



BERMUDA

**THE NEIL/NML COMPANIES AMALGAMATION ACT 1997
and
THE COMPANIES ACT 1981**

**MEMORANDUM OF ASSOCIATION
OF
NUCLEAR ELECTRIC INSURANCE LIMITED
(hereinafter referred to as "the Company")**

1. The liability of the members is limited.
2. (1) The liability of every member of the Company to contribute to the assets of the Company, in the event of it being wound up, shall be limited to the premiums or any unpaid portion thereof due to the Company on the date of the commencement of the winding-up from such member and no member shall be subject to any contingent liability or be required to pay any dues or assessments in addition to such premiums, but the property and assets of the Company shall be liable for its debts and liabilities.
 - (2) In this Clause, the expression "premiums" shall be deemed to mean and include -
 - (a) the premiums payable for insurance issued or effected by the Company to, for or on behalf of each member;
 - (b) such retrospective premium adjustment, if any, as may be provided in the policy of insurance issued by the Company to each member.

3. The reserve fund of the Company is two hundred and fifty thousand dollars in the currency of the United States of America.

4. (1) The Company has the following objects:

- (a) to engage in, undertake, carry on, transact and conduct, on the mutual principle, all kinds of insurance and guaranty and indemnity business;
- (b) to engage in and carry on, on the mutual principle or otherwise, insurance or reinsurance business of all kinds with any person on terms and conditions which may exclude membership in the Company or which may limit or restrict the membership rights of that person, in either case, in such manner and to such extent as may be determined from time to time by the Company;
- (c) to re-insure, co-insure and counter-insure all or any risks undertaken by the Company and to accept re-insurance of any risk which could be insured by the Company;
- (d) to pay, satisfy or compromise any claims made against the Company which it may be deemed expedient to pay, satisfy or compromise whether or not the same may be valid in law and to make gratuitous payments to or on behalf of members of the Company;
- (e) to consider all questions connected with casualty insurance or any allied industry, to collect and circulate statistics and other information relating thereto and generally to supply information and advice relating thereto or to the interests of any member therein and to promote or oppose legislative or other measures affecting the same.

(2) The Company has the following powers:

- (a) to purchase, take on lease or in exchange, hire or otherwise acquire, any real property outside Bermuda or personal property, rights or privileges which the Company may think necessary or convenient for the purposes of

- its business, and to construct, maintain and alter any buildings or works necessary or convenient for the purposes of the Company;
- (b) to pay for any property or assets required by the Company either in cash or by the issue of securities or obligations or partly in one mode and partly in another and generally on such terms as may be determined;
 - (c) to borrow or raise or secure the payment of money by mortgage or by the issue of debentures or debenture stock, perpetual or otherwise, or in such other manner as the Company shall think fit, and for the purposes aforesaid or for any other lawful purpose to charge all or any of the Company's property or assets, present and future, and collaterally or further to secure any securities of the Company by a trust deed or other assurance;
 - (d) to issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company or of its members or of any other person or company having dealings with the Company or in whose business or undertakings the Company is interested;
 - (e) to lend money on any terms that may be thought fit and to give any guarantees that may be deemed expedient;
 - (f) to invest and deal with the available moneys of the Company in or upon such investments and securities and generally in such manner as may from time to time be determined;
 - (g) to enter into any partnership or arrangement in the nature of a partnership, co-operation or union of interests with any person or company engaged or interested or about to become engaged or interested in the carrying on or conduct of any business which the Company is authorised to carry on or conduct or from which the Company would or might derive any benefit whether direct or indirect;
 - (h) to establish or promote, or join in the establishment or promotion of, any other company whose objects shall include the taking over of any of the

assets or liabilities of the Company or the promotion of which shall be calculated to advance its interests, and to acquire and hold any shares, securities or obligations of any such company;

- (i) to amalgamate with any other person, firm or body corporate;
- (j) to sell or dispose of the undertaking, property and assets of the Company or any part thereof in such manner and for such consideration as the Company may think fit, and in particular for shares (fully or partly paid up), debentures, debenture stock, securities or obligations of any other company, whether promoted by the Company for the purpose or not, and to improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and assets of the Company;
- (k) to enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority any rights, privileges or concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with such arrangements, rights, privileges or concessions and further to support or oppose any proposal made by any person or by any body of persons to secure any changes in the law affecting the Company or the business of the Company or any of its rights, privileges or concessions and to subscribe to any fund that may be raised or utilised for the purpose of or in connection with the support of, or opposition to, any such proposal;
- (l) to cause the Company to be registered or recognised in any foreign country;
- (m) to do all any of the above things in any part of the world and either as principal, agent, trustee or otherwise, and either alone or in conjunction with others, and by or through agents, sub-contractors, trustees or otherwise;

- (n) to do all such other things as are incidental or the Company may think conducive to the attainment of the objects set forth in sub-clause (1) or any of them.

5. The Company is an exempted company.

6. (1) In this memorandum, unless the context otherwise requires -

“member”, in relation to the Company, means -

- (a) any person who is from time to time elected a director of the Company, for so long as he remains a director; and
- (b) any person who has applied to become and been accepted as a member of the Company, for so long as that person shall continue as a member;

and grammatical variations of “member”, and cognate expressions, shall have corresponding meanings;

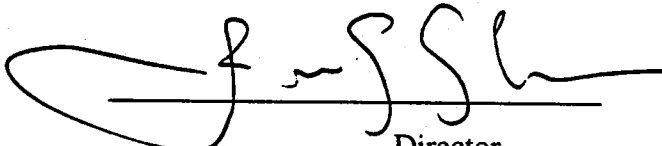
“person” includes any company or association or body of persons, whether corporate or unincorporate.

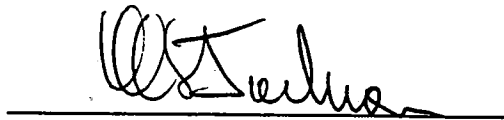
(2) Without prejudice to the generality of paragraph (b) of the definition of “member” contained in sub-clause (1), the following persons may be accepted as members:

- (a) any person whose risks are, or have at any time been, insured, whether directly or indirectly, either -
 - (i) by the Company; or
 - (ii) by a person, wherever incorporated or established, which is, or has at any time been, controlled by the Company; and

- (b) any person who provides some part of the funds necessary to establish or maintain the reserve fund of the Company.
- (3) For the purpose of sub-clause (2) -
- (i) the reference to a risk of a person being indirectly insured is a reference to that risk being covered by reinsurance through one or more intermediaries; and
- (ii) a person is deemed to be controlled by the Company if more than fifty percent of the voting rights in relation to that person are exercisable, directly or indirectly, by the Company.

SUBSCRIBED this 31st day of December 1997


Director


Director