

## **USI GROUP HOLDINGS AG / ZURICH**

**Invitation to the annual general meeting of the shareholders to be held on 22 May 2006 at 3 p.m. at Baur au Lac, Talstrasse 1, CH-8001 Zurich**

### **AGENDA**

**1 Approval of the annual report 2005 and the financial statements of the company and the group as of 31<sup>st</sup> December 2005**

The board of directors proposes that the annual report 2005 and the financial statements of the company and the group as of 31<sup>st</sup> December 2005 shall be approved.

**2 Appropriation of balance sheet result**

The board of directors proposes to carry forward the balance sheet profit of CHF 23'212'063 to the next fiscal year.

**3 Granting of discharge to the members of the board of directors and of the management**

The board of directors proposes to grant discharge in globo to the members of the board of directors and of the management for the fiscal year 2005.

**4 Elections**

**4.1 Re-election of David Quint as a member of the board of directors**

The board of directors proposes the re-election of David Quint as member of the board of directors for another tenure of 3 years.

**4.2 Re-election of the auditor and group auditor**

The board of directors proposes the re-election of PricewaterhouseCoopers AG, Zurich, as auditor and group auditor of the company for a tenure of one year

ending at the day of the annual general meeting of the shareholders for the fiscal year 2006.

## **5 Introduction of conditional share capital**

### **5.1 For management and advisors**

The board of directors proposes the adoption of Article 3a into the articles of incorporation pursuant to which the share capital of the company may be increased in the amount of up to CHF 4'582'900 through the issuance of up to 45'829 fully paid in registered shares with a nominal value of CHF 100 each in connection with the exercise of option rights granted to the management and advisors of the company or its subsidiaries. The details of the proposed clause are as following:

#### ***"Article 3a***

*<sup>1</sup>The share capital may be increased by a maximum amount of CHF 4'582'900 through the issuance of up to 45'829 registered shares with a nominal value of CHF 100 each, which shall be fully paid in, in connection with the exercise of option rights granted to the management and advisors of the company or its subsidiaries.*

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

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

### **5.2 For bondholders or other creditors**

In addition, the board of directors proposes to adopt Article 3b into the articles of incorporation pursuant to which the share capital may be increased in the amount of up to CHF 33'608'100 through the issuance of up to 336'081 fully paid in registered shares with a nominal value of CHF 100 each. The shares may be issued and used in connection with the exercise of conversion, warrant or option rights granted to bondholders or other creditors of the company or its subsidiaries. The details of the proposed clause are as following:

#### ***"Article 3b***

*<sup>1</sup>The share capital may be increased by a maximum amount of CHF 33'608'100 through the issuance of up to 336'081 registered shares with a nominal value of CHF 100 each, which shall be fully paid in, in connection with the exercise of con-*

*version rights, warrant rights or option rights which will be or have been granted to bondholders or other creditors of the company or its subsidiaries.*

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

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

<sup>4</sup>*The board of directors may restrict or withdraw the right for advance subscription (Vorwegzeichnungsrecht) of the shareholders in connection with (i) the financing (refinancing inclusively) of acquisitions of enterprises or parts thereof, participations or other investment projects of the company and/or its subsidiaries or (ii) the listing of option or conversion rights on national or international capital markets. Because the right of advance subscription (Vorwegzeichnungsrecht) will be withdrawn, (i) the bonds or bonds warrants (Anleihen oder Optionsanleihen) have to be placed in the public at the conditions of the market, (ii) the period of time for exercising the conversion and the options rights after the issue has to be fixed, the maturity may not exceed 10 years for conversion rights and option rights, (iii) the exercise price of the new registered shares has to be fixed and may be at least at the conditions of the market at the time of the issue."*

## **6 Introduction of authorised share capital**

The board of directors proposes to adopt Article 3c into the articles of incorporation pursuant to which the board of directors may increase the share capital in an amount of up to CHF 20'000'000 through the issuance of up to 200'000 fully paid in registered shares with a nominal value of CHF 100 each until the 22 May 2008. The details of the proposed clause are as following:

### **"Article 3c**

<sup>1</sup>*The board of directors may increase the share capital in the amount of up to CHF 20'000'000 until the 22 May 2008 through the issuance of up to 200'000 fully paid in additional registered shares with a nominal value of CHF 100 each. An increase in partial amounts is permitted.*

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

<sup>3</sup>*The board of directors may restrict or withdraw subscription rights in connection with mergers, acquisitions of interests, financing and/or re-financing of mergers or acquisitions of interests, or other investment projects, national or international placements of shares, conversion of loans or other equity securities into shares and for the broadening of the shareholder basis."*

## **7 Reduction of share capital and repayment of nominal value of shares**

The board of directors proposes:

1. to reduce the company's ordinary share capital from CHF 76'382'000 by CHF 3'398'999 to CHF 72'983'001 by a reduction of the nominal value of each of the company's registered shares from CH 100 by CHF 4.45 to CHF 95.55 per share and to repay to the shareholders CHF 4.45 per share;
2. to declare, as a result of the special audit report prepared in accordance with Article 732 para. 2 of the Swiss Code of Obligations ("CO") that the claims of the creditors are fully covered notwithstanding the above reduction of the share capital;
3. upon consummation of the capital reduction to amend the first paragraph of Article 3 of the articles of incorporation as following:

### **"Article 3**

*<sup>1</sup>The company's share capital is CHF 72'983'001. It is divided into 763'820 registered shares of CHF 95.55 par value each. The share capital is fully paid in."*

4. upon consummation of the capital reduction to amend the first paragraph of Article 3a, Article 3b and Article 3c of the articles of incorporation - in case the annual general meeting of shareholders will have approved the corresponding agenda items - as following:

### **"Article 3a**

*<sup>1</sup>The share capital may be increased by a maximum amount of CHF 4'378'960.95 through the issuance of up to 45'829 registered shares with a nominal value of CHF 95.55 each, which shall be fully paid in, in connection with the exercise of option rights granted to the management and advisors of the company or its subsidiaries.*

### **Article 3b**

*<sup>1</sup>The share capital may be increased by a maximum amount of CHF 32'112'539.55 through the issuance of up to 336'081 registered shares with a nominal value of CHF 95.55 each, which shall be fully paid in, in connection with the exercise of conversion rights, warrant rights or option rights which will be or have been granted to bondholders or other creditors of the company or its subsidiaries.*

### **Article 3c**

*<sup>1</sup>The board of directors may increase the share capital in the amount of up to CHF 19'110'000 until the 22 May 2008 through the issuance of up to 200'000 fully paid in additional registered shares with a nominal value of CHF 95.55 each. An increase in partial amounts is permitted."*

The reduction of the share capital can only be accomplished after publication of the notice to the creditors in accordance with Article 733 CO. Such notifications will be published after the annual general meeting 2006 in the Swiss Commercial Gazette. The creditors may file their claims and demand payment or security within two months after the date of the third and last publication. The share capital may be reduced only after the two month period has expired and all claims filed have been satisfied or [ensured]. Subject to the above, the repayment of nominal value is expected on 4 August 2006 to those shareholders, who are owners of USI Group Holdings AG shares on the day preceding the payment date. The repayment of the nominal value to the shareholders is not subject to Swiss withholding tax.

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## **Documentation**

The annual report, the financial statements of the company and the group and the auditors' and group auditors' report can be ordered by telephone (phone number: + 41 (0) 44 212 40 04), at the USI Group Holdings AG, Bahnhofstrasse 106, CH-8001 Zürich, or via e-mail to [ralph.beney@usigroupholdings.ch](mailto:ralph.beney@usigroupholdings.ch) from 2 May until 19 May 2006.

## **Admission**

Shareholders who are registered in the share register on the 2 May 2006 can order the admission cards by telephone (phone number: + 41 (0) 44 212 40 04), at the USI Group Holdings AG, Bahnhofstrasse 106, CH-8001 Zürich, or via e-mail to [ralph.beney@usigroupholdings.ch](mailto:ralph.beney@usigroupholdings.ch) from 10 May until 19 May 2006. From 2 May 2006 until and including 22 May 2006 no entries of registered shares into the share register will be made.

## **Representation**

Shareholders who do not attend the shareholders' meeting in person can be represented as follows:

- by another shareholder entitled to vote upon presentation of a proxy in writing;
- by the board of directors of USI Group Holdings AG. Proxies containing instructions other than to approve the proposals of the board of directors will be forwarded to the independent proxy;
- by the independent proxy, Dr. Roger Groner, Rechtsanwalt, Tödistrasse 52, 8002 Zürich (phone number: +41 (0)43 344 52 77);
- by representatives of deposited shares.

The board of directors, the independent proxy and proxies for deposited shares in the sense of Article 689d CO are requested to communicate the number of shares represented by them to the company as soon as possible, but in any case not later than 2.30 p.m. hours on the day of the shareholders' meeting at the entrance control.

Zurich, 2 May 2006

The board of directors of the USI Group Holdings AG