the foregoing;
26. Providing any response to any statutory authority or regulator(s) pursuant to a show cause notice issued by a Government Authority;
27. Any decisions to be taken by the committee of directors in relation to capital release, solvency, items pertaining to risk which affect more than 5% (five percent) of the embedded value of the Company;
28. Any investment decisions pertaining to strategic asset allocation and any deviations of more than 5% (five percent) from the approved strategic asset allocation;
29. Acquisition of other businesses (by way of share sale, business transfer, slump sale, asset sale or any other mode of acquiring a business or asset), or any other investments (other than short term liquid investments in bank deposits and debt mutual funds which no equity exposure and in certain banks and mutual funds as approved by the investment committee of the Board);
30. Capital expenditure or acquisitions of assets, in excess of Rs. 20,00,00,000 (Rupees twenty crores), on a cumulative basis, in any financial year;

- 31.** Any change in the financial year for preparation of audited accounts; and
- 32.** Any transfer of brand names and trademarks or other intellectual property used by the Company.

SCHEDULE II

Max AVI Matters

The list of Max AVI matters are as follows:

1. Any related party contract or any amendment, modification or termination thereof;
2. Any change in the name, branding, logo or tag line of the Company, other than any change that is necessitated by a change in the brand, trade name, logo or other intellectual property of Max or Axis;
3. Any loans, borrowings or financial assistance or facility taken by the Company, except for temporary unsecured overdraft facilities of up to Rs. 50,00,00,000 (Rupees fifty crores) in the aggregate, in a financial year in the ordinary course of business
4. Approval or amendment of the Business Plan and Annual Budget
5. Enter into, terminate or amend any contract, finance lease/operating lease (that is not in the business plan) which has a value of more than Rs. 50,00,00,000 (Rupees fifty crores);
6. Appointment (including compensation terms), termination or replacement of any Key Employees; and
7. Entering into any agreement or arrangement in relation to any of the foregoing.

SCHEDULE III

Investment Bankers

1. Bank of America Merrill Lynch
2. Citi
3. Credit Suisse
4. Goldman Sachs
5. JP Morgan
6. Morgan Stanley
7. Nomura
8. Standard Chartered

SCHEDULE IV

Restricted Third Parties

1. Any Person holding greater than 10% (ten percent) stake (direct/indirect) in any life insurance company or the Affiliates of such Person;
2. Any other Person regulated by Reserve Bank of India or the Affiliates of such Person
3. Any Person holding greater than 10% (ten percent) stake in the Company or the Affiliates of such Person
4. The following entities and their Affiliates:
 - (a) The Dai-chi Life Insurance Company, Limited
 - (b) Meiji Yasuda Life Insurance Company
 - (c) T&D Financial Life Insurance Company
 - (d) Daido Life Insurance Company
 - (e) Taiyo Life Insurance
 - (f) Nippon Life Insurance Co.
 - (g) Sumitomo Life Insurance Co.
 - (h) Tokio Marine Holdings, Inc.
 - (i) Tokio Marine & Nichido Anshin Life Insurance Co., Ltd.
 - (j) Sompo Holdings, Inc.
 - (k) The Neo First Life Insurance Co., Ltd.
 - (l) Sompo Himawari Life Insurance Inc.
 - (m) Samsung Life Insurance Inc.
 - (n) Dai-chi Life Holdings, Inc.
5. The following persons and the entities directly or indirectly controlled by such persons (singly or jointly):

S. No.	Name	Relationship with Mr. Analjit Singh
1.	Mr. Rakesh Chugh	Brother in law
2.	Mrs. Hanit Mangat	Sister in law
3.	General H.S. Mangat	Husband of Mrs. Hanit Mangat
4.	Mrs. Rano Singh	Sister in law
5.	Mr. Ashok Jaipuria	Husband of Mrs. Rano Singh
6.	Mrs. Nimmi Singh	Brother's wife (Late Dr. Parvinder Singh)
7.	Mr. Malvinder Mohan Singh	Brother's Son
8.	Ms. Japna Malvinder Singh	Malvinder's wife
9.	Mr. Shivinder Mohan Singh	Brother's Son
10.	Ms. Aditi Shivinder Singh	Shivinder's wife
11.	Mr. Harpal Singh	Malvinder's Father- in law
12.	Mrs. Raj Shree	Shivinder's Mother-in law
13.	Mr. Manjit Singh	Brother
14.	Mrs. Maheep Singh	Brother's wife
15.	Mr. Vikramjit Singh	Brother's Son
16.	Ms. Zeenia Singh	Vikramjit's wife
17.	Mr. Mohanjit Singh	Brother's Son
18.	Ms. Niyamat Singh	Brother's daughter

S. No.	Name	Relationship with Mr. Analjit Singh
19.	Mr. Sanjit Bakshi	Niyamat's Husband
20.	Mr. Kanwaljeet Singh Bakshi	Father- in law of Niyamat Singh
21.	Mrs. Minu Bakshi	Mother- in law of Niyamat Singh
23.	Essar Group and their promoters	N.A.
24.	Hinduja Group and their promoters	N.A.
25.	Religare Group and their promoters	N.A.

Exceptions

1. Mutual Funds
2. NBFCs with outstanding advances less than 5% (five percent) of Axis advances as per last audited balance sheet ("**Qualifying NBFC**")
3. CICs together with their Affiliates not having invested (directly and indirectly) 5% (five percent) or more in an insurance company or a Qualifying NBFC
4. Persons who may be affiliates of the above, but manage an independent pool of capital under regulatory oversight thereby limiting influence on the sponsors of such pools of capital and ensuring professional conduct.

SCHEDULE V

Fall Away of Max Director and Axis Director Right

1. Axis right to appoint Axis Directors on the Board shall fall away in the manner set out below:

Effective Shareholding of the Axis Shareholders	No. of Directors
At least 12%	3
Less than 12% but at least 9%	2
Less than 9% but at least 2.5%	1
Less than 2.5%	0

2. Max right to appoint Max Directors on the Board shall fall away in the manner set out below:

Shareholding	No. of Directors
At least 15%	4
Less than 15% but at least 9%	2
Less than 9% but at least 2.5%	1
Less than 2.5%	0

It is clarified that MSI shall lose the right to appoint the MSI Director upon its Effective Shareholding in the Company falling below 9% (nine percent) or Max losing its right to appoint the Directors in the Company.

SCHEDULE VI

Brand Name, Logo and Tag Line



LIST OF INITIAL SUBSCRIBERS

Names, description, occupation and address of each subscribers	Signature of subscribers	Name, addresses, description, occupation and signature of witness or witnesses
1. Analjit Singh S/o Dr. Bhai Mohan Singh 15, Aurangzeb Road, New Delhi – 110011 (Industrialist)	Sd/-	I witness the signatures of all the subscribers Sd/- BISHWAJIT DAS S/o Late Mr. B. P. Das J-76, Saket New Delhi – 110017 (service)
2. Vivek Jetley S/o Mr. V.V. Jetley B-88, Neeti Bagh New Delhi – 110049 (Service)	Sd/-	
3. Surendra Kaul S/o Late Mr. B.N Kaul B-3/42, Ashok Vihar Phase-II Delhi – 110052 (Service)	Sd/-	
4. Vinay Mittal S/o Mr. Vimal Prakash Mittal 136, Pushpanjali Vikas Marg Extn. New Delhi – 110092 (Service)	Sd/-	
5. Shyam Sundar Vishwanathan S/o Mr. M Vishwanathan C 52/B, Gangotri Enclave Alaknanda, New Delhi- 110019 (Service)	Sd/-	
6. Anish Behl S/o Raj Pal Behl E-19, Geetanjali Enclave New Delhi – 110017 (Service)	Sd/-	
7. Shishir Jha S/o Late Mr. Nagesh Jha B-5 & 6, Flat No. 4494 Vasant Kunj, New Delhi– 110048 (Service)	Sd/-	
8. Ashok Tyagi S/o Late Mr. R.D Tyagi E-130, Greater Kailash Part-I New Delhi – 110048 (Service)	Sd/-	

Place: New Delhi Dated : 11th day of July, 2000