

**THE COMPANIES (GUERNSEY) LAW, 2008  
as amended**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF INCORPORATION**

of

**JOHN LAING INFRASTRUCTURE FUND LIMITED**

**Registered on 6 August 2010**

(Adopted by special resolution passed on 16 May 2016)

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**COMPANY LIMITED BY SHARES**

**ARTICLES OF INCORPORATION**

**of**

**JOHN LAING INFRASTRUCTURE FUND LIMITED**

(Adopted by special resolution passed on 26 October 2010)

**1 STANDARD ARTICLES**

The standard Articles prescribed pursuant to section 16(2) of the Law shall be excluded in their entirety.

**2 INTERPRETATION**

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

Words	Meanings
<b>2006 Act</b>	the Companies Act 2006 of the United Kingdom as may be amended from time to time and any successor act thereto.
<b>accounts</b>	either individual accounts prepared in accordance with section 243 of the Law or consolidated accounts prepared in accordance with section 244 of the Law.
<b>Articles</b>	these articles of incorporation as now framed and at any time altered.
<b>at any time</b>	at any time or times and includes for the time being and from time to time.
<b>Auditors</b>	the auditors, if any, engaged in accordance with the Law and these Articles.
<b>Board</b>	the Directors at any time or the Directors present at a duly convened meeting at which a quorum is present.
<b>C Shares</b>	the shares of 0.01p each in the capital of the Company issued and designated as C Class shares of whatever tranche and having the rights described in these Articles.
<b>C Share Surplus</b>	in relation to any tranche of C Shares means the net assets of the Company attributable to

the C Shares in that tranche, being the assets attributable to the C Shares in that tranche (including for the avoidance of doubt, any income and/or revenue (net of expenses) arising from or relating to such assets) less such proportion of the Company's liabilities as the Directors shall reasonably allocate to the assets of the Company attributable to such C Shares.

**Calculation Time**

in relation to any tranche of C Shares means the earliest of:

- (a) the close of business on the date determined by the Directors that at least 80 per cent. of the assets attributable to that tranche of C Shares have been invested (as defined below) in accordance with the Company's investment policy;
- (b) the close of business on the last Business Day prior to the day on which Force Majeure Circumstances have arisen or the Directors resolve that such circumstances are in contemplation;
- (c) the close of business on such date as the Directors may determine to enable the Company to comply with its obligations in respect of Conversion; and
- (d) the close of business on the Business Day falling six months after the Admission of that tranche of C Shares or such other time or date as may be determined by the Directors at the time at which the relevant tranche of C Shares were issued.

**Calendar Year**

the period from 1 January to 31 December of a particular year.

**certificated**

in relation to any share or other security of the Company, that it is not held or to be held in uncertificated form.

**clear days**

in relation to the period of notice, that period excluding the day when notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

**Connected Person**

- (a) a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of a Member; or
- (b) an associated body corporate which is a company in which a Member alone, or with Connected Persons, is directly or indirectly beneficially interested in 20 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 20 per cent. of the voting power at general meetings; or

(c) a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Member or persons falling within paragraphs (a) or (b) above excluding trustees of an employees' share scheme or pension scheme; or

(d) a partner (acting in that capacity) of the Member or persons in categories (a) to (c) above.

**Conversion**

in relation to any tranche of C Shares, the subdivision and conversion of that tranche of C Shares in accordance with Article 54.8.

**Conversion Ratio**

is 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:

- (i) 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 (ii) below) which are listed or dealt in on a stock exchange or on a similar market:
- (a) 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 Calculation Time, being the closing middle market 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 Service (**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 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 closing middle market prices on the principal stock exchange or market where the relevant investment is listed, quoted or dealt in as at the 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 closing middle market price, subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the Calculation Time; or

- (b) where such published prices are not available, calculated by reference to the Directors' belief as to a fair current trading price at the Calculation Time for those investments, after taking account of any other price publication services reasonably available to the Directors;
- (ii) 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 Calculation Time; and
- (iii) the amount which, in the Directors' opinion, fairly reflects, at the 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) other than those assets that are valued in accordance with paragraphs (i) or (ii) above in order to prevent any double-counting of the same assets;

"D" is the amount which (to the extent not otherwise deducted in the calculation of "C") in the Directors' opinion fairly reflects the amount of the liabilities attributable to the C Shares of

the relevant tranche at the Calculation Time;

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

"F" is the aggregate of:

- (i) 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 (ii) below), other than investments attributable to the C Shares (of whatever tranche) in issue at the Calculation Time, which are listed or dealt in on a stock exchange or on a similar market:
  - (a) 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 Calculation Time, being the closing middle market 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 Service (**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 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 closing middle market prices on the principal stock exchange or market where the relevant investment is listed, quoted or dealt in as at the 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 closing middle market price, subject to any adjustment to exclude any accrual of interest which may be included in the quoted price, as at the Calculation Time; or
  - (b) 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;

- (ii) the value of all other investments of the Company, other than investments attributable to the C Shares (of whatever tranche) in issue at the 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 Calculation Time, and
- (iii) the amount which, in the Directors' opinion, fairly reflects at the 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 or other items of a revenue nature less accrued expenses), other than those assets that are valued in accordance with paragraphs (i) or (ii) above in order to prevent any double-counting of the same assets, other than such assets attributable to the C Shares (of whatever tranche) in issue at the 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 Calculation Time including, for the avoidance of doubt, the full amount of all dividends declared but not paid) less the amount of "D"; and

"H" is the number of Ordinary Shares in issue at the Calculation Time.

### **Conversion Time**

a time which falls after the Calculation Time and is the time at which the admission of the New Shares to the Official List becomes effective and which is the earlier of:

- (i) the opening of business on such Business Day as is selected by the Directors provided that such day shall not be more than 20 Business Days after the Calculation Time; or
- (ii) such earlier date as the Directors may resolve should Force Majeure Circumstances have arisen or the Directors resolve that such circumstances are in contemplation.



<b>dematerialised instruction</b>	an instruction sent or received by means of the Relevant System.
<b>Director</b>	includes alternate Director.
<b>dividend</b>	has the meaning given in the Law.
<b>DTR 5</b>	Chapter 5 of the Disclosure and Transparency Rules published by the FCA (as amended from time to time).
<b>ERISA</b>	United States Employee Retirement Income Security Act of 1974 as amended.
<b>Euroclear</b>	Euroclear UK and Ireland Limited, the operator for the time being of the CREST UK system.
<b>Exchange Act</b>	the US Securities Exchange Act of 1934, as amended.
<b>executors</b>	includes administrators.
<b>FCA</b>	the UK Financial Conduct Authority and any successor entity thereof.
<b>FCA Handbook</b>	the FCA's Handbook of Rules and Guidance as amended from time to time.
<b>financial year</b>	<p>(a) firstly, the period beginning on the date on which the Company was incorporated and ending within 18 months of that date; and</p> <p>(b) thereafter, the period beginning on the day after its previous financial year ended and ending within 18 months of that date;</p> <p>as determined from time to time by the Board.</p>
<b>Force Majeure Circumstances</b>	in relation to any tranche of C Shares 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 Conversion necessary or desirable notwithstanding that less than 80 per cent. of the assets attributable to the relevant tranche of C Shares are invested (as defined below) in accordance with the Company's investment policy.
<b>Group</b>	the Company and JLIF Limited Partnership, an English limited partnership in which a subsidiary of the Company is the sole limited partner, together with their wholly owned subsidiaries (including companies or other entities wholly owned by them/their subsidiaries together, individually or in any combination as appropriate).
<b>Guernsey Regulations</b>	the Uncertificated Securities (Guernsey) Regulations, 2009 (as amended from time to time)

	time).
<b>incapable or of unsound mind</b>	a Member in respect of whom an order has been made by any court or official having jurisdiction (whether in Guernsey or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs.
<b>Independent Accountants</b>	such firm of chartered accountants as the Directors may, from time to time, appoint for the purpose.
<b>Investment Company Act</b>	the US Investment Company Act of 1940.
<b>Investment Manager</b>	the manager from time to time of the Company's investments or its investment adviser, as the case may be.
<b>Issue Date</b>	in relation to any tranche of C Shares the date on which the admission of such C Shares to the Official List becomes effective or, if later, the day on which the Company receives the net proceeds of the issue of such C Shares.
<b>Law</b>	The Companies (Guernsey) Law, 2008 as amended, extended or replaced and any Ordinance, statutory instrument or regulation made thereunder and references to sections thereof shall refer to such sections as amended or renumbered from time to time.
<b>Liquidator</b>	includes joint liquidators.
<b>London Stock Exchange</b>	London Stock Exchange plc.
<b>Member</b>	a registered holder of a share in the capital of the Company.
<b>Memorandum</b>	the memorandum of incorporation of the Company.
<b>Month</b>	calendar month.
<b>Net Asset Value</b>	the value of the net assets of the Company as determined in accordance with Article 52.
<b>New Shares</b>	Ordinary Shares arising on the conversion of the C Shares of the relevant tranche.
<b>Office</b>	the registered office at any time of the Company.
<b>Operator</b>	the authorised operator (as defined in the Guernsey Regulation) of the Relevant System.
<b>ordinary resolution</b>	a resolution passed by a simple majority in accordance with section 176 of the Law.
<b>Ordinary Shares</b>	Unclassified Shares of par value 0.01p each in the capital of the Company issued and designated as ordinary shares and having the rights described in these Articles.

<b>Plan</b>	has the meaning given to it in Article 20.6.
<b>Probate</b>	includes Letters of Administration.
<b>Prohibited US Person</b>	has the meaning given to it in Article 20.6.
<b>Project Entity</b>	a special purpose entity (including any company, partnership or trust) formed to undertake an infrastructure project or projects or provide infrastructure services.
<b>Prospectus</b>	the prospectus issued by the Company from time to time for the purpose of issuing shares.
<b>Proxy</b>	includes attorney.
<b>Register</b>	the register of members kept pursuant to the Law.
<b>Regulation S</b>	the rules and regulations under Regulation S, as promulgated by the US Securities and Exchange Commission under the Securities Act.
<b>Relevant System</b>	any computer based system and its related facilities and procedures that is provided by an Operator and by means of which title to units of a security can be evidenced and transferred in accordance with the Guernsey Regulations, without a written instrument.
<b>Scrip Dividend</b>	shall have the meaning as described in Article 45.
<b>Seal</b>	the common seal of the Company.
<b>Secretary</b>	any person designated by the Board as such.
<b>Securities Act</b>	the US Securities Act of 1933, as amended.
<b>share</b>	a share of any class in the Company, as well as any fraction of a share.
<b>Share Surplus</b>	the net assets of the Company less the C Share Surplus.
<b>special resolution</b>	a resolution passed by a majority of not less than 75 per cent. in accordance with section 178 of the Law.
<b>Sponsor</b>	a company, person or firm admitted by Euroclear to act as Sponsor under the CREST Rules.
<b>Total Assets</b>	the value of the investment capital (being partnership equity, partnership loans, share capital, trust units, shareholder loans and/or debt interests in or to Project Entities or any other entities or undertakings) in which the Company and/or any of its subsidiaries is at the relevant time invested, calculated on a fair market basis plus any cash held to or for the order of the Company or any of its subsidiaries.

<b>uncertificated</b>	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 Uncertificated System in accordance with the Guernsey Regulations.
<b>Unclassified Share</b>	an unclassified share of par value 0.01p in the authorised capital of the Company (and, where the context permits, fractions of such unclassified shares) available for issue and designated as an Ordinary Share, a C Share or otherwise and issued on such terms and conditions as the Directors may determine from time to time.
<b>US</b>	the United States of America, its territories and possessions, any state of the United States and the District of Colombia.
<b>US Internal Revenue Code</b>	the US Internal Revenue Code of 1986, as amended.
<b>US Person</b>	a person who is either (a) a "US person" within the meaning of Regulation S, or (b) not a "Non-United States person" within the meaning of the United States Commodity Futures Trading Commission Rule 4.7(a)(I)(iv).
<b>unanimous resolution</b>	a resolution agreed to by every Member of the Company in accordance with section 180 of the Law.
<b>Valuation Point</b>	being the time on such day or days as the Board shall determine from time to time for the purpose of ascertaining the value of the assets of the Company.
<b>waiver resolution</b>	a resolution passed by a majority of not less than 90 per cent. in accordance with section 179 of the Law.
<b>Working Day</b>	a day which is not a Saturday, a Sunday, Christmas Day or Good Friday or a day appointed as a public holiday by Ordinance of the States of Guernsey.

Any reference to a **share** of the Company shall, where the Board has resolved to allot and issue fractions of shares, include such fractions.

The singular includes the plural and vice versa.

The masculine includes the feminine.

Words importing persons include corporations.

Expressions referring to writing include any legible mode of representing or reproducing words.

Subject to the above, any words defined in the Law shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

Where a section of the Law is referred to and that section is amended or renumbered or supplemented, then the reference shall be deemed to refer to the same section as amended, renumbered or supplemented.

In the event of any conflict between these Articles and the mandatory provisions of the Law, the latter shall prevail.

For the purposes of paragraph (a) of the definition of Calculation Time and the definition of 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 or purchase or repayment of any borrowing incurred in respect of the acquisition of any investment or investments even if such investment or investments were acquired prior to the issue of the relevant tranche of C Shares) or if any obligation to make such payment has arisen or crystallised (in each case unconditionally or subject only to the satisfaction conditions that the Directors reasonably believe will be satisfied before any final date for the satisfaction of such conditions has expired) in relation to which the consideration amount has been determined or is capable of being determined by operation of an agreed contractual mechanic.

### 3 **AMENDMENTS**

The Company's Memorandum and Articles of Incorporation may be amended in accordance with Part IV of the Law.

### 4 **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.

### 5 **SHARE CAPITAL**

5.1 Subject to the provisions of the Law and to any relevant authority of the Company in general meeting, the Company may issue an unlimited number of shares, including Unclassified Shares which may be designated and issued as Ordinary Shares, C Shares or otherwise as the Directors may from time to time determine.

#### **Ordinary Shares**

5.1.1 The rights attaching to the Ordinary Shares shall be as follows: -

- (a) As to income – the holders of Ordinary Shares shall be entitled to receive, and participate in, any dividends or other distributions out of the profits of the Company attributable to the Ordinary Shares and available for dividend or distribution and resolved to be distributed in respect of any accounting period or any other income or right to participate therein in accordance with Articles 44 and 45 inclusive.
- (b) As to capital – the holders of Ordinary Shares shall be entitled on a winding up, to participate in the distribution of capital in the manner described in Article 51.
- (c) As to voting – the holders of the Ordinary Shares shall be entitled to receive notice of and to attend and vote (in accordance with Article 26) at general meetings of the Company.

#### **C Shares**

5.1.2 The rights attaching to the C Shares shall be as set out in Article 54.

## General

- 5.2 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share (or option, warrant or other right in respect of a share) in the Company may be issued with such preferred, deferred or other special rights or restrictions, whether as to dividend, voting, return of capital or otherwise, as the Board may determine.

## 6 ISSUE OF SHARES

- 6.1 Subject to the authority conferred by Article 5 and to Article 7, the unissued shares shall be at the disposal of the Board which is authorised to allot, grant options, warrants or other rights over or otherwise dispose of them to such persons on such terms and conditions and at such times as the Board determines but so that no share shall be issued at a discount except in accordance with the Law and so that the amount payable on application on each share shall be fixed by the Board.
- 6.2 Subject to the provisions of the Law and these Articles: -
- 6.2.1 any shares may with the sanction of the Board be issued on terms that they are, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner as the Board may determine;
- 6.2.2 the Company and any of its subsidiary companies may, at the discretion of the Board, give financial assistance directly or indirectly for the purpose of or in connection with the acquisition of shares in the Company or in connection with reducing or discharging any liability incurred in connection with the purchase of shares in the Company;
- 6.2.3 fractions of shares may be issued or purchased by the Company; and
- 6.2.4 subject to Article 5.1, the Company may issue shares of no par value or shares with a par value or a combination of both.

## 7 OFFERS TO SHAREHOLDERS TO BE ON A PRE-EMPTIVE BASIS

- 7.1 In this Article 7:
- 7.1.1 **equity shares** means shares in the Company other than shares that as respects dividends and capital carry a right to participate only up to a specified amount in a distribution;
- 7.1.2 **equity securities** means (i) equity securities; or (ii) rights to subscribe for, or to convert securities into, equity securities; and
- 7.1.3 references to the allotment of equity securities includes; (i) the grant of a right to subscribe for, or to convert any securities into, equity shares (but excludes the allotment of equity shares pursuant to the exercise of such a right); and (ii) the sale of equity shares in the Company that immediately before the sale are held by the Company as treasury shares.
- 7.2 The Company shall not allot equity securities to a person on any terms unless:
- 7.2.1 it has made an offer to each person who holds equity securities of the same class 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
- 7.2.2 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.

- 7.3 Securities that the Company has offered to allot to a holder of equity securities in accordance with Article 7.2 may be allotted to him, or anyone in whose favour he has renounced his right to their allotment, without contravening Article 7.2.
- 7.4 Shares held by the Company as treasury shares shall be disregarded for the purposes of Article 7.2, so that the Company is not treated as a person who holds equity shares; and the treasury shares are not treated as forming part of the equity share capital of the Company.
- 7.5 Any offer required to be made by the Company pursuant to Article 7.2 should be made by a notice (given in accordance with Article 50) 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 21 days beginning on the date on which such offer is deemed to be delivered or received (as the case may be) pursuant to Article 50.
- 7.6 Article 7.2 shall not apply in relation to the allotment of bonus shares, shares issued pursuant to the provisions of Article 45, nor to a particular allotment of equity securities if these are, or are to be, wholly or partly paid otherwise than in cash. For the avoidance of doubt, and for the purposes of Article 7.2, C Shares shall not constitute the same class of equity securities as the Ordinary Shares into which they may or will convert pursuant to Article 54.8.
- 7.7 The Company may by special resolution resolve that Article 7.2 shall be excluded or that such Article shall apply with such modifications as may be specified in the resolution:
- 7.7.1 generally in relation to the allotment by the Company of equity securities;
- 7.7.2 in relation to allotments of a particular description; or
- 7.7.3 in relation to a specified allotment of equity securities;
- and any such resolution must: (i) state the maximum number of equity securities in respect of which Article 7.2 is excluded or modified (which may, for the avoidance of doubt, be an unlimited number); and (ii) 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.
- 7.8 Any resolution passed pursuant to Article 7.7 may:
- 7.8.1 be renewed or further renewed by special resolution of the Company for a further period not exceeding five years; and
- 7.8.2 be revoked or varied at any time by special resolution of the Company.
- 7.9 Notwithstanding that any such resolution referred to in Article 7.7 or 7.8 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.
- 7.10 In this Article 7, in relation to an offer to allot securities a reference (however expressed) to the holder of shares of any description is to whoever was the holder of shares 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.
- 7.11 This Article 7 (in particular Article 7.2 **Error! Reference source not found.**) shall be subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical difficulties in, or under the laws of, any territory or where compliance with local laws or regulations would be impossible or unduly onerous.

## 8 **REPURCHASE OF SHARES**

- 8.1 The Company may, at the discretion of the Board, purchase any of its own shares, whether or not they are redeemable, and may pay the purchase price in respect of such purchase to the fullest extent permitted by the Law.
- 8.2 Shares repurchased by the Company may be held as treasury shares and dealt with by the Directors to the fullest extent permitted by the Law.

## 9 **COMMISSIONS**

The Company may pay commission in money or shares to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company provided that the rate or amount of commission shall be fixed by the Board and disclosed in accordance with the Law. The Company may also pay brokerage charges.

## 10 **VARIATION OF CLASS RIGHTS**

- 10.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution of the holders of the shares of that class.
- 10.2 The quorum for a variation of class rights meeting is:-
- 10.2.1 for a meeting other than an adjourned meeting, two (2) persons present holding at least one third of the voting rights of the class in question;
  - 10.2.2 for an adjourned meeting, one (1) person holding shares of the class in question; or
  - 10.2.3 where the class has only one Member, that Member.
- 10.3 For the purposes of Article 10.2 above, where a person is present by proxy or proxies, he is treated as holding only the shares in respect of which the proxies are authorised to exercise voting rights.
- 10.4 At a variation of class rights meeting, any holder of shares of the class in question present may demand a poll.
- 10.5 For the purposes of this Article:-
- 10.5.1 any alteration of a provision contained in these Articles for the variation of rights attached to a class of shares, or the insertion of any such provision into the Articles, is itself to be treated as a variation of those rights; and
  - 10.5.2 references to the variation of rights attached to a class of shares include references to their abrogation.
- 10.6 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not (unless otherwise expressly provided by the terms of issue of the shares of that class) be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

## 11 **CLASS MEETINGS**

Subject as aforesaid in the case of a variation of class rights, when the share capital is divided into different classes of shares, Articles 23 through and including 28 shall apply



mutatis mutandis to any class meeting and to the voting on any matter by the Members of any such class.

## 12 TRUSTS

- 12.1 Without prejudice to Part XXIX of the Law, except as ordered by a court of competent jurisdiction or as required by law, the Company shall not be affected or bound by or be compelled in any way to recognise (even when having notice) any equitable, contingent, future or partial interest in any share or fraction or (except only as by these Articles or by law otherwise provided) or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder and whether or not such share shall be entered in the Register as held in trust, nor shall the Company be bound to see to the execution of any trust to which any share may be subject.

## 13 NOTIFICATION OF INTERESTS

- 13.1 Each Member shall be under an obligation to make notifications in accordance with the provisions of this Article 13.
- 13.2 If at any time the Company shall have a class of shares admitted to trading on the main market of the London Stock Exchange, the provisions of DTR 5 shall be deemed to be incorporated by reference into these Articles and accordingly the vote holder and issuer notification rules set out in DTR 5 shall apply to the Company and each Member.
- 13.3 For the purposes of the incorporation by reference of DTR 5 into these Articles and the application of DTR 5 to the Company and each Member, the Company shall (for the purposes of this Article 13 only) be deemed to be an "issuer", as such term is defined in DTR 5 (and not, for the avoidance of doubt, a "non-UK issuer", as such term is defined in DTR 5).
- 13.4 For the purposes of this Article 13 only, defined terms in DTR 5 shall bear the meaning set out in DTR 5, and if the meaning of a defined term is not set out in DTR 5, the defined term shall bear the meaning set out in the glossary to the FCA Handbook (in such case, read as the definition applicable to DTR 5).
- 13.5 If at any time the Company shall have a class of shares admitted to trading on the main market of the London Stock Exchange, the provisions of section 793 of the 2006 Act, which provisions are incorporated by reference in these Articles and are available to the Members from the Secretary at no charge, shall apply to the Members of such class of shares, provided that for the purposes of this Article 13, the following terms shall have the meanings set forth below:

**public company** shall mean the Company; and

**company's shares** shall mean the class of shares of the Company admitted to trading on the main market of the London Stock Exchange.

- 13.6 If the Company determines that a Member (a **Defaulting Member**) has not complied with the provision of DTR 5 as set forth above with respect to some or all of such shares held by such Member (the **Default Shares**), the Company shall have the right by delivery of notice to the Defaulting Member (a **Default Notice**) to:

- 13.6.1 suspend the right of such Defaulting Member to vote on the Default Shares in person or by proxy at any meeting of the Company. Such a suspension shall have effect from the date on which the Default Notice is delivered by the Company to the Defaulting Member until a date that is not more than seven days after the Company has determined in its sole discretion that the Defaulting Member has cured the non-compliance with the provisions of DTR 5; **PROVIDED THAT** the Company may at any time by subsequent written notice cancel or suspend the operation of a Default Notice; and/or

- 13.6.2 (i) withhold, without any obligation to pay interest thereon, any dividend or other amount payable with respect to the Default Shares with such amount to be payable only after the Default Notice ceases to have effect with respect to the Default Shares, (ii) render ineffective any election to receive shares of the Company instead of cash in respect of any dividend or part thereof, and/or (iii) prohibit the transfer of any shares of the Company held by the Defaulting Member except with the consent of the Company or if the Defaulting Member can provide satisfactory evidence to the Company to the effect that, after due inquiry, such Defaulting Member has determined that the shares to be transferred are not Default Shares.

## 14 **CERTIFICATES**

- 14.1 The Board shall make such arrangements for the issue of share certificates as it may, from time to time, deem fit. Subject to a resolution of the Directors in accordance with Article 14.5, shares may be converted into and held in uncertificated form through CREST.
- 14.2 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) shall be issued and 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.
- 14.3 In respect of a share held jointly, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 14.4 If a share certificate be defaced lost or destroyed, it may be renewed on payment of such fee and on such terms (if any) as to evidence and indemnity and the payment of expenses as the Board thinks fit.
- 14.5 Subject to the Law, the Directors without further consultation with the holders of any shares or securities of the Company may resolve that any class or classes of share or other securities of the Company from time to time in issue or to be issued may be in uncertificated form and no provision of these Articles will apply to any uncertificated share or other securities of the Company to the extent they are inconsistent with the holding of such shares or other securities in uncertificated form or the transfer of title to any such shares or other securities by means of a Relevant System.

## 15 **LIEN**

- 15.1 The Company shall have a first and paramount lien (extending to all dividends payable) on all shares (not being fully paid) for all monies, 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).
- 15.2 The Company may sell as the Board thinks fit any shares on which the Company has a lien but no sale shall be made unless a sum in respect of which the lien exists is presently payable nor until after a notice in writing demanding payment has been given to the holder of the shares.
- 15.3 To give effect to any sale, the Board may authorise some person to transfer the shares sold to the purchaser who shall be registered as the holder of the shares comprised in any such transfer and who 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.

## 16 **CALLS ON SHARES**

- 16.1 The Board may at any time make on at least 14 clear days' notice calls upon the Members in respect of any monies unpaid on their shares (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.
- 16.2 Joint holders shall be jointly and severally liable to pay calls.
- 16.3 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.
- 16.4 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.
- 16.5 The Board may on an issue of shares differentiate between holders as to amount of calls and times of payment.

## 17 **FORFEITURE AND SURRENDER OF SHARES**

- 17.1 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.
- 17.2 The notice shall state a further day at least 14 clear days' after the date of the notice 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.
- 17.3 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.
- 17.4 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.
- 17.5 A person whose shares have been forfeited shall cease to be a Member in respect of those shares but shall remain liable to pay to the Company all monies which, at the date of forfeiture, were payable in respect of the shares with interest at such rate as the Board may determine. The Board may enforce payment without any allowance for the value of the shares at the time of forfeiture.
- 17.6 The forfeiture of a share shall extinguish all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder and the Company.

- 17.7 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.
- 17.8 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.
- 17.9 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.
- 17.10 A forfeited share will 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 thinks fit, including (if applicable) with or without all or any part of the amount previously paid on the share being credited as paid. At any time before such a sale or disposition the forfeiture process may be cancelled. No proceeds of any forfeiture will be paid to any person whose shares have been forfeited.
- 17.11 A person whose shares have been forfeited will cease to be a shareholder in respect of the forfeited shares but will, notwithstanding the forfeiture and if applicable, remain liable to pay to the Company all monies which at the date of the forfeiture were payable by them to the Company in respect of the shares with interest thereon from the date of forfeiture until payment at such rate (not exceeding 15 per cent. per annum) as the Board determines and the Board may enforce payment without any allowance for the value of the shares at the time of forfeiture.
- 17.12 The Board may accept from any shareholder on such terms as agreed a surrender of any shares in respect of which there is a liability for calls or in circumstances where a US Person determines that they are not qualified to hold the shares. Any surrendered share may be disposed of in the same manner as a forfeited share.
- 17.13 The Board may, save only as may be necessary to comply with the provisions of the Law, vary or amend the terms of any calls made, to include waiving or forgiving any amounts due under a call or extending the period by which a call must be satisfied in each case on such terms or conditions as the Board may determine.

## **18 REGISTER OF MEMBERS**

- 18.1 The Company shall keep the Register and index of Members in accordance with sections 123-128 of the Law and allow inspection in accordance with sections 127-128 of the Law. The Company may delegate the maintenance of its Register and index of Members upon such terms as the Board may think fit. In the absence of manifest error, the Register shall be conclusive evidence as to the persons entitled to the shares entered therein.
- 18.2 Each Member shall inform the Company by means of a notice addressed to the Office of any change in his address and immediately after receipt of that notice the entry of the address of that Member in the Register shall be altered in conformity with the notice given.
- 18.3 The Register may be closed during such periods as the Board thinks fit not exceeding in all 30 days in any year.

## **19 UNCERTIFICATED SHARES - GENERAL POWERS**

- 19.1 Subject to the Law and the Guernsey Regulations, the board may permit any class of shares to be held in uncertificated form and to be transferred by means of a Relevant System and may revoke any such permission.
- 19.2 In relation to any share which is for the time being held in uncertificated form:

- 19.2.1 the Company may utilise the Relevant System in which it is held to the fullest extent available from time to time in the exercise of any of its powers or functions under the Guernsey Regulations or these Articles or otherwise in effecting any actions and the board may from time to time determine the manner in which such powers, functions and actions shall be so exercised or effected;
- 19.2.2 any provision in these Articles which is inconsistent with:
- (a) the holding of that share in uncertificated form or transfer of title to that share by means of a Relevant System;
  - (b) any other provision of the Guernsey Regulations relating to shares held in uncertificated form; or
  - (c) the exercise of any powers or functions by the Company or the effecting by the Company of any actions by means of a Relevant System,
- shall not apply;
- 19.2.3 subject to the Guernsey Regulations, the Company may, by notice to the holder of that share, require the holder to change the form of such share to certificated form within such period as may be specified in the notice;
- 19.2.4 the Company may require that share to be converted into certificated form in accordance with the Guernsey Regulations; and
- 19.2.5 the Company shall not issue a certificate.
- 19.3 The Company may, by notice to the holder of any share in certificated form, direct that the form of such share may not be changed to uncertificated form for a period specified in such notice.
- 19.4 For the purpose of effecting any action by the Company, the board may determine that shares held by a person in uncertificated form shall be treated as a separate holding from shares held by that person in certificated form but shares of a class held by a person in uncertificated form shall not be treated as a separate class from shares of that class held by that person in certificated form.
- 19.5 Subject to the Guernsey Regulations, the Directors may lay down regulations not included in these Articles which (in addition to, or in substitution for, any provisions in these Articles):
- 19.5.1 apply to the issue, holding or transfer of shares in uncertificated form;
  - 19.5.2 set out (where appropriate) the procedures for conversion and/or redemption of shares in uncertificated form; and/or
  - 19.5.3 the Directors consider necessary or appropriate to ensure that these Articles are consistent with the Guernsey Regulations and/or the Operator's rules and practices.
- 19.6 Such regulations will apply instead of any relevant provisions in these Articles which relate to the transfer, conversion and redemption of shares in uncertificated form or which are not consistent with the Guernsey Regulations, in all cases to the extent (if any) stated in such regulations. If the Directors make any such regulations, Article 19.7 will (for the avoidance of doubt) continue to apply, when read in conjunction with those regulations.
- 19.7 Any instruction given by means of a Relevant System shall be a dematerialised instruction given in accordance with the Guernsey Regulations, the facilities and requirements of a Relevant System and the Operator's rules and practices.

## 20 TRANSFER AND TRANSMISSION OF SHARES

- 20.1 Subject to such of the restrictions of these Articles as may be applicable:
- 20.1.1 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 the Guernsey Regulations 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;
  - 20.1.2 any Member may transfer all or any of his certificated shares by an instrument of transfer in any usual or common form or in any other form which the Board may approve; and
  - 20.1.3 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.
- 20.2 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.
- 20.3 The Board may, in its absolute discretion and without giving a reason, decline to transfer, convert or register any transfer of any share in certificated form or (to the extent permitted by the Guernsey Regulations) uncertificated form which is not fully paid or on which the Company has a lien, provided, in the case of a listed or publicly traded share that this would not prevent dealings in the share from taking place on an open and proper basis. In addition, the directors may refuse to register a transfer of shares unless:
- 20.3.1 it is in respect of only one class of shares;
  - 20.3.2 it is in favour of a single transferee or not more than four joint transferees; and
  - 20.3.3 in the case of a share in certificated form, having been delivered for registration to the Office or such other place as the Board may decide, it is accompanied by the certificate(s) 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.
- 20.4 The Board may, in its absolute discretion, decline to register a transfer of any Shares to any person whose ownership may result in a person holding Shares in violation of the transfer restrictions put forth in any prospectus published by the Company, from time to time.
- 20.5 The Board may also decline to register a transfer of an uncertificated share which is traded through the Relevant System and in accordance with the Guernsey Regulations, 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.

- 20.6 The Directors may, in their absolute discretion, refuse to register a transfer of any shares to a person that they have reason to believe is (i) an **employee benefit plan** (within the meaning of section 3(3) of ERISA) that is subject to Part 4 of Title 1 of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to section 4975 of the US Internal Revenue Code or any other state, local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and the Investment Manager (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or section 4975 of the US Internal Revenue Code, or (iii) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of (i), (ii) and (iii), a **Plan**) or (iv) any person in circumstances where the holding of shares by such person would (a) give rise to an obligation on the Company to register as an "investment company" under the Investment Company Act (including because the holder of the Shares is not a "qualified purchaser" as defined in the Investment Company Act); (b) preclude the Company from relying on the exception to the definition of **investment company** contained in section 3(c)(7) of the Investment Company Act; (c) give rise to an obligation on the Company to register under the Exchange Act, the Securities Act or any similar legislation; (d) result in the Company not being considered a **Foreign Private Issuer** as that term is defined by Rule 3b-4(c) promulgated under the Exchange Act; (e) give rise to an obligation on the Investment Manager to register as a commodity pool operator or commodity trading advisor under the US Commodity Exchange Act of 1974, as amended; (f) cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the US Tax Code); or (g) give rise to the Company or the Investment Adviser becoming subject to any US law or regulation determined to be detrimental to it (each such person in this Article 20.6, a **Prohibited US Person**). Each person acquiring shares shall by virtue of such acquisition be deemed to have represented to the Company that they are not a Prohibited US Person.
- 20.7 If any shares are owned directly or beneficially by a person believed by the Board to be a Prohibited US Person, the Board may give notice to such person requiring them either (i) to provide the Board within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Prohibited US Person or (ii) to sell or transfer their shares to a person qualified to own the same within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited their shares.
- 20.8 If the Board refuses to register the transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee.
- 20.9 Subject to the provisions of the Guernsey Regulations the registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in the aggregate in any one Calendar Year) as the Board may decide on giving notice in La Gazette Officielle and either generally or in respect of a particular class of share except that, in respect of any shares which are participating shares held in a Relevant System, the Register shall not be closed without the consent of the Operator.
- 20.10 No fee shall be payable to the Company in respect of the registration of any transfer, probate, letters of administration, certificate of marriage or death, power of attorney, instruction or other document relating to or affecting the title to any shares.
- 20.11 On the death of a Member, the survivors where the deceased was a joint holder and the executor 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.

- 20.12 A person so becoming entitled to a share in consequence of the death, bankruptcy or incapacity or otherwise by operation of law (subject as hereinafter provided), upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, 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.
- 20.13 Nothing in these Articles shall preclude the Board from recognising the renunciation of the allotment of any share by the allottee in favour of some other person.
- 20.14 For the avoidance of doubt, nothing in these Articles shall require the shares to be transferred by written instrument if the Law provides otherwise and the Board shall be empowered to implement such arrangements as they consider fit in accordance with and subject to the Law and the rules of the UK Listing Authority to evidence and regulate the transfer of title to shares in the Company and for the approval or disapproval as the case may be by the Directors or the Operator of any Relevant System of the registration of those shares.

## 21 UNTRACED SHAREHOLDERS

- 21.1 The Company shall be entitled to sell (at a price which the Company shall use its reasonable endeavours to ensure is the best obtainable) the shares of a Member or the shares to which a person is entitled by virtue of transmission on death or insolvency or otherwise by operation of law if and provided that:
- 21.1.1 during the period of not less than twelve (12) years prior to the date of the publication of the advertisements referred to below (or, if published on different dates, the first thereof) at least three dividends in respect of the shares in question have become payable and no dividend in respect of those shares has been claimed; and
  - 21.1.2 the Company shall following the expiry of such period of twelve (12) years have inserted advertisements in a national newspaper and/or in a newspaper circulating in the area in which the last known address of the Member or the address at which service of notices may be effected under these Articles is located giving notice of its intention to sell the said shares; and
  - 21.1.3 during the period of three months following the publication of such advertisements (or, if published on different dates, the last thereof) the Company shall have received indication neither of the whereabouts nor of the existence of such Member or person; and
  - 21.1.4 notice shall have been given to the stock exchanges on which the Company is listed, if any.
- 21.2 The foregoing provisions of this Article are subject to any restrictions applicable under any regulations relating to the holding and/or transferring of securities in any paperless system as may be introduced from time to time in respect of the shares of the Company or any class thereof.



## 22 **ALTERATION OF CAPITAL**

- 22.1 The Company at any time may, by ordinary resolution, increase its authorised share capital, if such has been specified, by such sum to be divided into shares of such amount as the resolution shall prescribe.
- 22.2 Unless the Company shall have resolved otherwise, any new shares shall be of such class and amount and have such preference or priority as regards dividends or in the distribution of assets or as to voting or otherwise over any other shares of any class, whether then issued or not, or be subject to such stipulations deferring them to any other shares with regard to dividends or in the distribution of the assets as the Board may determine.
- 22.3 The Company may by ordinary resolution: -
- 22.3.1 consolidate and divide all or any of its share capital into shares of larger or smaller amounts than its existing shares;
  - 22.3.2 subject to Article 22.4, subdivide all or any of its shares into shares of a smaller amount;
  - 22.3.3 cancel shares which, at the date of the passing of the resolution, have not been taken up or agreed to be taken up by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;
  - 22.3.4 convert all or any of its shares the nominal amount of which is expressed in a particular currency or former currency into shares of a nominal amount of a different currency, the conversion being effected at the rate of exchange (calculated to not less than 3 significant figures) current on the date of the resolution or on such other day as may be specified therein;
  - 22.3.5 where its share capital is expressed in a particular currency or former currency, denominate or redenominate it, whether by expressing its amount in units or subdivisions of that currency or former currency, or otherwise; and
  - 22.3.6 convert shares into stock and vice versa.
- 22.4 In any subdivision under Article 22.3.2, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as that proportion in the case of the share from which the reduced share was derived.
- 22.5 The Board on any consolidation of shares may deal with fractions of shares in any manner.
- 22.6 The Company may reduce its share capital, any capital account or any share premium account in any manner and with and subject to any authorisation or consent required by the Law.

## 23 **GENERAL MEETINGS**

- 23.1 The first general meeting of the Company shall be held within 18 months of the date of incorporation as required by the Law and thereafter general meetings shall be held once at least in each subsequent Calendar Year in accordance with section 199 of the Law but so that not more than 15 months may elapse between one annual general meeting and the next. At each such annual general meeting shall be laid copies of the Company's most recent accounts, Directors' report and, if applicable, the Auditor's report in accordance with section 252 of the Law. The requirement for an annual general meeting may be waived by the Members in accordance with section 201 of the Law. Other meetings of the Company shall be called extraordinary general meetings.
- 23.2 All general meetings shall be held in Guernsey.

- 23.3 A Member participating by video link or telephone conference call or other electronic or telephonic means of communication in a meeting at which a quorum is present shall be treated as having attended that meeting provided that the Members present at the meeting can hear and speak to the participating Member.
- 23.4 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.
- 23.5 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.
- 23.6 The Board may, whenever it thinks fit, and shall on the requisition of Members who hold more than 10 per cent. of such of the capital of the Company as carries the right to vote at general meetings (excluding any capital held as treasury shares) in accordance with sections 203 and 204 of the Law proceed to convene a general meeting.

## 24 NOTICE OF GENERAL MEETINGS

- 24.1 A general meeting of the Company (other than an adjourned meeting) must be called by notice of at least 14 clear days.
- 24.2 A general meeting may be called by shorter notice than otherwise required if all the Members entitled to attend and vote so agree.
- 24.3 Notices and other documents may be sent in electronic form or published on a website in accordance with section 208 of the Law.
- 24.4 Notice of a general meeting of the Company must be sent to: -
- 24.4.1 every Member entitled to attend and vote thereat;
  - 24.4.2 every Director; and
  - 24.4.3 every alternate Director registered as such.
- 24.5 In Article 24.4, the reference to Members includes only persons registered as a Member.
- 24.6 Notice of a general meeting of a company must: -
- 24.6.1 state the time and date of the meeting;
  - 24.6.2 state the place of the meeting;
  - 24.6.3 specify any special business to be put to the meeting (as defined in Article 25.1);
  - 24.6.4 contain the information required under section 178(6)(a) of the Law in respect of a resolution which is to be proposed as a special resolution at the meeting;
  - 24.6.5 contain the information required under section 179(6)(a) of the Law in respect of a resolution which is to be proposed as a waiver resolution at the meeting; and

- 24.6.6 contain the information required under section 180(3)(a) of the Law in respect of a resolution which is to be proposed as a unanimous resolution at the meeting.
- 24.7 Notice of a general meeting must state the general nature of the business to be dealt with at the meeting.
- 24.8 Where, by any provision of the Law, special notice is required of a resolution, the resolution is not effective unless notice of the intention to move it has been given to the Company at least 28 clear days before the date of the meeting at which it is moved.
- 24.9 The Company must, where practicable, give its Members entitled to vote thereon notice of any such resolution in the same manner and at the same time as it gives notice of the meeting.
- 24.10 Where that is not practicable, the Company must give its Members entitled to vote thereon notice at least 14 clear days before the meeting: -
- 24.10.1 by notice in La Gazette Officielle, or
- 24.10.2 in any other manner deemed appropriate by the Board.
- 24.11 If, after notice of the intention to move such a resolution has been given to the Company, a meeting is called for a date 28 clear days or less after the notice has been given, the notice is deemed to have been properly given, though not given within the time required.
- 24.12 In every notice calling a meeting of the Company there must appear a statement informing the Member of: -
- 24.12.1 his rights to appoint a proxy under these Articles and section 222 of the Law; and
- 24.12.2 the right to appoint more than one proxy.
- 24.13 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.

## 25 **PROCEEDINGS AT GENERAL MEETINGS**

- 25.1 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, if any, to elect or re-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 (if required by these Articles) 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.
- 25.2 The quorum for a general meeting shall be two (2) or more Members present in person or by proxy provided that, if the Company shall have only one (1) Member entitled to attend and vote at the general meeting, that Member shall constitute a quorum.
- 25.3 If, within half an hour after 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 14 clear days at the same time and place (or if that day is not a business day in the location of the meeting, to the next business day) or to such other day, time or place as the Board may determine and (subject to Article 25.8) no notice of adjournment need be given. The quorum at any such adjourned meeting shall be such Member or Members who shall attend in person or by proxy.
- 25.4 The chairman of any general meeting shall be either: -

- 25.4.1 the chairman of the Board;
- 25.4.2 in the absence of the chairman of the Board, or if the Board has no chairman, then the Board shall nominate one of their number to preside as chairman;
- 25.4.3 if neither the chairman of the Board nor the nominated Director is present at the meeting, then the Directors present at the meeting shall elect one of their number to be the chairman,
- 25.4.4 if only one Director is present at the meeting, then he shall be chairman of the general meeting; or
- 25.4.5 if no Directors are present at the meeting, then the Members present shall elect a chairman of the meeting by an ordinary resolution.
- 25.5 The chairman of the general meeting shall conduct the meeting in such a manner as, subject to the Law, he thinks fit and may adjourn the meeting from time to time and limit the time for Members to speak.
- 25.6 The Board may determine in respect of any general meeting or meetings or generally that a list of the names and addresses of the Members shall not be made available for inspection.
- 25.7 A Director of the Company shall be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company regardless of whether that Director is a Member of the Company or a holder of the relevant class of shares.
- 25.8 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 to any time and to any place. When a meeting is adjourned for more than 14 clear days or where business other than the business left unfinished at the meeting from which the adjournment took place is to be put to the adjourned meeting, 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.
- 25.9 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:-
  - 25.9.1 by the chairman; or
  - 25.9.2 by not less than five Members having the right to vote on the resolution; or
  - 25.9.3 by a Member or Members representing not less than 10 per cent. of the total voting rights of all Members having the right to vote on the resolution.
- 25.10 The demand for a poll may be withdrawn.
- 25.11 Unless a poll is 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.
- 25.12 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.

25.13 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

25.14 If a poll shall be duly demanded on the election of a chairman or on any question of adjournment, it shall be taken at once.

25.15 In case of an equality of votes on a poll, the chairman shall have a second or casting vote.

## 26 **VOTES OF MEMBERS**

26.1 On a show of hands, every Member present in person or by proxy shall have one vote subject to any special voting powers or restrictions.

26.2 On a poll, every Member present in person or by proxy shall have one vote for each share held by him subject to any special voting powers or restrictions.

26.3 Where there are joint registered holders of any shares, 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.

26.4 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.

26.5 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.

26.6 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.

26.7 No Member shall be entitled to vote in respect of any shares that he has acquired unless he has been registered in the Register as their holder.

26.8 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.

## 27 **PROXIES**

27.1 A Member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A Member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him.

27.2 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation under the hand of an officer or attorney duly authorised.

27.3 The Directors must send proxy forms by post (which may be at the expense of the Company and with or without provisions for their return pre-paid) or, to the extent that a Member has consented to the use of electronic communications and notified an address for that purpose and if the Directors so decide, using electronic communications to all persons entitled to notice of, and to attend and vote at, any general meeting or at any separate meeting of the holders of any class of shares in the Company.

27.4 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office or such other venue as the Board may specify. Any such

instrument appointing a proxy shall not be treated as valid unless the document is received:

- (a) in the case of a meeting or adjourned meeting, 48 hours before the time for holding the meeting or adjourned meeting;
- (b) in the case of a poll taken more than 48 hours after it was demanded, 24 hours before the time appointed for taking the poll;
- (c) in the case of a poll taken not more than 48 hours after it was demanded, the time at which it was demanded; or
- (d) such later time as the Board may specify up to and including the time of the relevant meeting or the taking of the poll, as the case may be.

In calculating the periods mentioned above, no account shall be taken of any part of a day that is not a Working Day.

27.5 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.

27.6 Without limiting any other provision of these Articles, in relation to an uncertificated share the Directors may from time to time:

27.6.1 permit appointments of a proxy to be made by means of an Uncertificated Proxy Instruction;

27.6.2 where a proxy has been appointed by means of an Uncertificated Proxy Instruction, permit the revocation of the appointment by means of an Uncertificated Proxy Instruction;

27.6.3 prescribe the method for determining the time at which any such Uncertificated Proxy Instruction is to be treated as received by the Company (or a participant in the Relevant System concerned on its behalf); and

27.6.4 treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

27.7 For the purposes of Article 27.6, **Uncertificated Proxy Instruction** means an electronic communication in the form of:

27.7.1 an instruction which is properly authenticated as determined by the Guernsey Regulations;

27.7.2 any other instruction or notification; or

27.7.3 any supplemented or amended instruction or notification,

27.7.4 in each case sent by means of the Relevant System concerned and received by such participant in that system acting on behalf of the Company (and in such form and on such terms and conditions) as the Board may determine subject to the facilities and requirements of that system.

27.8 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.

- 27.9 Without prejudice to section 226 of the Law, 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.
- 27.10 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.

## 28 **WRITTEN RESOLUTIONS**

- 28.1 Resolutions of the Members may be approved in writing if so determined by the Directors or the Members in accordance with Part XIII of the Law and every Member voting thereon shall have one vote for each share subject to any special voting powers or restrictions.
- 28.2 Notice specifying the proposed resolution in writing may be sent by the Company to Members by post or by facsimile or such other telephonic or electronic means of written communications as the Board may, subject to the Law, determine at any time.
- 28.3 Notices of proposed written resolutions forwarded by post shall be sent to the address of such Members entered in the Register. Notices forwarded by any telephonic or electronic means of written communication shall be forwarded to such destination as the Member in question may at any time designate in writing signed by him.
- 28.4 Notices of proposed written resolutions shall incorporate or be accompanied by an instrument to be signed by or on behalf of the Member to whom it is addressed for the purpose of approving the same.
- 28.5 Any notice of a proposed written resolution shall specify a date and time (whether greater or lesser than any period for the time being prescribed by the Law) at which the instrument or instruments signed by or on behalf of the Members voting in favour thereof shall be counted and at which the resolution if approved by the requisite majority shall become effective. No instrument received or signature appended thereto after such time shall be counted.
- 28.6 Notwithstanding anything else contained herein (and in particular the method of sending the notice of and instrument for approving the written resolution to Members) all such instruments containing such approval shall be in writing and signed by the Member or Members in question. The signature of a Member shall be acceptable for such purposes if received by facsimile telephonic transmission or in any other way specified in the notice.
- 28.7 The accidental omission to give notice of any proposed written resolution to or the non receipt of such notice by any Member shall not invalidate any resolution or any proposed resolution otherwise duly approved.

## 29 **NUMBER, APPOINTMENT AND QUALIFICATION OF DIRECTORS**

- 29.1 The first Directors of the Company shall be specified in the application for incorporation prepared in accordance with section 17 of the Law. Unless a sole Director is specified in the application for incorporation and until otherwise determined by the Board, the number of Directors shall be not less than two. At no time shall a majority of Directors, including any duly appointed alternates, be resident in the United Kingdom, and a person shall not be appointed a Director if as a result of such appointment the Board would cease to consist of a majority of Directors resident outside the United Kingdom.
- 29.2 The Board shall have power at any time to appoint any person eligible in accordance with section 137 of the Law to be a Director either to fill a casual vacancy or as an addition to

the existing Directors but so that the total number of Directors shall not at any time exceed the number, if any, fixed pursuant to these Articles. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

- 29.3 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 14 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.
- 29.4 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.
- 29.5 A share qualification for a Director may be fixed by the Company in general meeting and unless and until so fixed no qualification shall be required.

### **30 REMUNERATION OF DIRECTORS**

- 30.1 The ordinary remuneration of the Directors who do not hold executive office for their services (excluding amounts payable under any other sub-paragraph of these Articles) shall not exceed in aggregate £400,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine. Such remuneration shall be deemed to accrue from day to day.
- 30.2 The Directors shall also be paid all reasonable out-of-pocket travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.
- 30.3 In addition, the Board may award additional remuneration to any Director engaged in exceptional work at the request of the Board on a time spent basis.

### **31 INDEMNITIES**

- 31.1 The Directors, Secretary and officers of the Company and their respective heirs and executors shall, to the extent permitted by section 157 of the Law, be fully indemnified out of the assets and profits of the Company from and against all actions expenses and liabilities which they or their respective heirs or executors may incur by reason of any contract entered into or any act in or about the execution of their respective offices or trusts except such (if any) as they shall incur by or through their own negligence, default, breach of duty or breach of trust respectively and none of them shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipt for the sake of conformity or for any bankers or other person with whom any monies or assets of the Company may be lodged or deposited for safe custody or for any bankers or other persons into whose hands any money or assets of the Company may come or for any defects of title of the Company to any property purchased or for insufficiency or deficiency of or defect in title of the Company to any security upon which any monies of the Company shall be placed out or invested or for any loss misfortune or damage resulting from any such cause as aforesaid or which may happen in or about the execution of their respective offices or trusts except the same shall happen by or through their own negligence, default, breach of duty or breach of trust.
- 31.2 The Directors may agree to such contractual indemnities for the benefit of the Secretary, officers, employees and other agents and contracting parties as they may from time to time, deem fit.
- 31.3 Notwithstanding Article 31.1, the Board may purchase and maintain, at the expense of the Company, insurance for the benefit of the Directors, Secretary, officers, employees and



other agents and/or to cover corporate reimbursement of such Directors, Secretary, officers, employees and other agents.

- 31.4 For the avoidance of doubt, this Article shall apply to both current and former Directors, Secretary, officers, employees and other agents.

## **32 REGISTERS OF DIRECTORS**

The Directors or Secretary shall cause to be maintained a register of Directors in accordance with sections 143 and 147 of the Law.

## **33 ALTERNATE DIRECTORS**

- 33.1 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 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 provided that a Director who is not resident in the United Kingdom may not appoint as his alternate any person who is United Kingdom resident. Subject thereto, every such appointment shall be effective and the following provisions shall apply: -

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

33.2.1 to notice of meetings of the Directors; and

33.2.2 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.

- 33.3 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

- 33.4 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 exercise of his duties.

- 33.5 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.

## **34 BORROWING POWERS OF THE BOARD**

The Board may exercise all the powers of the Company to borrow money (in whatever currency the Board determines from time to time) and mortgage, hypothecate, pledge or charge all or part of its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any liability or obligation of the Company or of any third party provided always that the aggregate principal amount from time to time outstanding of all borrowings by the Group (excluding intra-group indebtedness and the debts of underlying Project Entities but including any financial guarantees to support subscription obligations) shall not exceed 35 per cent. of the Total Assets.

## **35 OTHER POWERS AND DUTIES OF THE BOARD**

- 35.1 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 Law 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.

- 35.2 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.
- 35.3 The Board may establish any local boards or committees (provided that any such local board or committee shall be composed of all or a majority of persons who are resident other than in the United Kingdom and such local board or committee shall in any case meet in Guernsey) 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 committees and may fix their remuneration and may delegate to any local board or committee 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 or committee 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. The provisions of Article 37 shall apply to meetings of such local boards and committees mutatis mutandis save as varied by the Board.
- 35.4 The Board may: -
- 35.4.1 at any time, by power of attorney given under the hand of such person or persons duly authorised by the Board in that behalf, appoint any person or any fluctuating body of persons (not resident in the United Kingdom), 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; or
- 35.4.2 appoint such other agents, managers and contractors with such powers to sub-delegate as it may deem fit from time to time.
- 35.5 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Board shall, at any time, determine.
- 35.6 The Board shall cause minutes to be made and maintained at the Office or at such other place in Guernsey as the Board may think fit in books provided for the purpose of all resolutions and proceedings at meetings of the Board and of Board Committees in accordance with section 154 of the Law.
- 35.7 The Board shall cause minutes and records of other corporate resolutions to be made and maintained at the Office or in such other place in Guernsey as the Board may think fit in accordance with sections 228 and 230 of the Law of all proceedings at general meetings or otherwise and all decisions of a sole Member.
- 35.8 The Board may pay a gratuity, pension or allowance on death or retirement to, and may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation or life assurance funds or schemes, for the benefit of any persons: -

- 35.8.1 who are or were at any time in the employment or service of the Company or of any company which is or was a holding or subsidiary company of the Company or of any predecessor in business of any of them; or
- 35.8.2 who are or were at any time directors or officers of the Company or of any such other company or predecessor in business and holding any salaried employment or executive office in the Company or such other company or predecessor in business; and the wives, widows, children, dependants or relations of any such persons. The receipt of any such gratuity pension or allowance shall not disqualify any person from being a Director of the Company.
- 35.9 The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid and make payments for or towards the insurance of any such persons.
- 35.10 The Board may do any of the matters aforesaid either alone or in conjunction with any such other company.
- 36 CONFLICTS OF INTEREST**
- 36.1 A Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose to the Board in accordance with section 162 of the Law, the nature and extent of that interest.
- 36.2 Article 36.1 does not apply if: -
- 36.2.1 the transaction or proposed transaction is between the Director and the Company; and
- 36.2.2 the transaction or proposed transaction is or is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.
- 36.3 A general disclosure to the Board to the effect that a Director has an interest (as director, officer, employee, member or otherwise) in a party and is to be regarded as interested in any transaction which may after the date of the disclosure be entered into with that party is sufficient disclosure of interest in relation to that transaction.
- 36.4 Nothing in Articles 36.1, 36.2 and 36.3 applies in relation to: -
- 36.4.1 remuneration or other benefit given to a Director;
- 36.4.2 insurance purchased or maintained for a Director in accordance with section 158 of the Law; or
- 36.4.3 qualifying third party indemnity provision provided for a Director in accordance with section 159 of the Law.
- 36.5 Subject to Article 36.6, a Director is interested in a transaction to which the Company is a party if the Director: -
- 36.5.1 is a party to, or may derive a material benefit from, the transaction;
- 36.5.2 has a material financial interest in another party to the transaction;
- 36.5.3 is a director, officer, employee or member of another party (other than a party which is an associated company) who may derive a material financial benefit from the transaction;

- 36.5.4 is the parent, child or spouse of another party who may derive a material financial benefit from the transaction; or
- 36.5.5 is otherwise directly or indirectly materially interested in the transaction.
- 36.6 A Director is not interested in a transaction to which the Company is a party if the transaction comprises only the giving by the Company of security to a third party which has no connection with the Director, at the request of the third party, in respect of a debt or obligation of the Company for which the Director or another person has personally assumed responsibility in whole or in part under a guarantee, indemnity or security.
- 36.7 Save as provided in these Articles, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise through the Company. A Director may be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- 36.8 A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters namely: -
- 36.8.1 the giving of any guarantee, security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
- 36.8.2 the giving of any guarantee, security or indemnity to a third party 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 under a guarantee or indemnity or by the giving of security;
- 36.8.3 any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- 36.8.4 any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent. or more of the issued shares of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances).
- 36.9 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Company or any company in which the Company is interested the Directors may be counted in the quorum for the consideration of such proposals and such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under the provisions of Article 36.7 above) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 36.10 If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the director concerned have not been fairly disclosed.

- 36.11 The Company may by ordinary resolution suspend or relax the provisions of Articles 36.7 and 36.8 above to any extent or ratify any transaction not duly authorised by reason of a contravention of any of the said Articles.
- 36.12 Subject to Article 36.7 above the Directors may exercise the voting power conferred by the share 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 director, managing director, managers or other officer of such company or voting or providing for the payment or remuneration to the directors, managing director, manager or other officer of such company).
- 36.13 A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director on such terms as to tenure of office or otherwise as the Directors may determine.
- 36.14 Subject to due disclosure in accordance with Article 36, no Director or intending Director shall be disqualified by his office from contracting with the Company as vendor, purchaser or otherwise nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested render the Director liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- 36.15 Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director **PROVIDED THAT** nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.
- 36.16 Any Director may continue to be or become a director, managing director, manager or other officer or member of any company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of any such other company.

### 37 **DISQUALIFICATION AND RETIREMENT OF DIRECTORS**

- 37.1 A Director shall cease to hold office: -
- 37.1.1 if he (not being a person holding for a fixed term an executive office subject to termination if he ceases for any reason to be a Director) resigns his office by written notice signed by him sent to or deposited at the Office;
- 37.1.2 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;
- 37.1.3 if he dies or becomes of unsound mind or incapable;
- 37.1.4 if he becomes insolvent suspends payment or compounds with his creditors;
- 37.1.5 if he is requested to resign by written notice signed by all his co-Directors;
- 37.1.6 if the Company in general meeting shall declare that he shall cease to be a Director;
- 37.1.7 if he becomes resident in the United Kingdom and, as a result thereof, a majority of the Directors are resident in the United Kingdom;

- 37.1.8 if he becomes ineligible to be a Director in accordance with section 137 of the Law; or
- 37.1.9 he becomes prohibited from being a Director by reason of any order made under any provisions of any law or enactment.
- 37.2 If the Company in general meeting removes any Director before the expiration of his period of office, it or the Board may 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.
- 37.3 At each annual general meeting one-third of the Directors who are subject to retirement by rotation, or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but, if there is only one director who is subject to retirement by rotation, he shall retire. Nothing in this Article shall prevent more than one-third of the Directors from retiring at any annual general meeting and standing to be reappointed.
- 37.4 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 became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 37.5 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

## **38 PROCEEDINGS OF DIRECTORS**

- 38.1 The Board may meet for the dispatch 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, provided that he is not resident in the United Kingdom. All meetings of Directors shall take place in Guernsey and any decision reached or resolution passed by the Directors at any meeting not held in Guernsey or at which a majority of Directors resident in the United Kingdom is present shall be invalid and of no effect.
- 38.2 A Director in communication with one or more other Directors so that each Director participating in the communication can hear or read what is said or communicated by each of the others, is deemed to be present at a meeting with the other Directors so participating and, where a quorum is present, such meeting shall be treated as a validly held meeting of the Board and shall be deemed to have been held in the place where the chairman is present, 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.
- 38.3 The Board shall also determine the notice necessary for its meetings and the persons to whom such notice shall be given.
- 38.4 A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions exercisable by the Board.
- 38.5 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 Member may summon a general meeting for the purpose of appointing Directors.

- 38.6 The Board may elect a 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 fifteen (15) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- 38.7 The Board may delegate any of their powers to committees consisting of such one or more Directors as they think fit provided that all or a majority of members of such committees are resident other than in the United Kingdom. Such committees shall meet only in Guernsey. No director physically present in the United Kingdom at the time of any such meeting may participate in a meeting by means of a video link, telephone conference call or other electronic or telephone means of communication. 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. Subject thereto, this Article 37 shall apply mutatis mutandis to the proceedings of such committees.
- 38.8 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two (2) except that where the minimum number of Directors has been fixed at one a sole Director shall be deemed to form a quorum and provided that if a majority of Directors present are not resident other than in the United Kingdom, the Directors present, irrespective of number, shall not constitute 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.
- 38.9 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.

## 39 EXECUTIVE DIRECTORS

- 39.1 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.
- 39.2 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.
- 39.3 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.

## 40 SECRETARY

- 40.1 A Secretary may be appointed by the Board for such term at such remuneration and upon such conditions as the Board may think fit; and any Secretary may be removed by the Board but without prejudice to any claim which he may have for damages for breach of any contract of service between him and the Company.
- 40.2 A Secretary shall have such duties as may be agreed by the Board and the Secretary and, in the absence of such agreement, those duties shall include the duties set out in section 171 of the Law.
- 40.3 Any provision of the Law or these Articles requiring or authorising a thing to be done by a Director and the Secretary shall be satisfied by its being done by the same person acting both as Director and as or in the place of the Secretary.

41 **THE SEAL**

If the Board determines to maintain a Seal, it 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.

42 **COMMON SIGNATURE**

The common signature of the Company may be either: -

- 42.1 the name of the Company with the addition of the signature(s) of one or more of the Directors or officers of the Company authorised generally or specifically by the Board for such purpose, or such other person or persons as the Board may from time to time appoint; or
- 42.2 if the Board resolves that the Company shall have a Seal, it shall be affixed in such manner as these Articles or the Board may from time to time provide.

43 **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 provided that such authentication shall only take place outside the United Kingdom; 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.

44 **DIVIDENDS**

- 44.1 Subject to compliance with section 304 of the Law, the Board may at any time declare and pay such dividends as appear to be justified by the position of the Company. The Board may also declare and pay any fixed dividend which is payable on any shares of the Company half-yearly or otherwise on fixed dates whenever the position in the opinion of the Board so justifies.
- 44.2 The method of payment of dividends shall be at the discretion of the Board.
- 44.3 No dividend shall be paid in excess of the amounts permitted by the Law or approved by the Board.
- 44.4 Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall be declared and paid pro rata according to the number of shares held by each Member. For the avoidance of doubt, where there is more than one class of share in issue, dividends declared in respect of any class of share shall be declared and paid pro rata according to the number of shares of the relevant class held by each Member.
- 44.5 The Board may deduct from any dividend payable to 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 calls or otherwise.
- 44.6 The Board may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the liabilities or obligations in respect of which the lien exists.
- 44.7 The Board may retain dividends payable upon shares in respect of which any person is entitled to become a Member until such person has become a Member.



- 44.8 With the sanction of the Company in general meeting by way of a special resolution, any dividend may be paid wholly or in part by the distribution of specific assets. Where any difficulty arises in regard to such distribution the Board may settle the same as it thinks expedient and in particular may fix the value for distribution of such specific assets and may determine that cash payments shall be made to any Members based on the value so fixed in order to adjust the rights of Members and may vest any such specific assets in trustees for the Members entitled as may seem expedient to the Board.
- 44.9 Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or such other means (including, in relation to any dividend or other sum payable in respect of shares held in uncertificated form, by means of a Relevant System in any manner permitted by the rules of the Relevant System concerned) and to or through such person as the holder or joint holders (as the case may be) may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions. Any one of two or more joint holders may give effectual receipts for any dividends interest bonuses or other monies payable in respect of their joint holdings.
- 44.10 No dividend or other monies payable on or in respect of a share shall bear interest against the Company.
- 44.11 All unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of six (6) years after having been declared shall be forfeited and shall revert to the Company.

#### 45 **SCRIP DIVIDENDS**

- 45.1 The Board may, if authorised by an ordinary resolution of the Company, offer any holders of any particular class of shares (excluding treasury shares) the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the ordinary resolution (a **Scrip Dividend**) in accordance with the following provisions of this Article 45.
- 45.2 The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth annual general meeting of the Company to be held following the date of the meeting at which the ordinary resolution is passed.
- 45.3 The basis of allotment shall be decided by the Board so that, as nearly as may be considered convenient, the value of the further shares, including any fractional entitlement, is equal to the amount of the cash dividend which would otherwise have been paid.
- 45.4 For the purposes of Article 45.3 the value of the further shares shall be calculated by reference to the average of the middle market quotations for a fully paid share of the relevant class, as shown in the Daily Official List of the London Stock Exchange, for the day on which such shares are first quoted **ex** the relevant dividend and the four subsequent dealing days or in such other manner as the directors may decide.
- 45.5 The Board shall give notice to the Members of their rights of election in respect of the Scrip Dividend and shall specify the procedure to be followed in order to make an election.
- 45.6 The dividend or that part of it in respect of which an election for the Scrip Dividend is made shall not be paid and instead further shares of the relevant class shall be allotted in accordance with elections duly made and the Board shall capitalise a sum to the aggregate nominal amount of the shares to be allotted out of such sums available for the purpose as the Directors may consider appropriate.

- 45.7 The further shares so allotted shall rank pari passu in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.
- 45.8 The Board may decide that the right to elect for any Scrip Dividend shall not be made available to Members resident in any territory, where in the opinion of the Board, compliance with local laws or regulations would be impossible or unduly onerous.
- 45.9 The Board may do all acts and things considered necessary or expedient to give effect to the provisions of a Scrip Dividend election and the issue of any shares in accordance with the provisions of this Article and the Law, and may make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of the fractional entitlements accrues to the Company rather than to the Members concerned).
- 45.10 The Board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election pursuant to this Article 45 is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.
- 45.11 The Board shall not make a Scrip Dividend available unless the Company has sufficient unissued shares and undistributed profits or reserves to give effect to elections which could be made to receive that scrip dividend.
- 45.12 For the avoidance of doubt, shares allotted pursuant to this Article 45 in respect of all or part of any dividend shall not be treated as allotted for cash for the purposes of Articles 7.2 and 7.6.

#### 46 **RESERVES**

The Board may, before recommending any dividend, set aside such sums (out of profits or otherwise) as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which such sums may be properly applied and, pending such application, may either be employed in the business of the Company or be invested in such investments as the Board may at any time think fit. The Board may also, without placing the same to reserve, carry forward any profits or other sums which it may think prudent not to distribute.

#### 47 **CAPITALISATION OF PROFITS**

- 47.1 The Company in general meeting may, upon the recommendation of the Board, resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sums be set free for distribution amongst the Members who would have been entitled thereto if distributed and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares of the Company to be allotted and distributed credited as fully paid to and amongst such Members.
- 47.2 Whenever such resolution shall have been passed, the Board shall make all appropriations and applications of the reserves or profits resolved to be capitalised and all allotments and issues of fully-paid shares and generally shall do all things required to give effect thereto with full power to the Board to make such provision by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and also to authorise any person to enter on behalf of all Members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf by the application thereto of their respective proportions of the amounts resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members.

48      **ACCOUNTS AND REPORTS**

48.1     The Board shall maintain accounting records and issue reports in accordance with Part XV of the Law.

49      **AUDIT**

49.1     Auditors shall be engaged in accordance with Part XVI of the Law.

49.2     A Director shall not be capable of being appointed as an Auditor.

49.3     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 seven 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.

49.4     The first Auditors shall be appointed by the Board before the first general meeting and they shall hold office until the first general meeting unless previously removed in which case the Members at such meeting may appoint the Auditors.

49.5     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.

49.6     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, if the Members by ordinary resolution so resolve.

49.7     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 Law.

49.8     Any Auditor shall be eligible for re-election.

50      **NOTICES**

50.1     A notice or other communication may be given by the Company to any Member by any means as set out in section 523 of the Law.

50.2     Any notice or other document, if served by post (including registered post, recorded delivery service or ordinary letter post), shall be deemed to have been served 48 hours after the time when the letter containing the same is posted and in providing such service it shall be sufficient to prove that the letter containing the notice or document was properly posted.

50.3     Any notice or other document that may be sent by the Company by courier will be deemed to be received 24 hours after the time at which it was despatched.

50.4     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.

- 50.5 Any notice or other communication sent to the address of any Member shall, notwithstanding the death, disability or 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.
- 50.6 All Members shall be deemed to have agreed to accept communication from the Company by electronic means in accordance with sections 524 and 526 and Schedule 3 of the Law unless a Member notifies the Company otherwise. Notice under this Article must be in writing and signed by the Member and delivered to the Company's Office or such other place as the Board directs. A Member shall be entitled to require the Company to send him a version of a document or information in hard copy form.
- 50.7 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from which he derives his title.

## 51 WINDING UP

- 51.1 The Company shall have an indefinite life. If the Company shall be wound up, the surplus assets remaining after payment of all creditors shall, subject to the provisions of Article 53.3, be divided among the Members in the manner described in this Article.
- 51.2 Subject to Article 54.3, the surplus assets available for distribution among the Members shall be applied in payment to the holders of the Ordinary Shares.
- 51.3 If the Company is wound up whether voluntarily or otherwise the Liquidator may with the sanction of a special resolution divide among the Members in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the Members as the Liquidator with the like sanction shall think fit.
- 51.4 If any of the securities or other assets to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said securities or assets may within 14 clear days after the passing of the special resolution, by notice in writing, direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable, act accordingly.

## 52 DETERMINATION OF NET ASSET VALUE

- 52.1 The Net Asset Value of the Company shall be determined in accordance with the following provisions: -
- 52.1.1 The Net Asset Value shall be equal to the value as at the relevant Valuation Point of all the assets, less all the liabilities, of the Company (calculated on the basis set out in this Article 52).
- 52.1.2 The assets of the Company shall be deemed to include the following: -
- (a) all cash on hand, on loan or on deposit, or on call including any interest accrued thereon;
  - (b) all treasury bills, demand notes, promissory notes and accounts receivable;
  - (c) all shares, stocks, units, participations, warrants, bonds, time notes, debenture stock, subscription rights, options, futures contracts and other investments and securities owned or contracted for by the Company, other than rights and securities issued by it;

- (d) all stock and cash dividends and cash distributions to be received by the Company and not yet received by it but declared payable to stockholders of record on a date before the day as of which the assets are being valued;
- (e) all interest accrued on any interest-bearing securities owned by the Company;
- (f) unrealised profits on open contracts; and
- (g) all other assets of the Company of every kind and nature including any claims for repayment of any taxation levied on capital (including capital gains) or on income accrued before the Valuation Point and prepaid expenses as valued and defined from time to time by the Directors.

52.1.3 Any expense or liability of the Company may be amortised over such period as the Directors may determine (and the Directors may at any time and from time to time determine to lengthen or shorten any such period) and the unamortised amount thereof at any time shall also be deemed to be an asset of the Company.

52.1.4 The investments of the Company shall be valued as follows:-

- (a) subject to sub-Article (g), assets listed, quoted or dealt in on a recognised securities exchange (including financial futures, warrants and rights expressed by reference to stock indices) are to be valued at the market dealing price, at the last close of business before the Valuation Point on the recognised securities exchange which, in the opinion of the Directors, is the principal recognised securities exchange on which the asset in question is listed, quoted or dealt in. If separate bid and offer prices are quoted, the price to be adopted for calculating the Net Asset Value shall be the mean average of the two prices;
- (b) deposits shall be valued at their principal amount plus accrued interest from the date of acquisition;
- (c) certificates of deposit acquired at their nominal value shall be valued at cost plus accrued interest from the date of acquisition on the nominal value at the coupon rate;
- (d) certificates of deposit acquired at a discount or premium on the sum of the nominal value and accrued interest at the date of acquisition shall be valued at their cost plus accrued interest from the date of acquisition on the nominal value at the coupon rate, and adjusted by an amount equal to the discount or premium at which they were acquired divided by the number of days unexpired at the date of acquisition and multiplied by the number of days elapsed from the date of acquisition to the date as of which the assets are being valued;
- (e) investments in unit trusts or other forms of collective investment schemes will be valued at the latest available mid-market price or valuation quoted by the manager or, as the case may be, the administrator of the unit trust or scheme in question;
- (f) any interest and exchange rate contracts will be valued at their market value; and
- (g) other investments of the Company shall be valued in accordance with the Prospectus or as otherwise determined by the Directors from time to time in their absolute discretion;

**PROVIDED THAT** if in the case of any investment the Directors at any time consider that the above basis of valuation is inapplicable or that the value determined in accordance with the foregoing principles is unfair they shall be entitled to substitute what in their opinion is a fair value therefor (or different values for the purpose of calculating offer prices and bid prices).

- 52.1.5 Notwithstanding the foregoing, where at the time as of which the assets are being valued any investment of the Company has been realised or unconditionally contracted to be realised there shall be included in the assets of the Company in place of such investment the net amount receivable by the Company in respect thereof provided that if the net amount receivable is not payable until some further time after the time as of which the assets are being valued the Directors may make such allowance as they consider appropriate.
- 52.1.6 Notwithstanding the rules in Article 52.1.4, where an option subsists for another person to purchase an asset from the Company or for the Company to sell an asset to another person, but such option has not been exercised, the value of the asset concerned shall be taken to be the price at which the option is exercisable, at any time at which such price is (in the case where another person is entitled to purchase) lower than, or (in the case where the Company is entitled to sell to another person) higher than, the price by reference to which the value would otherwise be calculated.
- 52.1.7 Any valuations made pursuant to these Articles shall be binding on all relevant persons.
- 52.1.8 The liabilities of the Company shall be deemed to include all its liabilities (including such amount as the Directors determine to provide in respect of contingent liabilities including (but without limitation) liabilities in respect of taxation on income or capital gains whether realised or unrealised) of whatsoever kind and nature. Any unrealised loss on open contracts will be included as liabilities of the Company. In determining the amount of such liabilities the Directors may calculate any liabilities on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period. All fees and expenses payable by the Company shall be treated as accruing on a daily basis unless the Directors shall otherwise determine.
- 52.1.9 Brokerage commissions on open contracts shall be accrued as a liability of the Company upon the initiation of such positions.

### **53 DISCLOSURE OF THIRD PARTY INTERESTS IN SHARES**

- 53.1 The Directors shall have power by notice in writing to require any Member to disclose to the Company the identity of any person other than the Member (an interested party) who has any interest in the shares held by the Member and the nature of such interest.
- 53.2 Any such notice shall require any information in response to such notice to be given in writing within the prescribed period which shall be 28 days after the service of the notice, or 14 days if the shares concerned represent 0.25 per cent. or more in value of the issued shares of the relevant class, or such other reasonable time period as the Directors may determine.
- 53.3 The Company shall maintain a register of interested parties and whenever in pursuance of a requirement imposed on a shareholder as aforesaid the Company is informed of an interested party the identity of the interested party and the nature of the interest shall be promptly inscribed therein together with the date of the request.
- 53.4 The Directors may be required to exercise their powers under Article 53.1 on the requisition of Members (excluding the holders of treasury shares) of the Company holding

at the date of the deposit of the requisition not less than one-tenth of such of the paid up capital of the Company as carries at that date the right of voting at general meetings of the Company.

53.5 The requisition must: -

53.5.1 state that the requisitionists are requiring the Company to exercise its powers under this Article;

53.5.2 specify the manner in which they require those powers to be exercised; and

53.5.3 give reasonable grounds for requiring the Company to exercise those powers in the manner specified,

and must be signed by the requisitionists and deposited at the Office.

53.6 The requisition may consist of several documents in like form each signed by one or more requisitionists.

53.7 On the deposit of a requisition complying with this Article 53 it is the Directors' duty to exercise their powers under Article 53.1 in the manner specified in the requisition.

53.8 If any Member has been duly served with a notice given by the Directors in accordance with Article 53.1 and is in default for the prescribed period in supplying to the Company the information thereby required the Directors may in their absolute discretion at any time thereafter serve a notice (a **direction notice**) upon such Member as follows: -

53.8.1 a direction notice may direct that, in respect of: -

(i) the shares comprising the shareholder account in the Register which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the **default shares**); and

(ii) any other shares held by the Member;

the Member shall not be entitled to attend or vote (either personally or by representative or by proxy) at any General Meeting or meeting of the holders of any class of shares of the Company or to exercise any other right conferred by membership in relation to any such meetings; and

53.8.2 where the default shares represent at least 0.25 per cent. of the class of shares concerned, then the direction notice may additionally direct that: -

(i) in respect of the default shares, any dividend or part thereof which would otherwise be payable on such shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the Member;

(ii) no transfer other than an approved transfer (as set out in Article 53.11.3 of any of the shares held by such Member shall be registered unless: -

(1) the Member is not himself in default as regards supplying the information requested; and

(2) the transfer is of part only of the Member's holding and when presented for registration is accompanied by a certificate by the Member in a form satisfactory to the Directors to the effect that after due and careful enquiry the Member is satisfied that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer.

The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but failure or omission by the Company to do so shall not invalidate such notice.

53.9 If shares are issued to a Member as a result of that Member holding other shares in the Company and if the shares in respect of which the new shares are issued are default shares in respect of which the Member is for the time being subject to particular restrictions, the new shares shall on issue become subject to the same restrictions whilst held by that Member as such default shares. For this purpose, shares which the Company procures to be offered to Members pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain Members by reason of legal or practical problems associated with offering shares outside the United Kingdom or Guernsey) shall be treated as shares issued as a result of a Member holding other shares in the Company.

53.10 Any direction notice shall have effect in accordance with its terms for as long as the default, in respect of which the direction notice was issued, continues but shall cease to have effect in relation to any shares which are transferred by such Member by means of an approved transfer as set out in Article 53.11.3. As soon as practical after the direction notice has ceased to have effect (and in any event within seven days thereafter) the Directors shall procure that the restrictions imposed by Article 53.8 and 53.9 above shall be removed and that dividends and other monies withheld pursuant to Article 53.8.2(i) above are paid to the relevant Member.

53.11 For the purpose of this Article: -

53.11.1 a person shall be treated as appearing to be interested in any shares if the Member holding such shares has given to the Company a notification which either (a) names such person as being so interested or (b) fails to establish the identities of those interested in the shares and (after taking into account the said notification and any other relevant notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

53.11.2 the prescribed period in respect of any particular Member is 28 days from the date of service of the said notice in accordance with Article 53.1 except where the default shares represent at least 0.25 per cent. of the class of shares concerned in which case such period shall be 14 days;

53.11.3 a transfer of shares is an approved transfer if but only if: -

- (i) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a public offer made to acquire all the issued shares in the capital of the Company not already owned by the offeror or Connected Person of the offeror in respect of the Company; or
- (ii) the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares to a party unconnected with the Member and with other persons appearing to be interested in such shares; or
- (iii) the transfer results from a sale made through a recognised investment exchange (as defined in the Financial Services and Markets Act 2000 of the United Kingdom) or any stock exchange outside the United Kingdom on which the Company's shares are listed or normally traded.

For the purposes of this sub-paragraph, any person who is a Connected Person shall be included amongst the persons who are connected with the Member or any person appearing to be interested in such shares.



53.12 Any shareholder who has given notice of an interested party in accordance with Article 53.2 who subsequently ceases to have any party interested in his shares or has any other person interested in his shares shall notify the Company in writing of the cessation or change in such interest and the Directors shall promptly amend the register of interested parties accordingly.

## 54 C SHARES AND NEW SHARES

### 54.1 Issues of C Shares

54.1.1 Subject to the Law, the Directors shall be authorised to issue C Shares in tranches on such terms as they determine provided that such terms are consistent with the provisions contained in this Article 54.1.1. The Directors shall, on the issue of each tranche of C Shares, determine the Calculation Time and Conversion Time together with any amendments to the definition of Conversion Ratio attributable to each such tranche.

54.1.2 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.

### 54.2 Dividends and Pari Passu Ranking of C Shares and New Shares

54.2.1 The holders of C Share(s) of a tranche shall be entitled to receive, and participate in, any dividends declared only insofar as such dividend is attributed, at the sole discretion of the Directors, to the C Share Surplus of that tranche.

54.2.2 If any dividend is declared after the issue of any tranche of C Shares and prior to the Conversion of that tranche, the holders of Ordinary Shares shall be entitled to receive and participate in such dividend only insofar as such dividend is not attributed, at the sole discretion of the Directors, to the C Share Surplus of the relevant tranche of C Shares.

54.2.3 The New Shares shall rank in full for all dividends and other distributions declared, made or paid after the Conversion Time and otherwise *pari passu* with the Ordinary Shares in issue at the Conversion Time.

### 54.3 Rights as to Capital

The capital and assets of the Company shall, on a winding up or on a return of capital prior, in each case, to Conversion be applied as follows:

- (a) the Share Surplus shall be divided amongst the holders of Ordinary Shares according to the rights attaching thereto as if the Share Surplus comprised the assets of the Company available for distribution; and
- (b) the C Share Surplus shall be divided amongst the holders of C Share(s) *pro rata* according to their holdings of C Shares.

### 54.4 Voting and Transfer

The C Shares shall carry the right to receive notice of, and to attend or vote at, any general meeting of the Company in the same manner as Ordinary Shares (notwithstanding any difference in the respective Net Asset Values of the C Shares and Ordinary Shares). The C Shares shall be transferable in the same manner as the Ordinary Shares.

### 54.5 Redemption

- 54.5.1 The C Shares are issued on terms that each tranche of C Shares shall be redeemable by the Company in accordance with the terms set out in the Articles.
- 54.5.2 At any time prior to Conversion, the Company may, at its discretion, redeem all or any of the C Shares 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 holders of C Share(s).

#### **54.6 Class Consents and Variation of Rights**

- 54.6.1 Without prejudice to the generality of the Articles, until Conversion the consent of the holders of the C Shares as a class shall be required for, and accordingly, the special rights attached to the C Shares shall be deemed to be varied, *inter alia*, by:
- (a) any alteration to the memorandum of association of the Company or the Articles; or
  - (b) any alteration, increase, consolidation, division, sub-division, cancellation, reduction or purchase by the Company of any issued or authorised share capital of the Company (other than on Conversion or unless pursuant to a power of the Company that has previously been granted or otherwise approved by shareholders prior to the issue of the relevant tranche of C Shares); or
  - (c) any allotment or issue of any security convertible into or carrying a right to subscribe for any share capital of the Company or any other right to subscribe or acquire share capital of the Company; or
  - (d) the passing of any resolution to wind up the Company; or
  - (e) any change to the accounting reference date of the Company.

#### **54.7 Undertakings**

- 54.7.1 Until Conversion, and without prejudice to its obligations under the Law, the Company shall in relation to each tranche of C Shares;
- (a) 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 shall be created and maintained in the books of the Company for the assets attributable to the C Shares of the relevant tranche; and
  - (b) allocate to the assets attributable to the C Shares of the relevant tranche such proportion of the expenses or liabilities of the Company incurred or accrued between the Issue Date and the Calculation Time (both dates inclusive) as the Directors fairly consider to be attributable to the C Shares of the relevant tranche including, without prejudice to the generality of the foregoing, those liabilities specifically identified in the definition of **Conversion Ratio** above; and
  - (c) give appropriate instructions to the Investment Manager to manage the Company's assets so that such undertakings can be complied with by the Company.

## 54.8 Conversion

54.8.1 In relation to each tranche of C Shares, the C Shares shall be converted into New Shares at the Conversion Time in accordance with the following provisions of this paragraph. The Directors shall procure that:

- (a) the Company (or its delegate) calculate, within two Business Days after the Calculation Time, the Conversion Ratio as at the Calculation Time and the number of New Shares to which each holder of C Shares of that tranche shall be entitled on Conversion; and
- (b) the Independent Accountants shall be requested to certify, within three Business Days after the Calculation Time, that such calculations:
  - (i) have been performed in accordance with the Articles; and
  - (ii) are arithmetically accurate,

whereupon, subject to the proviso in the definition of Conversion Ratio above, such calculations shall become final and binding on the Company and all Members.

54.8.2 The Directors shall procure that, as soon as practicable following such certificate, an announcement is made to a regulatory information service, advising holders of C Share(s) of that tranche, the Conversion Time, the Conversion Ratio and the aggregate number of New Shares to which holders of C Share(s) of that tranche are entitled on Conversion.

54.8.3 Conversion shall take place at the Conversion Time. On Conversion:

- (a) each issued C Share of the relevant tranche shall automatically convert (by subdivision and/or consolidation or otherwise as the Directors consider appropriate) into such number of New Shares as shall be necessary to ensure that, upon Conversion being completed, the aggregate number of New Shares into which the C Shares convert equals the aggregate number of C Shares of that tranche in issue at the Calculation Time multiplied by the Conversion Ratio (rounded down to the nearest whole New Share).
- (b) the New Shares arising upon Conversion shall be divided amongst the former holders of C Share(s) 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 hereby authorised as agent on behalf of the former holders of C Share(s), 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 holders of any C Shares who shall be bound by them; and
- (c) forthwith upon Conversion, any 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 Conversion unless such

former holder of any C Shares elects to hold their New Shares in uncertificated form.