

LANCASHIRE HOLDINGS LIMITED  
(the "Company")

**CERTIFIED RESOLUTIONS**

I, Colin Alexander, Assistant Company Secretary of the Company, DO HEREBY CERTIFY that the following is a true extract of resolutions adopted by the Members of the Company at a meeting duly convened and held on the 3<sup>rd</sup> of May 2012, at which meeting a quorum was present and voting throughout and that such resolutions are still in full force and effect as at the date hereof:

**“AMENDMENT OF THE COMPANY’S BYE-LAWS PURSUANT TO BYE-LAW 88.2**

**RESOLVED** to approve that the Company’s Bye-laws be amended as follows:

- (i) Bye-law 47.3 be amended to remove the reference to a Director retiring; and
- (ii) Bye-law 49 be amended to provide that a Director’s term of office will conclude at each annual general meeting.

FOR	AGAINST	WITHHELD	TOTAL
96,739,590	132,471	0	96,872,061

**AMENDMENT OF THE COMPANY’S BYE-LAWS**

**RESOLVED** to approve that the Company’s Bye-laws be amended as follows:

- (i) Bye-law 6 be deleted and noted as deleted.

FOR	AGAINST	WITHHELD	TOTAL
95,902,059	970,002	0	96,872,061

**RENEWAL OF GENERAL AND UNCONDITIONAL AUTHORITY TO ALLOT SHARES**

**RESOLVED** to grant the Directors of the Company a general and unconditional authority, pursuant to Bye-law 2.4 of the Company’s Bye-laws, to allot Relevant Securities (within the meaning of that Bye-law), up to an aggregate nominal value of US\$28,100,404, an amount equal to approximately one-third of the issued common share capital of the Company as at 15 March 2012, provided that (i) unless otherwise renewed or revoked in general meeting, this authority will expire at the conclusion of the annual general meeting of the Company in 2013 or, if earlier, 15 months from the date the relevant resolution is passed; (ii) the Company shall be entitled to make, before expiry of such authority, any offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot such Relevant Securities in pursuance of such offer or agreement as if such authority had not expired; and (iii) such authority shall be in substitution for any and all authorities previously conferred upon the Directors for the purposes of Bye-law 2.4 but without prejudice to the allotment of any Relevant Securities already made or to be made pursuant to such authorities.

FOR	AGAINST	WITHHELD	TOTAL
95,999,222	872,839	0	96,872,061

#### **RENEWAL OF AUTHORITY TO ALLOT SHARES FOR CASH ON A NON PRE-EMPTIVE BASIS**

**RESOLVED** that the Directors of the Company be authorised, in accordance with Bye-law 2.6 of the Company's Bye-laws, to allot Equity Securities (within the meaning of Bye-law 2.5(g)) for cash pursuant to the authority conferred by the foregoing resolution as if Bye-law 2.5(a) of the Company's Bye-laws did not apply to such authority up to an aggregate nominal value of US\$8,430,121, such amount being approximately 10 per cent of the Company's issued share capital as at the date of this document, provided that, unless otherwise renewed or revoked by the Shareholders in general meeting this authority will expire at the conclusion of the annual general meeting of the Company in 2013 or, if earlier, 15 months from the date the relevant resolution is passed and provided that the Company may before such expiry make any offer or agreement which would or might require Common Shares to be allotted after such expiry and the Directors may allot such Common Shares in pursuance of such offer or agreement as if Bye-law 2.5(a) did not apply.

FOR	AGAINST	WITHHELD	TOTAL
91,779,630	5,092,431	0	96,872,061

#### **RESOLUTION TO AUTHORISE THE COMPANY TO PURCHASE ITS OWN SHARES**

**RESOLVED** that the Company be generally and unconditionally authorised, in accordance with Bye-law 3 of the Company's Bye-laws and pursuant to section 42A of the Companies Act of Bermuda, to make one or more market purchases of any of its common shares of US\$0.50 each ("**Common Shares**") in such manner and on such terms as the Directors of the Company or any authorised committee thereof may from time to time determine provided that:

- (a) the maximum number of Common Shares hereby authorised to be purchased shall be 16,860,242 (representing approximately 10 per cent of the issued Common Share capital of the Company as at 15 March 2012);
- (b) the minimum price (exclusive of expenses payable by the Company) which may be paid for a Common Share shall be US\$0.50;
- (c) the maximum price (exclusive of expenses payable by the Company) which may be paid for a Common Share shall be the higher of:
  - (iii) 5 per cent above the average of the closing middle market quotations for a Common Share of the Company taken from the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which the Common Share is contracted to be purchased; and
  - (ii) the higher of the price of the last independent trade and the highest current independent bid for the Common Shares on the London Stock Exchange at the time of purchase as stipulated by Article 5(1) of the Commission Regulation (EC) No.2273/2003 of 22 December 2003 implementing the Market Abuse Directive (Directive 2003/6/EC of the European Parliament and of the Council) as regards exemptions for buy-back programmes and stabilisation of financial instruments;
- (d) unless otherwise renewed or revoked by the Shareholders in a general meeting this authority will expire on the conclusion of the annual general meeting of the Company in 2013 or, if earlier, 15 months from the date the relevant resolution is passed; and

- (e) the Company shall be entitled under such authority to make at any time before its expiry or termination any contract to purchase its own shares which will or may be executed wholly or partly before the expiry of the authority, and may make a purchase of Common Shares in pursuance of any such contract.

FOR	AGAINST	WITHHELD	TOTAL
96,872,061	0	0	96,872,061

”

Dated: This 11<sup>th</sup> day of June 2012.

Signed under seal:

By:



Colin Alexander  
**Assistant Company Secretary**

