

## TRANSLATION

### **THE NAVAKIJ INSURANCE PUBLIC COMPANY LIMITED Reports on Board of Directors Resolution**

The Board of Directors of the Navakij Insurance Public Company Limited at a meeting No. 74/2553 held on February 25, 2010, the details of the resolutions are as follows:

1. Approved the audited Balance Sheet and the Profit and Loss Statement for the year ended December 31, 2009.

2. Proposed the shareholder's meeting for an allocation of profit for the year 2009 to distribute the dividend at baht 3.50 per share for 30,000,000 shares for the operation year 2009, totaling baht 105,000,000 (baht one hundred and five million only). The dividend will be paid on May 17, 2010. However, the right to receive dividend is uncertain as it has not yet been approved by the shareholders.

3. The annual general meeting of shareholders for the year 2010 will be held at 3.00 p.m., April 29, 2010 at The Bangkok Club, Grand Hall on 28<sup>th</sup> Floor, 175 Sathorn City Tower on 28<sup>th</sup> floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok. The company will fix the record date for rights to attend the shareholders' meeting and to receive dividend to be on March 15, 2010 and collect list of shareholders when the registration share transfers is suspended on March 16, 2010, as specified in section 225 of the Securities and Exchange Act. The rights to receive dividend, therefor, will be approved by the annual general meeting of shareholders No.78.

4. The agenda of the annual general shareholders meeting for the year 2010 shall be as follows-

Agenda 1 To approve of the minutes of the annual general shareholders meeting for the year 2009

Rationale : The company held the annual general shareholders meeting for the year 2009 on April 29, 2009, and the minutes of the meeting has been recorded and submitted to the Stock Exchange of Thailand and the Ministry of Commerce within the timeframe prescribed by laws. It was also disclosed in the company's website.

Opinion of the board : The board considered that the shareholders should approve the minutes of the annual general shareholders meeting for the year 2009 which the board considered that it was correctly recorded.

Agenda 2 The board of directors report on the company's performance for the year 2009.

Rationale : The Article No. 38 of the Articles of Association stipulates that the annual general shareholders meeting should have been informed of the operations performance during the previous year.

Opinion of the board : The board has considered the matter and is of the opinion that the Company's operating results for 2009 be proposed to the Annual General Meeting of Shareholders for acknowledgement.

Agenda 3 To consider approval of the audited Balance Sheet and the Profit and Loss Statement for the year ended December 31, 2009.

Rationale : The Section 112 of the Public Limited Companies Act B.E. 2535 and Article 43 of the Articles of Association stipulate that the board of directors must cause the balance sheet and the profits and loss statement to be made at the end of the accounting year of the company which audited by the Company's auditor, for submission to the annual general meeting of shareholders for approval.

Opinion of the board : The meeting should approve the said Balance Sheet and the Profit and Loss statement for the year ended December 31, 2009 that have been considered by the audit committee and audited by the auditor.

Agenda 4 To consider approval of the appropriation of profit for the year ended December, 31 2009.

Rationale : In 2009 the company recorded a net profit of financial statements in which the equity method is applied and separate financial statements in which the cost method is applied, and had no accumulated loss. As a result, the company can pay a dividend to the shareholders pursuant to Section 115 of the Public Limited Companies Act B.E. 2535 and Article 38 of the Articles of Association which stipulate that the appropriation of profit shall be considered and approved by the shareholders meeting. Article 39 of the Articles of Association also stipulates that dividends shall be paid out of profits only, the dividend shall be paid equally, according to the number of shares. In addition under Section 116 of the Public Limited Companies Act B.E. 2535 and Article 40 of the Articles of Association, the company must appropriate an amount not less than 5 percent of the net profits of the year less the cumulative losses of the company (if any) to a statutory reserve until the reserve is not less than 10 percent of the registered capital of the company. The company has already reserved a statutory reserve to baht 30 million.

Opinion of the board : The company's policy on dividend payment requires that it pays dividends at the rate of not less than 40% of the net profit after tax of consolidated financial statement. After consideration of the fiscal year performance ended December 31,2009 audited by the auditor, the meeting should approve the appropriation of the dividend for the year 2009 at the rate of baht 3.50 per share totaling baht 105 million. The company fixed the record date for rights to receive dividend to be on March 15, 2010 and the

closing of share transfers date on which the shareholder list as specified in section 225 of the Securities and Exchange Act to be on March 16, 2010. The dividends shall be paid to the shareholders on May 17, 2010.

Agenda 5 To consider compensation and allowance to the directors and the committee

Rationale : Article 31 of the Articles of Association stipulates that the company shall pay the directors compensation for their duties as necessary. The company has policy to compensate directors at the level closely applicable in the industry and sufficiently to retain directors of required qualifications and with consideration to the operation result. The company policy is to pay to the directors a bonus equivalent to approximately 3.5% of dividend payable.

Opinion of the board : Base on the remuneration committee's recommendation, the board considered and agreed to propose to the shareholders for approval of the payment to the directors and the committee as follows:-

- 1) The directors' bonus for the year 2009 totaling  
3.68 million baht
- 2) The meeting fee for the year 2010 to the directors as follows:-
  - 2.1 The board of directors
    - Chairman of the board  
30,000.- baht/meeting
    - All other directors  
20,000.- baht/meeting/person
  - 2.2 The audit committee
    - Chairman of the audit committee  
30,000.-baht/meeting
    - Audit committee members  
20,000.- baht/meeting/person
  - 2.3 Other 2 committees which are the remuneration and nomination committee and the risk management committee.
    - The chairman of each committee  
20,000.- baht/meeting
    - Other members  
10,000.- baht/meeting/person

Agenda 6 To consider the election of the directors in replacement of those who are due to retire by rotation

Rationale : Section 71 of the Public Limited companies Act B.E. 2535 and Article 17 of the Articles of Association stipulate that at every annual general meeting of shareholders, one-third of the total number of the directors shall vacate their office. There are 4 directors who are due to retire by rotation in the annual general meeting of shareholders No. 78, namely:

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|-----------------------------|---|
| 1. Professor.Hiran Radeesri | Independent Director and Chairman of the Audit committee  |
| 2. Mr.Nipol T.Jeerawong     | Executive Director, Chairman of the Risk Management Committee and Chairman of the Executive Board |
| 3. Mr.Thamnu Wanglee        | Non-Executive Director  |
| 4. Mr.Minoru Sasada         | Non-Executive Director  |

Opinion of the board : The board, excluding the director who had conflict of interest, considered the recommendation of the nominating committee that all the retired 4 directors have proper qualifications and are not disqualified pursuant to any relevant laws or regulations. The retiring directors have the knowledge and are competent persons who contributed their time to the company. The board, therefore, propose to re-elect all the 4 directors to serve another term in the board of directors.

Agenda 7 To consider appointing the auditor and to determine his/her fee.

Rationale : Section 120 of the Public Limited Companies Act B.E. 2535 and Article 38 of the Articles of Association stipulates that the annual meeting of shareholders shall appoint an auditor and determine the auditing fee.

Opinion of the board : The audit committee have considered and evaluated the quality of the work, the qualifications according to the criteria established of the auditors and assessed the independence of the said auditors and was of the opinion that Ernst & Young Office Limited is suitable to be re-appointed as the auditor of the company. The board of directors therefore recommended that the meeting approve the appointment of Mrs. Nonglak Pumnoi and/or Mr.Sophon Permsirivallop and/or Miss Rungnapa Lertsuwankul from Ernst & Young Office Limited as the company's auditor and determine the auditor's fee at baht 1.18 million. Such 3 proposed auditors as well as Ernst & Young Office Limited have no relationship or conflict of interest in the company. The audit committee have considered and reviewed the details.

Agenda 8 Other business, if any

Please be informed accordingly.

Yours faithfully,

Mr. Nipol T. Jeerawong  
Chairman of the executive board