

THE COMPANIES (GUERNSEY) LAW 2008, AS AMENDED

COMPANY LIMITED BY SHARES

ARTICLES OF INCORPORATION

of

**ACENCIA DEBT STRATEGIES LIMITED**

As adopted by special resolution on 2 October 2006  
As amended by special resolutions on 29 May 2007, 29 May 2008, 18 March 2009, 22 October 2010  
and 20 September 2011

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1. **INTERPRETATION**

1.1 In these Articles the following words shall bear the following meanings if not inconsistent with the subject or context:

<b>Words</b>	<b>Meanings</b>
<b>“AFC Participating Shares”</b>	no par value participating shares of in the capital of AcenciA Fundamental Credit, a protected cell of Guernsey Portfolios PCC Limited;
<b>"Articles of Incorporation"</b>	means the Articles of Incorporation of the Company in force from time to time;
<b>"Auditors"</b>	means the auditors from time to time of the Company;
<b>“Benefit Plan Investor”</b>	means (i) an employee benefit plan (as defined by Section 3(3) of ERISA), whether or not it is subject to Title I of ERISA; (ii) a plan as described in Section 4975 of the U.S. Code, whether or not it is subject to Section 4975 of the U.S. Code; (iii) an entity whose underlying assets include the assets of any plan described in clause (i) or (ii) by reason of the plan’s investment in such entity (including but not limited to an insurance company general account); or (iv) an entity that otherwise constitutes a “benefit plan investor” within the meaning of the Plan Asset Regulation;
<b>"Business Day"</b>	means any day on which banks are generally open for business in London, Dublin and Guernsey other than a

Saturday or Sunday;

**"C Admission"**

means admission of the relevant tranche of C Shares to the Official List of the London Stock Exchange and/or any other recognised stock exchange that the Directors may determine from time to time and to trading on the London Stock Exchange and/or any other recognised stock exchange that the Directors may determine from time to time;

**"C Share Calculation Time"**

means the earliest of:

- (a) the close of business on the NAV Calculation Date on or immediately prior to the day on which the Manager gives notice to the Directors that at least 85 per cent. of the Net Proceeds (or such other percentage as the Directors and the Manager shall agree as part of the terms of issue of any tranche of C Shares or otherwise) have been invested or committed to be invested in accordance with the Company's investment policy;
- (b) the close of business on the business day immediately before the day on which Force Majeure Circumstances have arisen or the Directors resolve that they are in contemplation; and
- (c) the close of business on such later date as the Directors may determine at the date of issue of that tranche of C Shares;

**"C Share Conversion"**

means, in relation, to any tranche of C Shares, the conversion (and, where relevant, consolidation or subdivision) of that tranche of C Shares into new Shares on the basis set out in these Articles;

**"C Share Conversion Ratio"**

means A divided by B calculated to four decimal places (with 0.00005 being rounded upwards) where:

$$A = \frac{C-D}{E}$$

and

$$B = \frac{F-G}{H}$$

and where:

C is the aggregate of:

- (a) the value of the investments of the Company attributable to the C Shares of the relevant tranche (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are to be valued in accordance with (b) below) which are listed or dealt in on a stock exchange or on a similar market:
  - (i) calculated in the case of investments of the Company which are listed on the London Stock Exchange according to the prices issued by the London Stock Exchange as at the C Share Calculation Time, being the bid prices for all investments other than the FTSE 100 constituents and FTSE 100 reserve list constituents for which the last trade prices shall be used. If any such investments are traded under the London Stock Exchange Daily Electronic Trading Services ("SETS") and the latest recorded price at which such investments have been traded as shown in the London Stock Exchange Daily Official List differ materially from the bid and offer prices of the investments shown on SETS as at the C Share Calculation Time, the value of such investments shall be adjusted to reflect the fair realisable value as determined by the Directors. Investments of the Company which are listed, quoted or dealt in on any other

recognised stock exchange shall be valued by reference to the bid prices on the principal stock exchange or market where the relevant investment is listed, quoted or dealt in as at the C Share Calculation Time, as shown by the relevant exchange's or market's recognised method of publication of prices for such investments. Debt related securities (including government stocks) shall be valued by reference to the bid price, subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the C Share Calculation Time; or

- (ii) where such published prices are not available, calculated by reference to the Directors' belief as to a fair current trading price at the C Share Calculation Time for those investments, after taking account of any other price publication services reasonably available to the Directors;
- (b) the value of all other investments of the Company attributable to the C Shares of the relevant tranche at their respective acquisition costs, subject to such adjustments as the Directors may deem appropriate to be made for any variations in the value of such investments between the date of acquisition and the C Share Calculation Time; and
- (c) the amount which, in the Directors' opinion, fairly reflects, at the C Share Calculation Time, the value of the current assets of the Company attributable to the C Shares of the relevant tranche (including cash and deposits with or balances at bank and including any accrued income and other items of a revenue nature less

accrued expenses) together with that part of the value of any net foreign exchange gains accruing to the Company resulting from the currency class of the Correspondent Shares in the period between C Admission and the C Share Calculation Time as in the Directors' opinion is properly attributable to that tranche of C Shares;

D is the amount which (to the extent not otherwise deducted in the calculation of C) in the Directors' opinion fairly reflects at the C Share Calculation Time the amount of the liabilities and expenses of the Company attributable to the C Shares of the relevant tranche (including, for the avoidance of doubt, all expenses of the issue of the C Shares of the relevant tranche and any amounts representing any accrued performance fee payable to the Manager attributable to the C Shares of the relevant tranche (as determined by the Directors) and such amount (if any) as the Directors in their absolute discretion may determine reflects the benefit to holders of C Shares of the relevant tranche of any high watermark referable to the performance fee payable to the Manager which may subsequently reduce the amount of performance fee payable in the relevant financial period attributable to the new Shares arising on a C Share Conversion of that tranche of C Shares together with that part of the value of any net foreign exchange losses accruing to the Company resulting from the currency class of the Correspondent Shares in the period between C Admission and the C Share Calculation Time as in the Directors' opinion is properly attributable to that tranche of C Shares);

E is the number of C Shares of the relevant tranche in issue at the C Share Calculation Time;

F is the aggregate of:

- (a) the value of all the investments of the Company (other than investments which are subject to

restrictions on transfer or a suspension of dealings, which are to be valued in accordance with (b) below) attributable to the Correspondent Shares in issue at the C Share Calculation Time which are listed or dealt in on a stock exchange or on a similar market:

- (i) calculated in the case of investments of the Company which are listed on the London Stock Exchange according to the prices issued by the London Stock Exchange as at the C Share Calculation Time, being the bid prices for all investments other than the FTSE 100 constituents and the FTSE 100 reserve list constituents for which the last trade prices shall be used. If any such investments are traded under SETS and the latest recorded prices at which such investments have been traded as shown in the London Stock Exchange Daily Official List differ materially from the bid and offer prices of the investments quoted on SETS as at the C Share Calculation Time, the value of such investments shall be adjusted to reflect the fair realisable value as determined by the Directors. Investments of the Company which are listed, quoted or dealt in on any other recognised stock exchange shall be valued by reference to the bid prices on the principal stock exchange or market where the relevant investment is listed, quoted or dealt in as at the C Share Calculation Time as shown by the relevant exchange's or market's recognised method of publication of prices for such investments. Debt related securities (including Government stocks) shall be valued by reference to the bid price,

subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the C Share Calculation Time; or

- (ii) where such published prices are not available, calculated by reference to the Directors' belief as to a fair current trading price for those investments, after taking account of any other price publication services reasonably available to the Directors;
- (b) the value of all other investments of the Company, attributable to the Correspondent Shares in issue at the C Share Calculation Time, at their respective acquisition costs, subject to such adjustments as the Directors may deem appropriate to be made for any variations in the value of such investments between the date of acquisition and the C Share Calculation Time; and
- (c) the amount which, in the Directors' opinion, fairly reflects, at the C Share Calculation Time, the value of the current assets of the Company (including cash and deposits with or balances at bank and including any accrued income and other items of a revenue nature less accrued expenses), attributable to the Correspondent Shares in issue at the C Share Calculation Time together with that part of the value of any net foreign exchange losses as have been attributed to that tranche of C Shares for the purposes of calculating D above (or, where the C Share Conversion Ratio is being determined at a time when there is only one class of Shares then in issue, the value of all net foreign losses attributable to all tranches of C Shares which are being converted on the basis of a C Share Conversion Ratio determined at the same C

Share Calculation Time);

G is the amount which, (to the extent not otherwise deducted in the calculation of F) in the Directors' opinion, fairly reflects the amount of the liabilities and expenses of the Company at the C Share Calculation Time attributable to the Correspondent Shares in issue at the C Share Calculation Time (including, for the avoidance of doubt, any amounts representing any accrued performance fee of the Manager prior to the C Share Calculation Time attributable to the Correspondent Shares (as determined by the Directors)) together with that part of the value of any net foreign exchange gains as have been attributed to that tranche of C Shares for the purpose of calculating C above or, where the C Share Conversion Ratio is being determined at a time when there is only one class of Shares then in issue, the value of all net foreign exchange losses attributable to all tranches of C Shares which are being converted on the basis of a C Share Conversion Ratio determined at the same C Share Calculation Time. Such liabilities may, if the Directors so determine in relation to any C Shares of a particular tranche, include dividends payable by the Company for which the new Shares arising on conversion of such tranche are not to rank; and

H is the number of Correspondent Shares in issue at the C Share Calculation Time;

Provided always that:

- (a) the Directors shall be entitled to make such adjustments to the value or amount of A and/or B as the Auditors shall confirm to be appropriate having regard to, among other things, the assets of the Company immediately before the Issue Date and/or the C Share Calculation Time and/or the reasons for the issue of the C Shares of the relevant tranche;
- (b) in relation to any tranche of C Shares, the

Directors may determine, as part of the terms of issue of such tranche, that the amount of A shall be valued at such discount as may be selected by the Directors;

- (c) in relation to any tranche of C Shares, the Directors may, as part of the terms of issue of such tranche, amend the definition of C Share Conversion Ratio in relation to that tranche;
- (d) for the purposes of calculating the value of the Company's investments above in funds which are not listed or dealt in on a stock exchange, the Directors may rely on values of those investments (including unaudited or estimated values and notwithstanding that such values may be as at a date which is not the C Share Calculation Time) provided by the underlying funds themselves or their managers or administrators and further the Directors may also rely on the advice of the Manager and/or the Sub-Manager and/or the Investment Adviser in this respect;
- (e) for the purposes of the C Share Conversion Ratio the value of A and B will be calculated in the currency of the relevant class of Correspondent Shares (provided that where there is only one class of Shares in issue at the relevant C Share Calculation Time, the value of A and B will be calculated in the currency of the Shares then in issue) and using such exchange rate(s) as the Directors may determine; and

where Admission takes place not later than 10 business days after a NAV Calculation Date the Directors may in their absolute discretion substitute for C above (and for any other valuation of the investments attributable to the C Shares of the relevant tranche used in calculating the C Share Conversion Ratio) the gross proceeds of the issue of the relevant tranche of C

Shares or, where the costs and expenses of such issue are not taken into account in calculating D above (or for any other valuation of the liabilities and expenses attributable to the C Shares of the relevant tranche in calculating the C Share Conversion Ratio), the Net Proceeds and the C Shares shall be deemed to have been in issue at the C Share Calculation Time;

**"C Share Conversion Time"**

means in relation to any tranche of C Shares, a time following the C Share Calculation Time, being the opening of business on such business day as may be selected by the Directors and falling not more than 30 business days after the C Share Calculation Time or (in the case of Force Majeure Circumstances having arisen or the Directors having resolved that they are in contemplation) such earlier date as the Directors may resolve;

**"C Shares"**

means the limited voting redeemable convertible shares of no par value (unless the context otherwise requires) in the capital of the Company carrying the rights set out in these Articles and convertible into the class of Correspondent Shares determined by the Directors at the time of issue;

**"C Share Surplus"**

means in relation to any tranche of C Shares the net assets of the Company attributable to the C Shares of that tranche (including for the avoidance of doubt, any income and/or revenue (net of expenses) arising from or relating to such assets) and such proportion of the net foreign exchange gains or losses accruing to the Company resulting from the currency class of the Correspondent Shares in the period between C Admission and the date of winding up or other return of capital as the Directors may determine to attribute to the C Shares of that tranche less such proportion of the Company's liabilities (including the fees and expenses of the liquidation or return of capital (as the case may be)), as the Directors or the liquidator (as the case may be), shall reasonably allocate to the assets of the Company attributable to the C Shares of that tranche;

<b>“Cash Redemption Date”</b>	means any date designated as a Cash Redemption Date by the Directors (and for the avoidance of doubt, the Directors may designate one or more dates as a Cash Redemption Date);
<b>“Cash Redemption Sum”</b>	means a cash sum equal to the NAV at the Relevant NAV Date divided by the total number of Redeemable Shares in issue at the Relevant NAV Date;
<b>“Companies Law”</b>	means the Companies (Guernsey) Law, 2008 (as amended);
<b>“Company”</b>	means the Company incorporated under the Law in respect of which these Articles have been registered;
<b>“Conversion Offer Redemption Date”</b>	means any date prior to 30 June 2009 designated as the Conversion Offer Redemption Date by the Directors (and, for the avoidance of doubt the Directors may only designate one date as the Conversion Offer Redemption Date);
<b>"Correspondent Shares"</b>	means the Shares of the relevant class into which the C Shares of that tranche are to be converted as determined by the Directors at the time of issue of the C Shares of that tranche provided that where there is only one class of Shares in issue at the relevant C Share Calculation Time it shall mean the Shares of that class for the purposes of determining the C Share Conversion Ratio;
<b>"Correspondent Share Surplus"</b>	means the net assets of the Company attributable to the Correspondent Shares at the date of winding up or other return of capital less any net foreign exchange gains or losses as have been attributed by the Directors to the C Shares of that tranche in calculating the C Share surplus provided that where there is only one class of Correspondent Shares in issue at the relevant date of winding up or other return of capital it shall be less any net foreign exchange gains or losses as have been attributed by the Directors to the C Shares of all tranches then in issue calculating the C Share Surplus;

<b>"CRESTCo"</b>	means CRESTCo Limited, the operator of the CREST UK system;
<b>"CREST Guernsey Requirements"</b>	Rule 22 and such other of the rules and requirements of CRESTCo as may be applicable to issuers as from time to time specified in the CREST Manual;
<b>"CREST Manual"</b>	means the document entitled "CREST Reference Manual" issued by CRESTCo;
<b>"CREST Rules"</b>	the Rules from time to time issued by CRESTCo governing the admission of securities to and the operation of the CREST UK system;
<b>"CREST UK system"</b>	the facilities and procedures for the time being of the relevant system of which CRESTCo has been approved as Operator pursuant to the UK Uncertificated Securities Regulations 1995;
<b>"Dematerialised Instruction"</b>	means an instruction sent or received by means of the CREST UK system;
<b>"Directors" or "Board"</b>	means the Directors of the Company for the time being or, as the case may be, the Directors assembled as a board;
<b>"Equivalent Assets"</b>	means assets and liabilities held by the Company on the relevant Redemption Date which at the Relevant NAV Date have a net aggregate value equal to the NAV at the relevant NAV Date divided by the total number of Redeemable Shares in issue at the Relevant NAV Date provided that the identity of such assets and liabilities shall be at the absolute discretion of the Directors;
<b>"ERISA"</b>	means the United States of America Employee Retirement Income Security Act of 1974, as amended;
<b>"ERISA Plan Investor"</b>	means a Benefit Plan Investor that is subject to Title 1 of ERISA or section 4975 of the U.S. Code;
<b>"executed"</b>	includes any mode of execution;
<b>"Extraordinary Resolution"</b>	A resolution of the Members in general meeting passed

by a majority of not less than three quarters of the votes recorded, including, where there is a poll, any votes cast by proxy.

**"Force Majeure Circumstances"**

means in relation to any tranche of C Shares:

- (a) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders C Share Conversion necessary or desirable (and notwithstanding that less than the appropriate percentage of the Net Proceeds of that tranche have been invested or committed to be invested in accordance with the Company's investment policy);
- (b) the issue of any proceedings challenging or seeking to challenge the power of the Company and/or its Directors to issue the C Shares of that tranche with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or
- (c) the convening of any general meeting of the Company at which a resolution is to be proposed to wind up the Company;

whichever shall happen earliest;

**"holder"**

in relation to Shares means the member whose name is entered in the register of members as the holder of the shares;

**"Investment Adviser"**

means a person for the time being appointed and acting as investment adviser of the Company;

**"Issue Date"**

means in relation to any tranche of C Shares the day on which the Company first receives the Net Proceeds;

**"Law"**

means the Companies Law as amended, extended or replaced and any Ordinance, statutory instrument or regulation made thereunder and every Order in

Council, Act or Ordinance for the time being in force concerning companies registered in Guernsey and affecting the Company;

**"Manager"** means a person for the time being appointed and acting as manager of the Company;

**"NAV Calculation Date"** means the last business day of each calendar month (or if such date is a public holiday in the United States, the immediately preceding day) or such other date as the Directors may, in their discretion, determine;

**"Net Asset Value" or "NAV"** means the total assets of the Company less its total liabilities (including accrued but unpaid fees) valued in accordance with the Company's accounting policies;

**"Net Proceeds"** means the net cash proceeds of the issue of the C Shares of that tranche (after deduction of all expenses and commissions relating to such issue and payable by the Company);

**"new Shares"** means Shares arising on a C Share Conversion of the C Shares of the relevant tranche;

**"Non-Qualified Holder"** means any person, as determined by the Directors, to whom a sale or transfer of shares, or in relation to whom the holding of shares (whether directly or indirectly affecting such person, and whether taken alone or in conjunction with other persons, connected or not, or any other circumstances appearing to the Directors to be relevant): (a) would or could be in breach of the laws or requirements of any jurisdiction or governmental authority or (b) might result in the Company or any fund in which the Company invests or any fund managed by such an investee fund incurring a liability to taxation or suffering a pecuniary, fiscal, administrative or regulatory disadvantage, including, but not limited to, the Company being required to register as an "investment company" under the U.S. Investment Company Act, the assets of the Company being deemed to be assets of an "employee benefits plan" within the meaning of Section 3(3) of ERISA or of a "plan" within the meaning of Section 4975 of the

U.S. Code pursuant to the Plan Asset Regulation or otherwise not being in compliance with the U.S. Investment Company Act, ERISA, the U.S. Code or any other provision of U.S. federal or state law;

**"Office"**

means the registered office of the Company;

**"ordinary resolution"**

means a resolution of the members passed in accordance with the Companies Law either:

(i) in a general meeting on a show of hands by a simple majority of the votes cast at the meeting;  
or

(ii) in a general meeting on a poll by a simple majority of the total voting rights of members who, being eligible to do so, vote in person or by appointed proxy at the meeting; or

(iii) as a written resolution passed by a simple majority of members representing a simple majority of the total voting rights of eligible members;

**"Plan Asset Regulation"**

means the plan asset regulation promulgated by the United States Department of Labor under ERISA at 29 C.F.R. 2510.3-101;

**"Qualifying Shareholders"**

any Shareholders who, in relation to the Conversion Offer, are pursuant to any of Articles 14 (investment professionals), 21 (certified high net worth individuals), 22 (high net worth companies, unincorporated associations and trustees of high value trusts), 23 (sophisticated investors) and 23A (self-certified high net worth individuals) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 exempt from the general prohibition contained section 238 of FSMA on the promotion of unregulated collective investment schemes;

**"Redeemable Share"**

means a redeemable share of no par value in the Company having the rights and obligations set out in

these Articles;

- "Register"** means the register of members to be kept pursuant to the Law;
- "Relevant NAV Date"** means the last NAV Calculation Date prior to the Conversion Offer Redemption Date, the relevant Subsequent Conversion Offer Redemption Date or the relevant Cash Redemption Date (as applicable);
- "secretary"** means the secretary of the Company or other person appointed to perform the duties of the secretary of the Company including a joint, assistant or deputy secretary;
- "Share"** means a share of no par value (whether a Redeemable Share, a C Share, an ordinary share or otherwise) in the Company including all shares denominated in sterling, euros, United States of America dollars or other currencies as determined by the Directors, all Correspondent Shares and all new Shares each having the rights and obligations set out in these Articles;
- "Shareholder"** means a holder of Share(s) in the Company;
- "special resolution"** means a resolution of the members passed as a special resolution in accordance with the Companies Law either;
- (i) in a general meeting on a show of hands by a majority of not less than three quarters of the votes cast at the meeting; or
  - (ii) in a general meeting on a poll by a majority of not less than three quarters of the total voting rights of members who, being eligible to do so, vote in person or by appointed proxy at the meeting; or
  - (iii) as a special written resolution by a majority of not less than three quarters of the votes cast by members representing not less than three quarters of the total voting rights of eligible members;

<b>"Sponsor"</b>	means a company, person or firm admitted by CRESTCo to act as Sponsor under the CREST Rules;
<b>"Sub-Manager"</b>	means a person for the time being appointed and acting as sub-manager of the Company;
<b>"Subsequent Conversion Offer Redemption Date"</b>	means any date designated as a Subsequent Conversion Offer Redemption Date by the Directors (and for the avoidance of doubt, the Directors may designate one or more dates as a Subsequent Conversion Offer Redemption Date);
<b>"uncertificated"</b>	means a unit of a Guernsey security title to which is recorded on the relevant register of securities as being held in uncertificated form and title to which may be transferred by means of the CREST UK system; and <b>"certificated"</b> means a unit of security which is not an uncertificated unit;
<b>"U.S. or United States"</b>	means the United States of America, its territories and possessions, any state of the United States of America and District of Columbia;
<b>"U.S. Code"</b>	means the United States Internal Revenue Code of 1986, as amended; and
<b>"U.S. Investment Company Act"</b>	means the United States Investment Company Act of 1940, as amended.
<b>written resolution</b>	means a resolution of the members in writing passed in accordance with the Companies Law.

- 1.2 Unless the context otherwise requires words or expressions contained in these Articles bear the same meaning as in the Law.
- 1.3 Expressions referring to writing include any mode of representing or reproducing words (but only to the extent that (a) the Board so resolves, either generally or in relation to particular categories of document, and (b) (the recipient (if not the Company) has requested or agreed) including electronic communication.
- 1.4 Words importing the singular number only shall include the plural number and *vice versa*.
- 1.5 Words importing a particular gender only shall include any other gender.
- 1.6 Words importing persons shall include corporations.

- 1.7 References to "**Shareholders**", "**Correspondent Shareholders**", "**C Shareholders**" and "**new Shareholders**" shall be construed as references to holders for the time being of Shares, Correspondent Shares, C Shares (or if there is more than one tranche of C Shares in issue at the relevant time, C Shares of the relevant tranche) and new Shares respectively.
- 1.8 A reference to the Auditors confirming any matter shall be construed to mean confirmation of their opinion as to such matter whether qualified or not.
- 1.9 A reference to assets or investments attributable to the C Shares of a particular tranche or the C Shareholders of a particular tranche shall mean the Net Proceeds referable to that tranche as invested in or represented by investments or cash or other assets from time to time.
- 1.10 For the purposes of the definitions in paragraph 1.1 of "**C Share Calculation Time**" and "**Force Majeure Circumstances**" in relation to any tranche of C Shares, the assets attributable to the C Shares of that tranche shall be treated as having been "**invested**" if they have been expended by or on behalf of the Company in the acquisition or making of an investment (whether by subscription, participation or purchase) or if an obligation to make such payment has arisen or crystallised (in each case unconditionally or subject only to the satisfaction of normal pre-issue conditions, such as (where appropriate) the admission of such securities to listing or dealing and the passing of any necessary resolutions by shareholders of the issuer or others) in respect of a definitive number of securities or in relation to which the definitive subscription or consideration amount has been determined.
- 1.11 The expressions "**communication**" and "**electronic communication**" shall have the same respective meanings as in the UK Electronic Communications Act 2000, the latter including, without limitation, e-mail, facsimile, CD-Rom, audio tape and telephone transmission and (in the case of electronic communication by the Company in accordance with Article 34.5) publication on a web site.

## 2. **BUSINESS**

Any branch or kind of business which by the Memorandum or by these Articles is either expressly or impliedly authorised to be undertaken may be undertaken or suspended at any time by the Board whether commenced or not.

## 3. **PRELIMINARY**

The preliminary expenses incurred in forming the Company and in making the initial offer of Shares shall be borne by the Company and may at the discretion of the Directors be amortised over such period and at such rate as the Directors may determine and when paid shall be payable out of the income and/or capital of the Company in such proportions as the Directors may determine.

## 4. **SHARES**

- 4.1 Subject to the provisions of the Law and to the provisions contained in Article 45, and without prejudice to any rights attached to any existing Shares, any Share in the Company may be issued with or have attached thereto such preferred, deferred, conversion or other special rights or such restrictions whether in regard to dividend, return of capital, voting, conversion or otherwise as the Company may from time to time by ordinary resolution determine or, subject to or in default of any such direction, as the Directors may determine.
- 4.2 Subject to the Law, the Directors shall be authorised to issue C Shares in tranches on such terms as they determine and convertible into such class of Shares as the Directors determine at the time of issue provided that such terms are consistent with the provisions summarised in this Article 4. The Directors shall, on the issue of each tranche of C Shares, determine the C Share Calculation Time and C Share Conversion Time together with any amendments to the definition of C Share Conversion Ratio attributable to each such tranche.
- 4.3 Each tranche of C Shares, if in issue at the same time, shall be deemed to be a separate class of Shares. The Directors may, if they so decide, designate each tranche of C Shares in such manner as they see fit in order that each tranche of C Shares can be identified.
- 4.4 Shares of no par value may be issued either as Correspondent Shares or C Shares. The C Shares shall be issued on terms that each tranche of C Shares shall be redeemable by the Company in accordance with the terms set out in these Articles.
- 4.5 At any time prior to C Share Conversion, the Company may, at its discretion, redeem all or any of the C Shares of that tranche then in issue by agreement with any holder(s) thereof in accordance with such procedures as the Directors may determine (subject to the facilities and procedures of CREST) and in consideration of the payment of such redemption price as may be agreed between the Company and the relevant C Shareholder(s).
- 4.6 The Company shall not be obliged to issue definitive share certificates in respect of the C Shares.
- 4.7 C Shares of the relevant tranche shall be consolidated or sub-divided (as the Directors consider appropriate) and converted into new Shares at the C Share Conversion Time in accordance with the provisions of these Articles.
- 4.8 Until C Share Conversion and without prejudice to its obligations under the Law, the Company shall in relation to each tranche of C Shares:
- 4.8.1 procure that the Company's records and bank accounts shall be operated so that the assets attributable to the C Shares of the relevant tranche can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall procure that separate cash accounts, broker settlement accounts and investment ledger accounts be created and maintained for the assets attributable to the C Shares of the relevant tranche;

- 4.8.2 allocate to the assets attributable to the C Shares of the relevant tranche such proportion of the income, expenses and liabilities of the Company incurred or accrued between the Issue Date and the C Share Calculation Time (both inclusive) as the Directors fairly consider to be attributable to the C Shares of the relevant tranche; and
  - 4.8.3 give appropriate instructions to the Manager to manage the Company's assets so that such undertakings can be complied with by the Company.
- 4.9 The Directors shall procure that within 30 business days of the C Share Calculation Time:
- 4.9.1 the C Share Conversion Ratio as at the C Share Calculation Time and the number of new Shares to which each holder of C Shares of that tranche shall be entitled on C Share Conversion shall be calculated; and
  - 4.9.2 the Auditors shall be requested to review whether such calculations have been performed in accordance with these Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of Shares and C Shares subject to the provisions immediately following the definition of H for the purposes of the C Share Conversion Ratio.
- 4.10 The Directors shall procure that as soon as practicable following such review and in any event within 30 business days of the C Share Calculation Time an announcement is made to a regulatory information service advising holders of C Shares of that tranche of the C Share Conversion Time and the C Share Conversion Ratio.
- 4.11 A C Share Conversion shall take place at the C Share Conversion Time and on conversion, each issued C Shares of the relevant tranche shall automatically convert (by sub-division and/or consolidation or otherwise as appropriate) into such number of new Shares of the same class as the Correspondent Shares as equals the aggregate number of C Shares of the relevant tranche in issue at the C Share Calculation Time multiplied by the C Share Conversion Ratio (rounded down to the nearest whole new Share). Share certificates will not be issued in respect of the sub-divided C Shares.
- 4.12 The new Shares arising upon a C Share Conversion shall be divided amongst the former C Shareholders *pro rata* according to their respective former holdings of C Shares of the relevant tranche (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to new Shares including, without prejudice to the generality of the foregoing, selling any such Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company) and for such purposes any Director is authorised as agent on behalf of the former C Shareholders, in the case of a Share in certificated form, to execute any stock transfer form and to do any other act or thing as may be required to give effect to the same including, in the case of a share in uncertificated form,

the giving of directions to or on behalf of the former C Shareholders who shall be bound by them.

- 4.13 Forthwith upon a C Share Conversion, any share certificates relating to the C Shares of the relevant tranche shall be cancelled and the Company shall issue to each such former C Shareholder new certificates in respect of the new Shares which have arisen upon the C Share Conversion unless such former C Shareholder elects (or is deemed to have elected) to hold their new Shares in uncertificated form and the Company will use its reasonable endeavours to procure that the new Shares are admitted to the Official List of the Irish Stock Exchange, and/or London Stock Exchange and/or such other recognised stock exchange as the Directors may determine from time to time.
- 4.14 Until C Share Conversion the consent of the holders of the C Shares as a class shall be required to approve:
- 4.14.1 any alteration to the Memorandum of Incorporation or the Articles of Incorporation of the Company; or
- 4.14.2 the passing of any resolution to wind up the Company.
- 4.15 Notwithstanding the provisions of Articles 17 (Votes), 29 (Dividends) and 35 (Winding Up):
- 4.15.1 the holders of any tranche of C Shares will be entitled to receive such dividends as the Directors may resolve to pay to such holders out of the assets attributable to such holders;
- 4.15.2 the Shares shall confer the rights to all other dividends declared in accordance with these Articles;
- 4.15.3 the new Shares shall rank *pari passu* with all other Correspondent Shares of the same class for dividends and other distributions declared, made or paid by reference to a record date falling after the relevant C Share Calculation Time save that, in relation to any tranche of C Shares, the Directors may determine, as part of the terms of issue of such tranche, that the new Shares arising on the C Share Conversion of such tranche will not rank for any dividend declared by reference to a record date falling on or before the C Share Conversion Time;
- 4.15.4 no dividend or other distribution shall be made or paid by the Company on any of its Shares between the C Share Calculation Time and the C Share Conversion Time (both dates inclusive) and no dividend shall be declared with a record date falling between the C Share Calculation Time and the C Share Conversion Time (both dates inclusive);
- 4.15.5 the capital and assets of the Company shall on a winding up or on a return of capital

(other than by way of purchase of own Shares by the Company) prior, in each case, to C Share Conversion be applied as follows:

- (a) the Correspondent Share Surplus shall be divided amongst the Correspondent Shareholders *pro rata* according to their holdings of Correspondent Shares as if the Correspondent Share Surplus comprised the assets of the Company available for distribution; and
- (b) the C Share Surplus attributable to each tranche of C Shares shall be divided amongst the C Shareholders of such tranche *pro rata* according to their holdings of C Shares of that tranche.

- 4.15.6 the capital and assets of the Company shall on a winding up or on a return of capital after C Share Conversion be divided amongst the Shareholders on the basis of the capital attributable to the respective classes of Shares at the date of winding up or other return of capital and amongst the members of a particular class *pro rata* according to their holdings of Shares of that class;
- 4.15.7 except as provided in this Article 4, the C Shares shall not carry any right to attend or vote at any General Meeting of the Company; and
- 4.15.8 the C Shares shall be transferable in the same manner as the Correspondent Shares.
- 4.16 The Company may issue fractions of Shares and any such fractional Shares shall rank *pari passu* in all respects with the other Shares issued by the Company.
- 4.17 The Company may from time to time, subject to the provisions of the Laws purchase its own shares (including any redeemable shares) in any manner authorised by the Laws and may hold any such shares as treasury shares provided that the number of shares of any class held as treasury shares shall not at any time exceed ten per cent of the shares of that class in issue at that time.
- 4.18 The Company may give financial assistance, as defined by the Companies Law, directly or indirectly for the purposes of or in connection with the acquisition of its Shares, as defined in the Companies Law.
- 4.19 The Company may issue shares which do not entitle the holder to voting rights in any general meeting or entitle the holder to restricted voting rights in any general meeting.
- 4.20 If an initial offer of Shares is made pursuant to a prospectus or similar document, the minimum subscription upon which the Directors may proceed to allot shall be 2 Shares or such other amount as the Directors may, in their absolute discretion, determine.
- 4.21 Whenever the capital of the Company is divided into different classes of Shares the rights

attached to any class may (subject to the terms of issue of the Shares of that class) be varied or abrogated (including, without prejudice to the generality of the foregoing, the conversion of preference shares into redeemable preference shares), either whilst the Company is a going concern or during or in contemplation of a winding up:

- 4.21.1 with the consent in writing of the holders of three-fourths of the issued shares of that class; or
  - 4.21.2 with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- 4.22 All the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply to every such separate meeting except that the necessary quorum shall be two persons holding or representing by proxy at least one-third of the issued shares of the class provided that if any such meeting is adjourned for lack of a quorum, the quorum at the reconvened meeting shall be those holders of Shares of the class present in person or by proxy.
- 4.23 The special rights conferred upon the holders of any Shares or class of Shares issued with preferred, deferred or other rights shall (unless otherwise expressly provided by the conditions of issue of such shares) not be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith or by the exercise of any power under the disclosure provisions requiring Shareholders to disclose an interest in the Company's shares pursuant to Article 6.
- 4.24 Subject to the provisions of these Articles, the unissued Shares shall be at the disposal of the Directors and they may allot, grant options over or otherwise dispose of them to such persons, at such times and generally on such terms and conditions as they determine. Without limiting this Article 4.24, the Directors may designate the unissued Shares upon issue as Shares or C Shares or such other class or classes of Shares or as shares with special or other rights as the Directors may then determine. Without prejudice to the authority conferred on the Directors pursuant to this Article, the Directors are generally and unconditionally authorised to exercise all powers of the Company to allot, grant rights to subscribe for, or to convert any securities into, an unlimited number of shares of each class in the Company, which authority shall expire on the date which is five years from the date of incorporation of the Company (unless previously renewed, revoked or varied by the Company in general meeting) save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted after such expiry and the Directors may allot shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.
- 4.25 The Company may on any issue of Shares pay such commission as may be fixed by the Directors and disclosed in accordance with the Law. Subject to the provisions of the Law

any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

- 4.26 Any shares in the capital of the Company may be issued in payment or part payment of the purchase consideration for any property purchased by the Company or in consideration of any services rendered or to be rendered to this Company by any person or company in assisting this Company to carry out any of its objects and for shares so issued no money payment shall be made or required, save in so far as by the terms or provisions under which any of such shares may respectively be issued, a cash payment therefore may be required.

## 5. **COMPANY NOT OBLIGED TO RECOGNISE ANY TRUST**

- 5.1 Except as required by law, no person shall be recognised by the Company as holding any share upon any interest and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise (even when having notice thereof) any interest other than an absolute right of the registered holder to the entirety of a share or fraction thereof.

## 6. **POWER TO REQUIRE DISCLOSURE OF BENEFICIAL INTEREST**

- 6.1 The Company may, by notice in writing (a "**Disclosure Notice**") require a person whom the Company knows or has reasonable cause to be or, at any time during the 3 years immediately preceding the date on which the Disclosure Notice is issued, to have been interested in any Shares:

6.1.1 to confirm that fact or (as the case may be) to indicate whether or not it is the case; and

6.1.2 where he holds or has during that time held an interest in any Shares, to give such further information as may be required in accordance with Article 6.2.

- 6.2 A Disclosure Notice may require the person to whom it is addressed:

6.2.1 to give particulars of his own past or present interest in any Shares (held by him at any time during the 3 year period specified in Article 6.1);

6.2.2 to disclose the identity of any other person who has a present interest in the Shares held by him;

6.2.3 where the interest is a present interest and any other interest in any Shares subsisted during that 3 year period at any time when his own interest subsisted, to give (so far as is within his knowledge) such particulars with respect to that other interest as may be required by the Disclosure Notice; and

- 6.2.4 where his interest is a past interest to give (so far as is within his knowledge) particulars of the identity of the person who held that interest immediately upon his ceasing to hold it.
- 6.3 Any Disclosure Notice shall require any information in response to such notice to be given within the prescribed period (which is 28 days after service of the notice or 14 days if the Shares concerned represent 0.25 per cent. or more in nominal value of the issued shares of the relevant class) or such other reasonable period as the Directors may determine.
- 6.4 The Directors may be required to exercise their powers under Article 6.1 on the requisition of members holding not less than one tenth of the issued Shares in the capital of the Company.
- 6.5 If any member is in default in supplying to the Company the information required by the Company within the prescribed period or such other reasonable period as the Directors determine, the Directors in their absolute discretion may serve a direction notice on the member. The direction notice may direct that in respect of the Shares in respect of which the default has occurred (the "**default shares**") the member shall not be entitled to vote in general meetings or class meetings. Where the default shares represent at least 0.25 per cent. of the class of Shares concerned the direction notice may additionally direct that dividends on such Shares will be retained by the Company (without interest) and that no transfer of the Shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified.

## 7. **CERTIFICATES**

- 7.1 Subject to the Laws, the Board may issue shares as certificated shares or as uncertificated shares in its absolute discretion.
- 7.2 Subject to Article 7.1, the Company shall issue:
- 7.2.1 without payment one certificate to each person for all his Shares of each class and when part only of the Shares comprised in a certificate is sold or transferred a balance certificate; or
- 7.2.2 upon payment of such sum as the Board may determine several certificates each for one or more Shares of any class.
- 7.3 Any certificate issued shall specify the Shares to which it relates and the amount paid up and the distinguishing numbers (if any).
- 7.4 All forms of certificate for Shares or debentures or representing any other form of security (other than letters of allotment, scrip certificates and other like documents) may if determined by the Board be issued under the Seal of the Company and shall be signed autographically unless there shall be in force a resolution of the Board adopting some method of mechanical

signature in which event the signatures (if authorised by such resolution) may be effected by the method so adopted.

- 7.5 Shares of any class may be traded through an electronic settlement system and held in uncertificated form in accordance with such arrangements as may from time to time be permitted by any statute, regulation, order, instrument or rule in force affecting the Company. Amendments to these Articles which may be necessary or expedient for this purpose may be made by special resolution but will not be deemed to vary the rights of any class of Shares.
- 7.6 The Company shall not be bound to register more than 4 persons as the joint holders of any share or shares.
- 7.7 If a share certificate is issued and is defaced lost or destroyed it may be replaced or renewed without charge (other than exceptional out of pocket expenses) on such terms (if any) as to evidence and indemnity as the Board thinks fit.

## 8. **ERISA LIMITATIONS**

No ERISA Plan Investor may acquire shares without the Company's prior written consent (which consent may be withheld in the Company's sole and absolute discretion). Shares held by or on behalf of ERISA Plan Investors are subject to the provisions requiring a compulsory transfer of shares in Article 12.24.

## 9. **LIEN**

- 9.1 The Company shall have a first and paramount lien (extending to all dividends payable) on all Shares (not being fully paid) for all moneys whether presently payable or not called or payable at a fixed time in respect of those Shares and for all the debts and liabilities of the holder to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person (other than such holder) and whether the time for payment or discharge shall have arrived or not and notwithstanding that the same are joint debts or liabilities of such holder and any other person (whether a member of the Company or not).
- 9.2 For the purpose of enforcing such lien the Company may sell, in such manner as the Directors think fit, any Shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been served on the holder for the time being of the Shares or the person entitled by reason of his death or bankruptcy to the Shares. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer to the purchaser thereof the Shares so sold.
- 9.3 The net proceeds of such sale, after payment of the costs of such sale, shall be applied in or

towards payment or satisfaction of the debt or liability in respect whereof the lien exists, so far as the same is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the Shares prior to the sale) be paid to the person entitled to the Shares at the time of the sale. The purchaser shall be registered as the holder of the Shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in relation to the sale.

## 10. **CALLS ON SHARES**

- 10.1 The Board may at any time make calls upon the members in respect of any moneys unpaid on their Shares (to the extent relevant, whether on account of the nominal value or by way of premium and not by the conditions of allotment made payable at fixed times) and each member shall pay to the Company at the time and place appointed the amount called. A call may be revoked or postponed.
- 10.2 Joint holders shall be jointly and severally liable to pay calls.
- 10.3 If a sum called in respect of a Share is not paid before or on the day appointed the person from whom the sum is due shall pay interest from the day appointed to the time of actual payment at such rate as the Board may determine.
- 10.4 Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 10.5 Directors may, if they think fit, receive from any member willing to advance the same all or any part of the money uncalled and unpaid upon the Shares held by him beyond the sums actually called up thereon as payment in advance of calls, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the Shares in respect of which it is advanced, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which it has been received, the Company may (until the same would, but for such advance, become presently payable) pay interest at such rate as the member paying such sum and the Directors agree upon provided that any amount paid up in advance of calls shall not entitle the holder of the Shares upon which such amount is paid to participate in respect thereof in any dividend until the same would but for such advance become presently payable.
- 10.6 The Board may on an issue of Shares differentiate between holders as to amount of calls and times of payment.

## 11. FORFEITURE AND SURRENDER OF SHARES

- 11.1 If a member fails to pay any call or instalment on the day appointed the Board may at any time during such period as any part remains unpaid serve notice requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and any expenses which may have been incurred by the Company by reason of non-payment.
- 11.2 The notice shall state a further day on or before which the payment required by the notice is to be made and the place where the payment is to be made and that in the event of non-payment the Shares in respect of which the call was made or instalment is payable will be liable to be forfeited. If the requirements of any such notice are not complied with any share in respect of which the notice has been given may at any time before payment has been made be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture.
- 11.3 Notice of forfeiture shall forthwith be given to the former holder and an entry of such notice and forfeiture shall forthwith be made and dated in the Register opposite the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give notice or to make entry.
- 11.4 A forfeited share shall be deemed to be the property of the Company and may be sold re-allotted or otherwise disposed of on such terms as the Board shall think fit with or without all or any part of the amount previously paid on the share being credited as paid and at any time before a sale or disposition the forfeiture may be cancelled.
- 11.5 A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, but shall notwithstanding the forfeiture remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the Shares with interest thereon from the date of forfeiture until payment at such rate as the Directors may determine and the Directors may enforce payment without any allowance for the value of the Shares at the time of forfeiture.
- 11.6 The Board may accept from any member on such terms as shall be agreed a surrender of any Shares in respect of which there is a liability for calls. Any surrendered Share may be disposed of in the same manner as a forfeited share.
- 11.7 A declaration in writing by a Director or the Secretary that a Share has been duly forfeited or surrendered on the date stated in the declaration shall be conclusive evidence of the facts therein as against all persons claiming to be entitled to the Shares.
- 11.8 The Company may receive the consideration given for any Share on any sale or disposition and may execute a transfer of the Share in favour of the person to whom the same is sold or disposed of and he shall thereupon be registered as the holder and shall not be bound to see to the application of the purchase money nor shall his title be affected by any irregularity or

invalidity in forfeiture sale re-allotment or disposal.

## 12. **TRANSFER AND TRANSMISSION OF SHARES**

12.1 The Directors shall have power to implement such arrangements as they may, in their absolute discretion, think fit in order for any class of Shares to be admitted to settlement by means of the CREST UK system. Where they do so, Articles 12.2 and 12.3 shall commence to have effect immediately prior to the time at which CRESTCo admits the class to settlement by means of the CREST UK system.

12.2 In relation to any class of Shares which, for the time being, CRESTCo has admitted to settlement by means of the CREST UK system, and for so long as such class remains so admitted, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with:

12.2.1 the holding of Shares of that class in uncertificated form;

12.2.2 the transfer of title to Shares of that class by means of the CREST UK system; or

12.2.3 the CREST Guernsey Requirements.

12.3 Without prejudice to the generality of Article 12.2 and notwithstanding anything contained in these Articles where any class of Shares is, for the time being, admitted to settlement by means of the CREST UK system:

12.3.1 such securities may be issued in uncertificated form in accordance with and subject as provided in the CREST Guernsey Requirements;

12.3.2 unless the Directors otherwise determine, such securities held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings;

12.3.3 such securities may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the CREST Guernsey Requirements;

12.3.4 title to such of the Shares as are recorded on the register as being held in uncertificated form may be transferred only by means of the CREST UK system and as provided in the CREST Guernsey Requirements and accordingly (and in particular) no provision of these Articles shall apply in respect of such Shares to the extent that those Articles require or contemplate the effecting of a transfer by an instrument in writing and the production of a certificate for the security to be transferred;

12.3.5 the Company shall comply in all respects with the CREST Guernsey Requirements

including, without limitation, CREST Rules 21 and 22;

12.3.6 no provision of these Articles shall apply so as to require the Company to issue a certificate to any person holding such Shares in uncertificated form;

12.3.7 the permitted number of joint holders of a Share shall be four;

12.3.8 every transfer of Shares from a CREST account of a CREST member to a CREST account of another CREST member shall vest in the transferee a beneficial interest in the Shares transferred, notwithstanding any agreements or arrangements to the contrary however and whenever arising and however expressed. Accordingly, each CREST member who is for the time being registered as the holder of any Shares in the Company shall hold such Shares upon trust for himself and for those persons (if any) whose CREST accounts are duly credited with any such Shares or in favour of whom Shares are to be withdrawn from CRESTCo pursuant to a settled stock withdrawal instruction; and the member and all such persons, to the extent respectively of the Shares duly credited to their respective CREST accounts or the subject of a settled stock withdrawal instruction, shall accordingly have beneficial interests therein.

12.4 Where a Dematerialised Instruction is expressed to have been sent on behalf of a person by a Sponsor or by CRESTCo:

12.4.1 the person on whose behalf the instruction is expressed to have been sent shall not be able to deny to the addressee:

(a) that the instruction was sent with his authority; or

(b) that the information contained in it is correct; and

12.4.2 the Sponsor or CRESTCo, as the case may be, shall not be able to deny to the addressee:

(a) that he has authority to send the Dematerialised Instruction; or

(b) that he has sent the Dematerialised Instruction.

12.5 Where a Dematerialised Instruction is expressed to have been sent by a person, and it is not expressed to have been sent on behalf of another person, the first person shall not be allowed to deny to the addressee:

12.5.1 that the information contained in the instruction is correct; or

12.5.2 that he has sent it.

- 12.6 An addressee who receives a Dematerialised Instruction (whether directly, or by means of the facilities of a Sponsor acting on his behalf) may (subject to Articles 12.7 and 12.8) accept that at the time when it was sent:
- 12.6.1 the information contained in the instruction was correct;
  - 12.6.2 the user or authorised operator identified in the instruction as having sent the instruction did send it; and
  - 12.6.3 if the instruction was expressed to have been sent on behalf of a person, it was sent with the authority of that person.
- 12.7 An addressee shall not be allowed to accept any of the matters specified in Article 12.6 where, at the time when he received the Dematerialised Instruction, he was a person who was not either the Company or a Sponsor receiving (in either case) Dematerialised Instructions on behalf of the Company, and he had actual notice:
- 12.7.1 that any information contained in it was incorrect;
  - 12.7.2 that the user or CRESTCo expressed to have sent the instruction did not send it; or
  - 12.7.3 if the instruction was expressed to have been sent on behalf of a person, that the person had not given to CRESTCo or the Sponsor identified in the instruction as having sent it his authority to send the instruction on his behalf.
- 12.8 An addressee shall not be allowed to accept any of the matters specified in Article 12.6 where, at the time when he received the Dematerialised Instruction, he was either the Company or a Sponsor receiving Dematerialised Instructions on behalf of the Company, and:
- 12.8.1 he had actual notice from CRESTCo of any of the matters specified in Article 12.7; and
  - 12.8.2 the instruction was an instruction from CRESTCo requiring the registration of title in the circumstances specified in any of sub-paragraphs 8.1.1, 8.1.2, 8.1.3 and 8.1.4 of the CREST Guernsey Requirements.
- 12.9 However, where an addressee has received actual notice of a kind to which this Article refers in respect of a properly authenticated Dematerialised Instruction, he may accept the matters specified in Article 11.7 if at the time when he received the actual notice it was not practicable for him to halt his processing of the instruction.
- 12.10 A person who is permitted by Articles 12.6 or 12.9 to accept any matter shall not be liable in damages or otherwise to any person by reason of his having relied on the matter that he was permitted to accept.

- 12.11 Except as provided in Article 12.10, this Article does not affect any liability of a person for causing or permitting a Dematerialised Instruction:
- 12.11.1 to be sent without authority;
  - 12.11.2 to contain information that is incorrect; or
  - 12.11.3 to be expressed to have been sent by a person who did not send it.
- 12.12 Articles 11.9 to 11.11 are to be construed in accordance with the CREST Manual.
- 12.13 Words and expressions not specifically defined in Articles 12.1 and 12.2 shall bear the same meaning as those words and expressions defined in the CREST Manual.
- 12.14 Subject to such of the restrictions of these Articles as may be applicable:
- 12.14.1 any member may transfer all or any of his uncertificated Shares by means of a relevant system authorised by the Board in such manner provided for, and subject as provided, in any regulations issued for this purpose under the Laws or such as may otherwise from time to time be adopted by the Board on behalf of the Company and the rules of any relevant system and accordingly no provision of these Articles shall apply in respect of an uncertificated Share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the Shares to be transferred;
  - 12.14.2 any member may transfer all or any of his certificated Shares by an instrument of transfer in any usual form or in any other form which the Board may approve; and
  - 12.14.3 an instrument of transfer of a certificated Share shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. An instrument of transfer of a certificated Share need not be under seal.
- 12.15 Every instrument of transfer of a certificated Share shall be left at the Office or such other place as the Board may prescribe with the certificate of every share to be transferred and such other evidence as the Board may reasonably require to prove the title of the transferor or his right to transfer the Shares; and the transfer and certificate (if any) shall remain in the custody of the Board but shall be at all reasonable times produced at the request and expense of the transferor or transferee or their respective representatives. A new certificate shall be delivered free of charge to the transferee after the transfer is completed and registered on his application and when necessary a balance certificate shall be delivered if required by him in writing.
- 12.16 The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any share in certificated form or uncertificated form (subject to Article 12.17

below) which is not fully paid or on which the Company has a lien (not being fully paid), provided, in the case of a listed share that this would not prevent dealings in the share from taking place on an open and proper basis on the Irish Stock Exchange and/or the London Stock Exchange and/or such other recognised stock exchange as the Shares may be listed on from time to time. In addition, and subject to Article 12.17 below, the Directors may refuse to register a transfer of certificated Shares which is prohibited by Article 6.5 and may also refuse to register a transfer of Shares unless:

12.16.1 it is in respect of only one class of Shares;

12.16.2 it is in favour of a single transferee or not more than four joint transferees;

12.16.3 it is delivered for registration to the Company's Office or such other place as the Board may decide, accompanied by the certificate for the Shares to which it relates and such other evidence as the Board may reasonably require to prove title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so; and

12.16.4 the transfer is not in favour of any Non-Qualified Holder.

12.17 The Board may only decline to register a transfer of an uncertificated share in the circumstances set out in regulations issued for this purpose under the Laws (if any) or such as may otherwise from time to time be adopted by the Board on behalf of the Company and the rules of any relevant system, and where, in the case of a transfer, to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

12.18 If the Board refuses to register the transfer of a share it shall, within 2 months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee.

12.19 Subject to the Laws and the requirements of the Irish Stock Exchange and/or the London Stock Exchange and/or such other recognised stock exchange as the Shares may be listed on from time to time the Register may be closed (including for the registration of transfers) at such times and for such periods (not exceeding 30 days in any one year) as the Board may decide and either generally or in respect of a particular class of Share, but the Register shall remain available for inspection as provided in the Companies Law.

12.20 No fee shall be payable to the Company in respect of the registration of any transfer, probate, letters of administration, certificate or marriage or death, power of attorney, instruction or other document relating to or affecting the title to any Shares.

12.21 The Company shall keep the Register in accordance with the Laws. The Register may be closed during such periods as the Board think fit not exceeding in all 30 days in any year.

- 12.22 On the death of a member the survivors where the deceased was a joint holder and the executors or administrator of the deceased where he was a sole holder shall be the only persons recognised by the Company as having any title to or interest in his Shares; but nothing herein shall release the estate of a deceased joint holder from any liability in respect of any Share jointly held.
- 12.23 A person so becoming entitled to a Share in consequence of the death, bankruptcy or incapacity of a member shall have the right to receive and may give a discharge for all dividends and other money payable or other advantages due on or in respect of the Share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company, or save as aforesaid, to any of the rights or privileges of a member unless and until he shall be registered as a member in respect of the Share PROVIDED ALWAYS that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the Share and if the notice is not complied with within 90 days the Board may thereafter withhold all dividends or other monies payable or other advantages due in respect of the share until the requirements of the notice have been complied with.
- 12.24 If it shall come to the notice of the Directors that any shares are owned directly or beneficially by any Non-Qualified Holder, the Directors may give notice to such person requiring him (i) to provide the Directors within thirty days with sufficient satisfactory documentary evidence to satisfy the Directors that such person (as applicable) is not an ERISA Plan Investor or shall not cause the Company to be classified as an investment company under the United States Investment Company Act of 1940 or (ii) to sell or transfer his ordinary shares to a person qualified to own the same within thirty days and within such thirty days to provide the Directors with satisfactory evidence of such sale or transfer. If any person upon whom such a notice is served pursuant to this sub-paragraph does not within thirty days after such notice transfer his ordinary shares to a person qualified to own the same or establish to the satisfaction of the Directors (whose judgment shall be final and binding) that he is qualified and entitled to own the ordinary shares he shall be deemed upon the expiration of such thirty days to have forfeited his ordinary shares and the Directors shall be empowered at their discretion to follow the procedure pursuant to Article 11.

### 13. **ALTERATION OF CAPITAL**

- 13.1 The Company at any time may by ordinary resolution resolve to raise share capital of such amount to be divided into shares of such nominal value as the resolution shall prescribe.
- 13.2 The Company may by ordinary resolution:
- 13.2.1 increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe;
- 13.2.2 consolidate, or consolidate and then divide, all or any of its share capital into shares

of larger amount than its existing shares;

13.2.3 sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that as between the shares resulting from the sub-division any of them may be given any preferred, deferred or other rights or be subject to any restrictions as the Company has power to attach to unissued or new shares as compared with the others; and

13.2.4 cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

13.3 Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the Directors may, in their absolute discretion, deal with such fractions as they think fit (which shall include, without limitation, the sale of such fractions).

#### 14. **GENERAL MEETINGS**

14.1 The first general meeting (being an annual general meeting) of the Company shall be held within such time as may be required by the Laws and thereafter general meetings (which are annual general meetings) shall be held once at least in each subsequent calendar year. All general meetings (other than annual general meetings) shall be called extraordinary general meetings. General meetings shall be held in Guernsey.

14.2 A member participating by video link or telephone conference call or other electronic or telephonic means of communication in a meeting shall be treated as forming part of the quorum of that meeting provided that the members present at the meeting can hear and speak to the participating member.

14.3 A video link or telephone conference call or other electronic or telephonic means of communication in which a quorum of members participates and all participants can hear and speak to each other shall be a valid meeting which shall be deemed to take place where the Chairman is present unless the members resolve otherwise.

14.4 Any general meeting convened by the Board unless its time shall have been fixed by the Company in general meeting or unless convened in pursuance of a requisition may be postponed by the Board by notice in writing and the meeting shall subject to any further postponement or adjournment be held at the postponed date for the purpose of transacting the business covered by the original notice.

14.5 The Board may whenever it thinks fit and shall on the requisition in writing of one or more holders representing not less than one-tenth of the issued share capital of the Company upon which all calls or other sums then due have been paid forthwith proceed to convene an extraordinary general meeting.

- 14.6 The requisition shall be dated and shall state the object of the meeting and shall be signed by the requisitionists and deposited at the registered office and may consist of several documents in like form each signed by one or more of the requisitionists.
- 14.7 If the Board does not proceed to cause a meeting to be held within 21 days from the date of the requisition being so deposited the requisitionists or a majority of them in value may themselves convene the meeting.
- 14.8 Any meeting convened by requisitionists shall be convened in the same manner (as nearly as possible) as that in which meetings are convened by the Board.

## 15. **NOTICE OF GENERAL MEETINGS**

- 15.1 Not less than 14 days' notice specifying the time and place of any general meeting and specifying also in the case of any special business the general nature of the business to be transacted (and, in the case of any proposed special resolutions, waiver resolutions or unanimous resolutions, the text of the proposed resolution and notice of the fact that the resolution proposed is proposed as a special resolution, waiver resolution or unanimous resolution as the case may be) shall be given by notice sent by post by the Secretary or other officer of the Company or any other person appointed in that behalf by the Board to such members as are entitled to receive notices provided that with the consent in writing of all the members entitled to receive notices of such meeting a meeting may be convened by a shorter notice or at no notice and in any manner they think fit. In every notice there shall appear a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not be a member.
- 15.2 The accidental omission to give notice of any meeting to or the non-receipt of such notice by any member shall not invalidate any resolution (or any proposed resolution otherwise duly approved) passed or proceeding at any meeting.

## 16. **PROCEEDINGS AT GENERAL MEETINGS**

- 16.1 The ordinary business of a general meeting shall be to receive and consider the profit and loss account and the balance sheet of the Company and the reports of the Directors and the Auditors to elect Directors and appoint Auditors in the place of those retiring to fix the remuneration of the Directors and Auditors to sanction or declare dividends and to transact any other ordinary business which ought to be transacted at such meeting. All other business shall be deemed special and shall be subject to notice as hereinbefore provided.
- 16.2 The quorum for a general meeting shall be 2 members present in person or by proxy.
- 16.3 If within five minutes from the time appointed for the meeting a quorum is not present the meeting if convened by or upon a requisition shall be dissolved. If otherwise convened it shall stand adjourned for 7 days at the same time and place or to such other day and at such

other time and place as the Board may determine and (subject to Article 16.5) no notice of adjournment need be given. On the resumption of an adjourned meeting, those members present in person or by proxy shall constitute the quorum.

16.4 The Chairman (if any) or, if absent, the Deputy Chairman (if any) of the Board or, failing him, some other Director nominated by the Directors shall preside as Chairman at every general meeting of the Company, but if at any meeting none of the Chairman nor the Deputy Chairman nor such other Director be present within fifteen minutes after the time appointed for holding the meeting, or if none of them be willing to act as Chairman, the Directors present shall choose some Director present to be Chairman, or if no Directors be present, or if all the Directors present decline to take the chair the members present shall choose some member present to be Chairman.

16.5 The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting at any time and to any place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

16.6 At any meeting a resolution put to the vote shall be decided by a show of hands or by a poll at the option of the Chairman. Nevertheless before or on the declaration of the result a poll may be demanded:

16.6.1 by the Chairman; or

16.6.2 by one member present in person or by proxy provided he represents at least one-tenth of the subscribed capital; or

16.6.3 by 2 members present in person or by proxy.

The demand for a poll may be withdrawn.

16.7 Unless a poll be demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded.

16.8 A poll if demanded shall be taken at the meeting at which the same is demanded or at such other time and place as the Chairman shall direct and the result shall be deemed the resolution of the meeting.

16.9 If a poll is duly demanded, it shall be taken in such manner and at such place as the Chairman

may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may, in the event of a poll appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

16.10 A poll demanded on the election of a Chairman and a poll demanded on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman directs not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded.

16.11 In case of an equality of votes on a poll the Chairman shall have a second or casting vote.

## 17. **VOTES OF MEMBERS**

17.1 Subject to Article 36 and any special rights or restrictions for the time being attached to any class of Share:

17.1.1 On a show of hands every member present in person or by proxy shall have one vote for each Share held by him; and

17.1.2 On a poll every member present in person or by proxy shall have one vote for each share held by him.

17.2 Where there are joint registered holders of any share such persons shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the Register shall alone be entitled to vote.

17.3 Any member being incapable or of unsound mind may vote by his curator or other legal guardian. Any of such persons may vote either personally or by proxy.

17.4 On a poll votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A proxy need not be a member. An instrument of proxy may be valid for one or more meetings.

17.5 No member shall be entitled to be present or take part in any proceedings or vote either personally or by proxy at any meeting unless all calls due from him have been paid. No member shall be entitled to vote in respect of any Shares unless he has been registered as their holder.

17.6 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed shall be valid for all purposes. Any objection made in due time shall be referred to the Chairman whose decision shall be final and binding.

- 17.7 Subject to the provisions of the Companies Law, the instrument appointing a proxy shall be in any common form or in such other form as the Directors may approve and (i) if in writing but not sent in electronic form, made under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation under its common seal or under the hand of an officer or attorney duly authorised in that behalf, or (ii) if sent in electronic form, submitted by or on behalf of the appointor and authenticated.
- 17.8 The appointment of a proxy and the power of attorney or other authority (if any) under which it is authenticated, or a copy of such authority certified notarially or in some other way approved by the Directors, shall, (i) in the case of an instrument in writing (including, whether or not the appointment of proxy is in electronic form, any such power of attorney or other authority) be deposited at the Office, or at such other place or places as is specified in the notice convening the meeting or in any notice of any adjourned meeting or in any appointment of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or (ii) in the case of an appointment in electronic form, where an address has been specified for the purpose of receiving documents or information in electronic form (in the notice convening the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting or in any invitation in electronic form to appoint a proxy issued by the Company in relation to the meeting) be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote.
- 17.9 For the purposes of this Article 17, an uncertificated proxy instruction is a properly authenticated dematerialised instruction, and/or other instruction or notification, sent through a relevant system to a participant in that system chosen by the Directors to act for the Company. The uncertificated proxy instruction may be in any form and subject to any terms and conditions that the Directors deems appropriate, but always subject to the facilities and requirements of the relevant system.
- 17.10 The appointment of a proxy and the power of attorney or other authority (if any) under which it is authenticated, or a copy of such authority certified notarially or in some other way approved by the Directors, shall, (i) in the case of an instrument in writing (including, whether or not the appointment of proxy is in electronic form, any such power of attorney or other authority) be deposited at the Office, or at such other place or places as is specified in the notice convening the meeting or in any notice of any adjourned meeting or in any appointment of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or (ii) in the case of an appointment in electronic form, where an address has been specified for the purpose of receiving documents or information in electronic form (in the notice convening the meeting, or in any instrument of proxy sent out by the Company in relation to the meeting or in any invitation in electronic

form to appoint a proxy issued by the Company in relation to the meeting) be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote.

- 17.11 The instrument appointing a proxy may be in any form which the Board may approve and may include an instruction by the appointor to the proxy either to vote for or against any resolution to be put to the meeting.
- 17.12 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll and shall be as valid for any adjournment as for the meeting to which it relates.
- 17.13 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or disability of the principal or revocation of the proxy or of the authority under which the proxy was executed provided that no intimation in writing of such death disability or revocation shall have been received by the Company at the Office before the commencement of the meeting or adjournment or the taking of the poll at which the proxy is used.
- 17.14 Any corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company or to approve any resolution submitted in writing and the person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual member of the Company.
- 17.15 Anything that may, in accordance with the provisions of the Law, be done by resolution passed at a general meeting of the Company or at a meeting of the holders of any class of Shares in the Company may be done by resolution in writing signed by or on behalf of each member who, on the date when the resolution is passed would be entitled to vote on the resolution if it were proposed at a meeting.
- 17.16 The Directors may determine the manner in which resolutions shall be put to members pursuant to the terms of this Article and, without prejudice to their discretion, provision may be made in the form of any resolution in writing for each member to indicate how many of the votes which he would have been entitled to cast at a meeting to consider the resolution he wishes to cast in favour of such resolution, and how many against such resolution or to be treated as abstentions and the result of any such resolution in writing shall be determined upon the same basis as on a poll.

## 18. **NUMBER AND APPOINTMENT OF DIRECTORS**

- 18.1 The first Directors of the Company shall be appointed by the subscribers to the Memorandum. Unless such subscribers appoint a sole Director and until otherwise

determined by the Board the number of Directors shall be not less than two nor more than ten. At no time shall a majority of Directors be resident in the United Kingdom.

- 18.2 The Board shall have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors (provided that such Director has provided notice in writing of his consent and eligibility to act) but so that the total number of Directors shall not at any time exceed the number (if any) fixed pursuant to these Articles.
- 18.3 At each annual general meeting: (a) any Director who was elected or last re-elected a Director at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation; and (b) such further Directors (if any) shall retire by rotation as would bring the number retiring by rotation up to one-third of the number of Director in office at the date of the notice of the meeting (or, if their number is not a multiple of three, the number nearest to but not greater than one-third).
- 18.4 The Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who become or were last reappointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 18.5 No person other than a Director retiring at a general meeting shall unless recommended by the Directors be eligible for election by the Company to the office of Director unless not less than seven nor more than forty two clear days before the date appointed for the meeting there shall have been left at the Office notice in writing signed by a member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election together with notice in writing signed by that person of his willingness to be elected.
- 18.6 The Company at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by appointing a person thereto by ordinary resolution and in default the retiring Director shall, if willing to act, be deemed to have been re-appointed unless at such meeting it is expressly resolved not to fill the vacated office or a resolution for the re-appointment of such Director shall have been put to the meeting and lost. The Company at such meeting may also (subject to Article 18.2 hereof) fill up any other vacancies.
- 18.7 Without prejudice to the powers of the Board, the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director.
- 18.8 At a general meeting a motion for the appointment of two or more persons as Directors of the Company by a single resolution shall not be made unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

## 19. **QUALIFICATION AND REMUNERATION OF DIRECTORS**

- 19.1 A Director need not be a member of the Company. A Director who is not a member of the Company shall, nevertheless, be entitled to attend and speak at general meetings.
- 19.2 The Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine provided that the aggregate amount paid to Directors by way of fees shall not exceed £150,000 in any financial year, or such greater sum as may be determined from time to time by ordinary resolution of the Company. Any fees payable pursuant to these Articles shall be distinct from and shall not include any salary, remuneration for any executive office or other amounts payable to a Director pursuant to any other provisions of these Articles and shall accrue from day to day. The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors, including expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of Shares or of debentures of the Company. If by arrangement with the Board, any Director shall perform or render any special duties or services outside his ordinary duties as a Director, he may be paid such reasonable additional remuneration as the Board may determine.
- 19.3 The Directors shall also be entitled to be repaid all reasonable out of pocket expenses properly incurred by them in or with a view to the performance of their duties or in attending meetings of the Board or of committees or general meetings.
- 19.4 If any Director having been requested by the Board shall render or perform extra or special services or shall travel or go to or reside in any country not his usual place of residence for any business or purpose of the Company he shall be entitled to receive such sum as the Board may think fit for expenses and also such remuneration as the Board may think fit either as a fixed sum or as a percentage of profits or otherwise and such remuneration may as the Board shall determine be either in addition to or in substitution for any other remuneration which he may be entitled to receive.

## 20. **ALTERNATE DIRECTORS**

- 20.1 Any Director may by notice in writing under his hand served upon the Company appoint any person (whether a member of the Company or not) as an alternate Director (provided that such appointment is accompanied by a consent to act signed by such person and that such person is eligible to be a director of the Company under the Laws) to attend and vote in his place at any meeting of the Directors at which he is not personally present or to undertake and perform such duties and functions and to exercise such rights as he could personally and such appointment may be made generally or specifically or for any period or for any particular meeting and with and subject to any particular restrictions. Every such appointment shall be effective and the following provisions shall apply:

20.1.1 Every alternate Director while he holds office as such shall be entitled:

- 20.1.2 if his appointor so directs the Secretary to notice of meetings of the Directors; and
- 20.1.3 to attend and to exercise (subject to any restrictions) all the rights and privileges of his appointor at all such meetings at which his appointor is not personally present.
- 20.2 Every alternate Director shall *ipso facto* vacate office if and when his appointment expires by effluxion of time or his appointor vacates office as a Director or removes the alternate Director from office as such by notice in writing under his hand served upon the Company.
- 20.3 No alternate Director shall be entitled as such to receive any remuneration from the Company but every alternate Director shall be entitled to be paid all reasonable expenses incurred in the exercise of his duties.
- 20.4 A Director may act as alternate Director for another Director and shall be entitled to vote for such other Director as well as on his own account but no Director shall at any meeting be entitled to act as alternate Director for more than one other Director.

21. **BORROWING POWERS OF THE BOARD**

The Board may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking property or assets (present or future) and uncalled capital and, subject to the provision of the Laws, to issue debentures, loan stock and other securities whether outright or as collateral security for any guarantee, debt, liability or obligation of the Company or of any third party.

22. **OTHER POWERS AND DUTIES OF THE BOARD**

- 22.1 The business of the Company shall be managed by the Board who may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting subject nevertheless to these Articles and to the Laws and to such regulations as may be prescribed by the Company in general meeting but no regulation so made shall invalidate any prior act of the Board. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- 22.2 The Board may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary companies and the Board may on behalf of the Company make such arrangements as it thinks advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or subsidising any such subsidiary company or guaranteeing its contracts obligations or liabilities.
- 22.3 The Board may establish any local boards or agencies for managing any of the affairs of the Company and may appoint any one or more of its number or any other persons to be members of such local Boards or any managers or agents and may fix their remuneration and

may delegate to any local board manager or agent any of the powers authorities and discretions vested in the Board with power to sub-delegate and may authorise the members of any local board to fill any vacancies and to act notwithstanding vacancies and any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit and the Board may remove any person so appointed and may annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

- 22.4 The Board may at any time by power of attorney given under the hand of such person or persons duly authorised in that behalf appoint any person or any fluctuating body of persons whether nominated directly or indirectly by the Board to be the attorney of the Company for such purposes and with such powers and discretions and for such periods and subject to such conditions as the Board may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any attorney as the Board may think fit and may also authorise any attorney to sub-delegate all or any of his powers and discretions.
- 22.5 A Director who to his knowledge is in any way directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature of his interest at a meeting of the Board. In the case of a proposed contract such disclosure shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Board held after he became so interested. In a case where the Director becomes interested in a contract or arrangement after it is made disclosure shall be made at the first meeting of the Board held after the Director becomes so interested. For the purpose of the foregoing a general notice given to the Board by a Director to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm shall be deemed to be a sufficient disclosure of interest if either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is raised and read at the next meeting of the Board after it is given.
- 22.6 Subject to the provisions of the Law and provided that he has disclosed to the Directors the nature and extent of his interest, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any contract in which any Director is in any way interested be liable to be avoided nor shall any Director who is so interested be liable to account to the Company or the members for any remuneration, profit or other benefit realised by the contract. Subject to any agreement to the contrary between the Company and the Director, a Director:

- 22.6.1 may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested; and
- 22.6.2 may, unless otherwise agreed, retain any remuneration, profit or other benefit received by him as a director or officer of, or from his interest in, such other company.
- 22.7 A Director shall not vote on or be counted in the quorum in relation to any resolution of the Directors concerning his own appointment, or the settlement or variation of the terms or the termination of his appointment to any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment, or other settlement or variation of the terms or the termination of the appointment, of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in that case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own appointment, or the settlement or variation of the terms or the termination of his own appointment.
- 22.8 Save as otherwise provided in the Articles a Director may not vote (or be counted in the quorum) in respect of any resolution of the Directors or committee of the Directors concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him) is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company) but, in the absence of some other material interest than is mentioned below, this prohibition does not apply to a resolution concerning any of the following matters:
- 22.8.1 the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;
- 22.8.2 the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- 22.8.3 a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to, or may, participate;

- 22.8.4 a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including a member of the group) in which he (and any persons connected with him) is interested, directly or indirectly, and whether as an officer, shareholder, creditor or otherwise, if he, together with a person connected with him, does not to his knowledge hold an interest in Shares representing one per cent. or more of either a class of the equity share capital (or of any third party company through which his interest is derived) or of the voting rights in the relevant company;
- 22.8.5 any contract, arrangement, transaction or proposal relating to an arrangement for the benefit of the employees of the Company or its subsidiaries which does not award him any privilege or benefit not generally awarded to the employees to which such arrangement relates concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme under which he may benefit and which either has been approved by or is subject to and conditional on approval by the Board of Inland Revenue for taxation purposes or relates to both employees and Directors of the Company (or any of its subsidiaries) and does not accord to any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates; and
- 22.8.6 a contract, arrangement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.
- 22.9 A Director shall not otherwise than as described in Article 22.7 above be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 22.10 For the purposes of this Article a person shall be treated as being connected with a Director if that person is:
- 22.10.1 a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of the Director; or
- 22.10.2 an associated body corporate which is a company in which the Director alone, or with connected persons, is directly or indirectly beneficially interested in twenty per cent. or more of the nominal value of the equity share capital or is entitled (alone or with connected persons) to exercise or control the exercise of more than twenty per cent. of the voting power at general meetings; or
- 22.10.3 a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Director or persons falling within paragraphs (i) or (ii) above excluding trustees of an employees' share scheme or pension scheme; or

- 22.10.4 a partner (acting in that capacity) of the Director or persons in categories (i) to (iii) above.
- 22.11 Any Director may act by himself or his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 22.12 Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and any such Director shall not be accountable to the Company for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of any such company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to themselves as directors, managing directors, managers or other officers of such company) and any Director of the Company may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be or be about to be appointed a director, managing director, manager or other officer of such other company, and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.
- 22.13 All cheques promissory notes drafts bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed drawn accepted endorsed or otherwise executed in such manner as the Board shall at any time determine.
- 22.14 The Board shall cause minutes to be made in books provided for the purpose:
- 22.14.1 of all appointments of officers;
- 22.14.2 of the names of the Directors present at each meeting of the Board and of any committee;
- 22.14.3 of all resolutions and proceedings at meetings of the Company and meetings of the Board and of committees.
- Any such minutes if purporting to be signed by the Chairman of the meeting at which the proceedings took place, or by the Chairman of the next succeeding meeting, shall be evidence of their proceedings.
- 22.15 A Register of Directors' interests in Shares shall be kept at the Office and shall be open to the inspection of any member or holder of debentures of the Company between the hours of 10:00am and noon for a period beginning 14 days before and ending 3 days after the annual

general meeting. The said register shall also be produced at the commencement of each annual general meeting and shall remain open and accessible during the continuance of the meeting to any person attending the meeting.

## 23. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

23.1 The office of a Director shall *ipso facto* be vacated:

23.1.1 if he (not being a person holding for a fixed term an executive office subject to termination if he cease from any cause to be a Director) resigns his office by written notice signed by him sent to or deposited at the Office;

23.1.2 if he shall have absented himself (such absence not being absence with leave or by arrangement with the Board on the affairs of the Company) from meetings of the Board for a consecutive period of 12 months and the Board resolves that his office shall be vacated;

23.1.3 if he becomes of unsound mind or incapable;

23.1.4 if he becomes insolvent, suspends payment or compounds with his creditors;

23.1.5 if he is requested to resign by written notice signed by all his co-Directors;

23.1.6 if the Company in general meeting shall declare that he shall cease to be a Director;

23.1.7 if he becomes resident in the United Kingdom and, as a result thereof, a majority of the Directors are resident in the United Kingdom.

provided that there shall be no age limit for retirement.

23.2 If the Company in general meeting removes any Director before the expiration of his period of office it may by an ordinary resolution appoint another person to be a Director in his stead who shall retain his office so long only as the Director in whose stead he is appointed would have held the same if he had not been removed. Such removal shall be without prejudice to any claims such Director may have for damages for breach of any contract of service between him and the Company.

## 24. **PROCEEDINGS OF DIRECTORS**

24.1 The Board may meet for the despatch of business adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman at the meeting shall have a second or casting vote. All meetings of Directors shall take place outside of the United Kingdom and any decision reached or resolution passed by the Directors at any meeting held within the United Kingdom

or at which a majority of United Kingdom resident Directors is present shall be invalid and of no effect.

- 24.2 A video link or telephone conference call or other electronic or telephonic means of communication in which a quorum of Directors participates and all participants can hear and speak to each other shall be a valid meeting provided that no Directors physically present in the United Kingdom at the time of any such meeting may participate in a meeting by means of video link, telephone conference call or other electronic or telephonic means of communication unless a majority of the Directors participating are physically present outside the United Kingdom. For the avoidance of doubt, no Director physically present in the United Kingdom shall count in the quorum for any such meeting.
- 24.3 The Board shall also determine the notice necessary for its meetings and the persons to whom such notice shall be given.
- 24.4 A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Board.
- 24.5 The continuing Directors may act notwithstanding any vacancy but if and so long as their number is reduced below the minimum number fixed pursuant to these Articles the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting but for no other purpose. If there be no Directors able or willing to act then any holder may summon a general meeting for the purpose of appointing Directors.
- 24.6 The Board may elect one of their number as Chairman of their meetings and determine the period for which he is to hold office. If no such Chairman be elected or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same the Directors present may choose one of their number to be Chairman of the meeting.
- 24.7 The Board may delegate any of their powers to committees consisting of such one or more Directors as they think fit. Such Committees shall meet only outside the United Kingdom. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
- 24.8 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be 2 except that where the minimum number of Directors has been fixed at one a sole Director shall be deemed to form a quorum. For the purposes of this Article an alternate appointed by a Director shall be counted in a quorum at a meeting at which the Director appointing him is not present.
- 24.9 A resolution in writing signed by each Director (or his alternate) entitled to receive notice of a meeting of the Board or by all the members of a committee shall be as valid and effectual as a resolution passed at a meeting of the Board or committee. Such resolution may be

contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee and may be transmitted to the Company by facsimile. No such resolution shall be valid if a majority of the Directors sign the resolution in the United Kingdom.

**25. EXECUTIVE DIRECTOR**

25.1 The Board may at any time appoint one or more of their body (other than a Director resident in the United Kingdom) to be holder of any executive office including the office of Managing Director on such terms and for such periods as they may determine.

25.2 The appointment of any Director to any executive office shall be subject to termination if he ceases from any cause to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

25.3 The Board may entrust to and confer upon a Director holding any executive office any of the powers exercisable by the Board upon such terms and conditions and with such restrictions as it thinks fit either collaterally with or to the exclusion of their own powers and may at any time revoke withdraw alter or vary all or any of such powers.

**26. SECRETARY**

26.1 The Secretary shall be appointed by the Board. Anything required or authorised to be done by or to the Secretary, may, if the office is vacant or there is for any other reason no Secretary capable of acting be done by or to any Assistant or Deputy Secretary or if there is no Assistant or Deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors provided that any provisions of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

26.2 No person shall be appointed or hold office as Secretary who is:

26.2.1 the sole Director of the Company, or

26.2.2 a corporation the sole Director of which is the sole Director of the Company, or

26.2.3 the sole Director of a corporation which is the sole Director of the Company, or

26.2.4 ineligible to act as such under the Laws.

**27. THE SEAL**

If the Board determines to maintain a Seal they shall provide for the safe custody of the Seal which shall only be used by authority of the Board or of a committee and every instrument to

which the Seal shall be affixed shall be signed by any such persons as are authorised by the Board in that behalf. The Board may authorise the use of a duplicate or facsimile Seal for use outside Guernsey in such manner as the Board may at its discretion determine.

## 28. AUTHENTICATION OF DOCUMENTS

Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the Company (including the Memorandum and these Articles) and any resolutions passed by the Company or the Board and any books records documents and accounts relating to the business of the Company and to certify copies or extracts as true copies or extracts; and where any books records documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having their custody shall be deemed to be a person appointed by the Board as aforesaid.

## 29. DIVIDENDS AND DISTRIBUTIONS

- 29.1 Subject to the provisions of the Law, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members and subject to Article 29.4 and to any special rights to dividends set out in the terms of issue of any class of Shares any dividends paid shall be apportioned amongst the classes of Shares then in issue (if more than one) in proportion to the NAV attributable to that class on the NAV Calculation Date immediately preceding the declaration of the dividend and within a particular class, *pro rata* to the number of Shares held, but no dividend shall exceed the amount recommended by the Directors.
- 29.2 The Directors may in relation to any dividend whether declared or not offer holders of Shares dividends in stock in lieu of cash. Such scrip dividends may be satisfied by the issue of Shares or if the market price of the Shares is below their net asset value by the purchase in the market of existing Shares at a price not exceeding their net asset value at the time.
- 29.3 Subject to the provisions of the Law, the Directors may if they think fit from time to time pay interim dividends if it appears to them that they are justified. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

- 29.4 Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on Shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid, but, if any shares are issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
- 29.5 A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
- 29.6 Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of the one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct (and in default of which direction to that one of the persons jointly so entitled as the Directors shall in their absolute discretion determine). Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
- 29.7 The Directors may deduct from any dividend, or other moneys, payable to the any member on or in respect of, a share, all sums of money (if any) presently payable by him to the Company on account of class or otherwise in relation to the Shares of the Company.
- 29.8 No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
- 29.9 All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof. Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.
- 29.10 The Directors are empowered to create reserves before recommending or declaring any dividend. The Directors may also carry forward any profits which they think prudent not to divide.
- 29.11 The Directors may from time to time authorise distributions subject to the provisions of the

Companies Law and subject to any member's rights attaching to their Shares.

30. **RESERVES**

30.1 The Board may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Board, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Board may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Board may also without placing the same to reserve carry forward any profits.

31. **[VACANT]**

32. **ACCOUNTS**

32.1 The Board shall cause proper books of account to be kept with respect to all the transactions assets and liabilities of the Company in accordance with the Laws.

32.2 The books of account shall be kept at the Office or at such other place as the Board shall think fit and shall at all times be open to the inspection of the Directors but no person other than a Director or Auditor or other person whose duty requires and entitles him to do so shall be entitled to inspect the books accounts and documents of the Company except as provided by the Laws or authorised by the Board or by the Company in general meeting.

32.3 Accounts complying with the provisions of the Law (which for the avoidance of doubt include a profit and loss account and a balance sheet) shall be prepared by the Company. The accounts shall be accompanied by a report of the Directors stating the principal activities and the state and condition of the Company. The accounts and Directors' report shall be signed on behalf of the Directors by at least one of them. The accounts shall be laid before the Company at its annual general meeting and shall include a general summary of the assets and liabilities of the Company. The report of the Directors may also state the amount (if any) which the Directors recommend to be paid by way of dividend and the amount (if any) which they have carried or propose to carry to reserve. The Auditors' report shall be attached to the accounts or there shall be inserted at the foot of the accounts a reference to the report.

32.4 A copy of every balance sheet and of all documents annexed thereto including the reports of the Directors and the Auditors shall at least 21 days before the date of the meeting be delivered or sent by post to each of the registered holders and to the Auditors. Any holder may by written notice served on the Company waive this requirement.

33. **AUDITORS**

- 33.1 A Director shall not be capable of being appointed as an Auditor.
- 33.2 A person other than a retiring Auditor shall not be capable of being appointed Auditor at an ordinary general meeting unless notice of intention to nominate that person as Auditor has been given by a member to the Company not less than 14 days before the meeting and the Board shall send a copy of any such notice to the retiring Auditor and shall give notice to the members not less than 7 days before the meeting provided that if after notice of the intention to nominate an Auditor has been so given a meeting is called for a date 14 days or less after such notice has been given the requirements of this provision as to time in respect of such notice shall be deemed to have been satisfied and the notice to be sent or given by the Company may instead of being sent or given within the time required by this Article be sent or given at the same time as the notice of the meeting.
- 33.3 The first Auditors shall be appointed by the Board before the first annual general meeting and they shall hold office until the first annual general meeting unless previously removed in which case the members at such meeting may appoint the Auditors.
- 33.4 The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditors (if any) may act.
- 33.5 The remuneration of the Auditors shall be fixed by the Company in general meeting or in such manner as the Company may determine except that the remuneration of any Auditors appointed by the Directors shall be fixed by the Directors.
- 33.6 Every Auditor shall have a right of access at all times to the books accounts and documents of the Company and as regards books accounts and documents of which the originals are not readily available shall be entitled to rely upon copies or extracts certified by an officer of the Company and shall be entitled to require from the Board such information and explanations as may be necessary for the performance of their duties and the Auditors shall make a report to the members on the accounts examined by them and the report shall state whether in their opinion the accounts give a true and fair view of the state of the Company's affairs and whether they have been prepared in accordance with the Laws.
- 33.7 Any Auditor shall be eligible for re-election.

34. **NOTICES**

- 34.1 A notice may be given by the Company to any member either personally or by sending it by prepaid post addressed to such member at his registered address or if he desires that notices shall be sent to some other address or person to the address or person nominated for such purpose. Notices to be posted to addresses outside the Channel Islands and the United Kingdom shall, so far as practicable, be forwarded by prepaid airmail.

- 34.2 Any notice or other document, if served by post, shall (subject to any mandatory provisions of the Laws) be deemed to have been served twenty four hours after the time when the letter containing the same is posted and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted.
- 34.3 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the share.
- 34.4 Any notice or document delivered or sent by post to or left at the registered address of any member shall notwithstanding the death disability insolvency of such member and whether the Company has notice thereof be deemed to have been duly served in respect of any share registered in the name of such member as sole or joint holder and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in any such share.
- 34.5 Any document or notice which, in accordance with these Articles may be sent by the Company by electronic communication shall, if so sent, be deemed to be received at the expiration of twenty-four hours after the time it was sent. Proof (in accordance with the formal recommendations of best practice contained in the guidance issued by the Institute of Chartered Secretaries and Administrators) that an electronic communication was sent by the Company shall be conclusive evidence of such sending.
- 34.6 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.
- 34.7 A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law, upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, and upon supplying also a postal address for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the said Member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent to any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or first-named joint holder.
- 34.8 Where under these Articles a document requires to be signed by a Member or other person then, if in the form of an electronic communication, it must, to be valid, incorporate the electronic signature or personal identification details (which may be details previously

allocated by the Company) of that Member or other person, in such form as the Board may approve, or be accompanied by such other evidence as the Board may require to satisfy themselves that the document is genuine. The Company may designate mechanisms for validating any such document, and any such document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

34.9 Any Member may notify the Company of an address for the purpose of his receiving electronic communications from the Company, and having done so shall be deemed to have agreed to receive notices and other documents from the Company by electronic communication of the kind to which the address relates. In addition, if a Member notifies the Company of his e-mail address, the Company may satisfy its obligation to send him any notice or other document by:

34.9.1 publishing such notice or document on a web site; and

34.9.2 notifying him by e-mail to that e-mail address that such notice or document has been so published, specifying the address of the web site on which it has been published, the place on the web site where it may be accessed, how it may be accessed and (if it is a notice relating to a shareholders' meeting) stating (i) that the notice concerns a notice of a company meeting served in accordance with the Law, (ii) the place, date and time of the meeting, (iii) whether the meeting is to be an annual or extraordinary general or class meeting and (iv) such other information as the Statutes may prescribe.

34.10 An electronic communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

## 35. **WINDING UP**

35.1 Subject to the provisions relating to C Shares set out in these Articles, on a winding up, the surplus assets remaining after payment of all creditors shall be divided amongst the classes of Shares then in issue (if more than one) *pari passu* among the holders of Shares of that class in proportion to the number of Shares of that class held at the commencement of the winding up, subject in any such case to the rights of any Shares which may be issued with special rights or privileges.

35.2 On a winding up the liquidator may, with the authority of a special resolution, divide amongst the members in specie any part of the assets of the Company, and may set such value as he deems fair up on any one or more class or classes of property, and may determine the method of division of such assets between members. The liquidator may with like authority vest any part of the assets in trustees upon such trusts for the benefit of members as he shall think fit but no member shall be compelled to accept any assets in respect of which there is any liability.

35.3 Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company the liquidator may, with the sanction of an ordinary resolution, receive in compensation shares, policies or other like interests for distribution or may enter into any other arrangements whereby the members may, in lieu of receiving cash, shares, policies or other like interests, participate in the profits of or receive any other benefit from the transferee.

## 36. DURATION

36.1 The Directors shall call a general meeting of Shareholders in September 2014 at which they shall propose an ordinary resolution to approve the voluntary winding up of the Company (the “**2014 Winding-up Resolution**”) with effect from 31 December 2014 (the “**2014 Liquidation Meeting**”).

36.2 At the 2014 Liquidation Meeting, the chairman of the meeting shall decide the vote by way of a poll and the Shareholders agree that they shall not demand by request, or resolution, or otherwise that the 2014 Winding-up Resolution be decided on a show of hands.

36.3 In calculating the poll vote called to determine whether the 2014 Winding-up Resolution has been passed, the aggregate number of votes of the Shareholders voting in favour of the 2014 Winding-up Resolution shall be that number which is ten times the number of aggregate votes of the Shareholders voting against the 2014 Winding-up Resolution such that the 2014 Winding-up Resolution is passed by a simple majority.

## 37. CONVERSION BETWEEN CLASSES

37.1 As at 30 June and 31 December (or, where such day is not a NAV Calculation Date, the immediately preceding NAV Calculation Date) (each a “**Conversion Calculation Date**”) in each year from December 2006 a Shareholder may elect to convert some or all of his Shares of one class into Shares of any other class by giving at least 5 business days notice before the relevant Conversion Calculation Date, specifying the number and class of Shares to be converted from and the class of Shares into which they are to be converted to, either through submission of the relevant USE instruction (or such other CREST mechanism as may be appropriate) in the case of Shares held in uncertificated form or through the return of the relevant share certificate to the Company’s Registrar in the case of Shares held in certificated form. The Directors may amend the process for conversion (including giving notice of conversion) in such manner as they see fit for the purposes of facilitating conversions of Shares in uncertificated or certificated form or to facilitate electronic communications. Such notice once given shall be irrevocable without the consent of the Directors. The date on which conversion shall take place shall be a date determined by the Directors being not more than 30 business days after the relevant Conversion Calculation Date.

37.2 Such conversion shall be effected by way of conversion of the relevant Shares into stock and

re-conversion of the stock into Shares of the desired currency denomination and otherwise (for the purposes of determining the number and value of Shares converted) in the same manner as conversion of C Shares into Correspondent Shares, as if the Shares to be converted were C Shares and the Shares into which they are to be converted were Correspondent Shares, or by re-designation of Shares of one class into Shares of another class or in any such other manner as the Directors may determine.

37.3 The number of Shares of one class into which Shares of another class shall be converted shall be determined on the basis of a conversion ratio calculated in the same manner as for the conversion of C Shares into Correspondent Shares (but with such amendments as the Directors in their absolute discretion may determine to be appropriate and/or desirable) for these purposes:

37.3.1 the C Share Calculation Time shall be deemed to be the relevant date referred to in Article 37.1;

37.3.2 the C Shares shall be deemed to be the Shares elected to be converted;

37.3.3 the Correspondent Shares shall be deemed to be the Shares of the class into which the elected Shares are to be converted;

37.3.4 the liabilities and expenses attributable to the C Shares shall include the costs and expenses incurred by the Company in effecting conversion of the Shares of the class being converted; and

37.3.5 without prejudice to the generality of the Directors' discretion to make amendments referred to above, the Directors may adjust the conversion ratio to reflect any performance fees then accrued in respect of any class of Shares.

## 38. **INDEMNITY**

To the maximum extent permitted by the Companies Law, the Company may indemnify the Directors, managing directors, managers, agents, Auditors, Secretary and other officers or servants for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company and their respective heirs and executors out of the assets and profits of the Company from and against any expense and/or liability.

## 39. **INSURANCE**

Without prejudice to any other provisions of these Articles, the Directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company, or of any other body (whether or not incorporated) which is or was its subsidiary of the Company (together "**Group Companies**") or otherwise associated with the Company

or any Group Company or in which the Company or any such Group Company has or had any interest, whether direct or indirect, or of any predecessor in business of any of the foregoing, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses or liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and discretions and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any such other body.

40. **INSPECTION OF DOCUMENTS**

The Board shall determine whether and to what extent and at what times and places and under what conditions the accounts books and documents of the Company shall be open to inspection and no member shall have any right of inspecting any account or book or document except as conferred by the Laws or authorised by the Board.

41. **UNTRACEABLE MEMBERS**

41.1 The Company shall be entitled to sell at the best price reasonably obtainable the Shares of a member or any Shares to which a person is entitled by transmission on death or bankruptcy if and provided that:

41.1.1 for a period of twelve years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the member or to the person so entitled to the share at his address in the Register or otherwise the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the member or the person so entitled provided that in any such period of twelve years the Company has paid at least three dividends whether interim or final;

41.1.2 the Company has at the expiration of the said period of twelve years by advertisement in a newspaper circulating in the area in which the address referred to in Article 41.1.1 above is located given notice of its intention to sell such Shares;

41.1.3 the Company has not during the period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person so entitled; and

41.1.4 if any part of the share capital of the Company is quoted on any stock exchange the Company has given notice in writing to the quotations department of such stock exchange of its intention to sell such Shares. To give effect to any such sale the Directors may appoint any person to execute as transferor an instrument of transfer of the said Shares and such instrument of transfer of the said Shares shall be as effective as if it had been executed by the registered holder of, or person entitled by

transmission to, such Shares and the title of the purchaser or other transferee shall not be effected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.

42. **REDEEMABLE SHARES**

42.1 Redeemable Shares shall be redeemable at the option of the Company and shall have the rights set out in these Articles and such other rights and obligations as may be determined by the Directors at the time of their issue.

43. **REDEMPTION FOR SHARES**

43.1 The Company shall have the right:

43.1.1 on the Conversion Offer Redemption Date to redeem up to 25 per cent. of the Redeemable Shares in issue on that date; and

43.1.2 on any Subsequent Conversion Offer Redemption Date to redeem up to 15 per cent. of the Redeemable Shares in issue on that date, provided that in each case the Company may only redeem Redeemable Shares which Qualifying Shareholders have elected (in such manner as may be specified by the Company) to be redeemed.

43.2 In respect of each Redeemable Share redeemed pursuant to Article 43.1, Equivalent Assets shall be transferred to Acencia Fundamental Credit and each Qualifying Shareholder shall have the right to receive an AFC Participating Share.

44. **REDEMPTION FOR CASH**

44.1 The Company shall have the right on any Cash Redemption Date to redeem Redeemable Shares in issue on the Cash Redemption Date provided that:

44.1.1 the Company may only redeem Redeemable Shares which Shareholders have elected (in such manner as may be specified by the Company to be redeemed); and

44.1.2 the Company may not redeem more than five per cent. of the Company's issued share capital in any calendar year pursuant to this Article 44.1.

In respect of each Redeemable Share redeemed pursuant to Article 44.1, each Shareholder shall have the right to receive the Cash Redemption Sum.

**45. PRE-EMPTION RIGHTS**

45.1 In this Article 45 "equity securities" means:

45.1.1 Shares in the Company; or

45.1.2 rights to subscribe for, or to convert securities into, Shares in the Company.

45.2 In this Article 45 references to the allotment of equity securities include:

45.2.1 the grant of a right to subscribe for, or to convert any securities into, Shares in the Company; and

45.2.2 the sale of Shares in the Company that immediately before the sale are held by the Company as treasury shares.

45.3 The Company shall not allot equity securities to a person on any terms unless:

45.3.1 it has made an offer to each person who holds Shares in the Company to allot to him, on the same or more favourable terms, a proportion of those securities that is as nearly as practicable equal to the proportion in number held by him of the share capital of the Company; and

45.3.2 the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made.

45.4 Equity securities that the Company has offered to allot to a holder of Shares may be allotted to him, or anyone in whose favour he has renounced his right to their allotment, without contravening Article 45.3 and if Article 45.3 applies in relation to the grant of such right, it will not apply in relation to the allotment of shares in pursuance of that right.

45.5 Shares held by the Company as treasury shares shall be disregarded for the purposes of this Article 45, so that the Company is not treated as a person who holds Shares; and the treasury shares are not treated as forming part of the share capital of the Company.

45.6 Any offer required to be made by the Company pursuant to Article 45.3 should be made by a notice (given in accordance with Article 34) and such offer must state a period during which such offer may be accepted and such offer shall not be withdrawn before the end of that period. Such period must be a period of at least 14 days beginning on the date on which such offer is deemed to be delivered or received (as the case may be) pursuant to Article 34.

- 45.7 Article 45.3 shall not apply in relation to the allotment of bonus shares, nor to a particular allotment of equity securities if these are, or are to be, wholly or partly paid otherwise than in cash.
- 45.8 The Company may by Extraordinary Resolution resolve that Article 45.3 shall be excluded or that such Article shall apply with such modifications as may be specified in the resolution:
- 45.8.1 generally in relation to the allotment by the Company of equity securities;
- 45.8.2 in relation to allotments of a particular description; or
- 45.8.3 in relation to a specified allotment of equity securities;
- and any such resolution must:
- 45.8.4 state the maximum number of equity securities in respect of which Article 45.3 is excluded or modified; and
- 45.8.5 specify the date on which such exclusion or modifications will expire, which must be not more than five years from the date on which the resolution is passed.
- 45.9 Any resolution passed pursuant to Article 45.8 may:
- 45.9.1 be renewed or further renewed by Extraordinary Resolution of the Company for a further period not exceeding five years; and
- 45.9.2 be revoked or varied at any time by Extraordinary Resolution of the Company.
- 45.10 Notwithstanding that any such resolution referred to in Article 45.8 or 45.9 has expired, the Directors may allot equity securities in pursuance of an offer or agreement previously made by the Company if the resolution enabled the Company to make an offer or agreement that would or might require equity securities to be allotted after it expired.
- 45.11 In this Article 45, in relation to an offer to allot equity securities a reference (however expressed) to the holder of equity securities of any description is to whoever was the holder of equity securities of that description at the close of business on a date to be specified in the offer and the specified date must fall within the period of 28 days immediately before the date of the offer.