

CQS NEW CITY HIGH YIELD FUND LIMITED

**MEMORANDUM AND ARTICLES OF
ASSOCIATION**

[DECEMBER 2024]

COMPANIES (JERSEY) LAW 1991

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

CQS NEW CITY HIGH YIELD FUND LIMITED

- 1 The name of the Company is CQS New City High Yield Fund Limited.
- 2 The Company shall have unrestricted corporate capacity.
- 3 The liability of each member arising from the holding of a share is limited to the amount (if any) unpaid on it.
- 4 The Company is a no par value company.
- 5 The Company is a public company within the meaning of Article 16 of the Companies (Jersey) Law 1991.
- 6 The Company is authorised to issue an unlimited number of Ordinary Shares.

CQS NEW CITY HIGH YIELD FUND LIMITED

ARTICLES OF ASSOCIATION

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THE COMPANIES (JERSEY) LAW, 1991
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CQS NEW CITY HIGH YIELD FUND LIMITED

(Adopted by Special Resolution on [3 December] 2024)

Interpretation

- 1 In these Articles, unless the context otherwise requires, the following expressions shall have the following meanings:

“Accounting Date” means, in relation to the Company, 30 June in each year or such other date as the Directors may from time to time determine;

“AIFM Rules” means: (i) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (the **“EU AIFM Directive”**) and any other implementing measure which operated to transpose the Alternative Investment Fund Managers Directive (2011/61/EU) into UK law before 31 January 2020, each as amended from time to time; (ii) the UK versions of the EU AIFM Delegated Regulation and any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time; (iii) all associated provisions of the FCA Handbook and (iv) the Alternative Investment Funds (Jersey) Regulations 2012 as amended from time to time;

“Articles” means these articles of association as amended from time to time;

“Auditors” means the auditor or auditors for the time being of the Company;

“Board” means the board of Directors of the Company;

“Business Day” means a day on which banks and stock exchanges in Jersey and London are normally open for business;

“Chair” means the Director appointed as chair of the relevant meeting;

“Communication” means a communication including a communication comprising sounds or images or both;

“Company” means the company incorporated under the Law in respect of which these Articles have been registered;

“Common Reporting Standard” means the OECD Common Reporting Standard, or any similar or successor information standard or legislation developed or made by any other jurisdiction in connection with it, including, without limitation, the United Kingdom International Tax Compliance Regulations 2015, and the Taxation (Implementation)

(Jersey) Law 2004, and any orders, regulations or other subordinate legislation made thereunder;

“Connected Person” means:

- (a) any person or company beneficially owning directly or indirectly 20 per cent or more of the equity capital of the company in question or able to exercise directly or indirectly 20 per cent or more of the total votes in that company;
- (b) any person or company controlled by a person who meets one or both of the descriptions given in 1(a);
- (c)
 - (i) any company 20 per cent or more of whose equity capital is beneficially owned directly or indirectly by the company in question and any Connected Person of such company (as defined in 1(a) and 1(b) above) taken together and
 - (ii) any company 20 per cent or more of the total votes in which can be exercised directly or indirectly by such company and any such Connected Person taken together;
- (d) any director or officer of the company in question or of any Connected Person as defined in 1(a) and 1(b) above;
- (e) in relation to any individual who is a Connected Person under any of the preceding sub-paragraphs, the terms Connected Person shall also extend to:
 - (i) his spouse and any child or stepchild under the age of 18 years of the individual (the “individual’s family”); and
 - (ii) the trustees (acting as such) of the trust which the individual or any of the individual’s family is a beneficiary or a discretionary object; and
 - (iii) any company in the equity share capital of which the individual and/or member or members of the individual’s family (taken together) are directly or indirectly interested so as to exercise or control the exercise of 20 per cent, or more of the voting power at general meetings, or to control the appointment and/or removal of directors holding a majority of voting rights at board meetings on all or substantially all matters, and any company which is its subsidiary;

“CREST” means the facilities and procedures for the time being of the relevant system of which CRESTCo has been approved as operator pursuant to the CREST Regulations;

“CRESTCo” means Euroclear UK & International Limited;

“CREST Jersey Regulations” means the Companies (Uncertificated Securities) (Jersey) Order 1999;

“CREST Jersey Requirements” means such rules and requirements of CRESTCo as may be applicable to Jersey issuers as from time to time specified in the CREST Manual;

“CREST Manual” means the document entitled “CREST Reference Manual” issued by CRESTCo;

“CREST Regulations” means the Uncertified Securities Regulations 2001 (SI 2001 No.9755);

“Custodian” means the corporation for the time being appointed and acting as the custodian of the Company pursuant to Article 8;

“Directors” means the directors of the Company appointed in accordance with these Articles or as the case may be, the Directors assembled as a board or as a committee of the board;

“Electronic Communication” means a Communication transmitted (whether from one device to another or from a person to a device or vice versa) in electronic form to the extent permitted by the Law;

“Extraordinary Resolution” means a resolution which has been passed by the holders of a majority of not less than three fourths in number of the issued shares in file Company who (being entitled to do so) vote in person or by proxy, at a general meeting of the Company or at a separate meeting of the holders of a class of shares in the Company of which in either case not less than 14 days’ notice, specifying the intention to propose the resolution as an extraordinary resolution has been duly given;

“EU AIFM Delegated Regulation” means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision;

“FATCA” means sections 1471 to 1474 of the US Tax Code, known as the US Foreign Account Tax Compliance Act (together with any regulations, rules and guidance implementing such sections and any applicable intergovernmental agreement or information exchange agreement and related statutes, regulations, rules and guidance thereunder;

“FCA” means the Financial Conduct Authority of the United Kingdom and any successor authority acting in a similar capacity from time to time;

“FCA Handbook” means the handbook of rules and guidance of the FCA, as amended from time to time;

“FSMA” means the Financial Services and Markets Act 2000 of the United Kingdom;

“Funds Law” means the Collective Investment Funds (Jersey) Law, 1988;

“Group” means any holding company of the Company and any subsidiary of such holding company and any subsidiary of the Company;

“Interim Accounting Date” means, in relation to the Company, 31 December in each year or such other date as the Directors may from time to time determine;

“Investment” means any investment or other asset of any description the acquisition of which is authorised by the Directors, which may include any share, stock, convertible bonds, debenture, debenture stock, loan, debt, loan stock, unit or sub-unit of a unit trust scheme, option, warrant, certificate of deposit, promissory note, bill, bearer depository receipt, note, security or negotiable instrument or other instrument of any kind whatsoever issued, payable or repayable by, or any money in any currency or currencies including any money deposited or held on current or deposit account with, any person, body (whether or not incorporated), partnership, fund, trust, government, government department or agency of any country, state or territory in the world and any participation in a mutual fund or similar scheme, and any other property or assets including all forms of real and personal property and interests therein. Where any such Investment consists of the right to receive repayment of a loan or deposit, reference to purchasing or acquiring such Investment shall be taken to include the making of the loan or deposit or the taking of an assignment or otherwise acquiring the right to receive repayment thereof and references to disposing of or realising such Investment shall be taken to include receiving repayment of the loan or deposit or the making of an assignment or otherwise disposing of the right to receive repayment thereof;

“Investment Manager” means the person for the time being appointed and acting as investment manager of the Company pursuant to Article 7;

“Law” means the Companies (Jersey) Law 1991, including any statutory modification or re-enactment thereof for the time being in force;

“London Stock Exchange” means the London Stock Exchange plc or other principal stock exchange in the United Kingdom for the time being;

“Member” or **“Shareholder”** means a person who is registered as the holder of an Ordinary Share or Ordinary Shares in the Register;

“Memorandum” means the memorandum of association of the Company as amended from time to time;

“Month” means a calendar month;

“Net Asset Value” means in respect of a share, the amount which would be payable to a holder of such share on any given date if the Company were wound up and its assets (after making provision for all its liabilities) distributed at that date (valuing assets and providing for liabilities in accordance with the normal accounting policies of the Company, but ignoring net distributable income of the current financial period and winding-up expenses) and, in respect of the Company, the aggregate Net Asset Values of all the shares in issue at the date of such calculation;

“Notice” means a notice in writing unless otherwise specifically stated;

“OECD” means the Organisation for Economic Co-operation and Development;

“Office” means the registered office of the Company;

“Official List” means the official list of the UK Listing Authority;

“Ordinary Resolution” means a resolution of the Company in a general meeting or of the holders of any class of shares in a class meeting in each case passed by a simple majority of the votes cast at that meeting;

“Ordinary Share” means a no par value share in the capital of the Company issued and designated as an ordinary share and having the rights and being subject to the restrictions specified in these Articles;

“Paid Up” shall include credited as paid up;

“Prospectus” means the prospectus of the Company as amended from time to time;

“Register” means the register of Members of the Company to be kept pursuant to the provisions of the Law;

“Registrar” means the person for the time being appointed and acting as registrar of the Company;

“Seal” means any common seal of the Company which shall include any official seal adopted by the Directors pursuant to Article 137;

“Secretary” means the secretary of the Company or any other person appointed by the Directors to perform the duties of the secretary of the Company including a joint, assistant or deputy secretary;

“Settlement” means in relation to any transaction, the payment of the monies due in respect of such transaction;

“Special Resolution” means a special resolution of the Company passed in accordance with the provisions of the Law;

“Treasury Shares” means shares held by the Company as treasury shares;

“UK Listing Authority” means the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;

“United Kingdom” means Great Britain and Northern Ireland;

“US” means the United States of America (including the States thereof and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; and **“US Person”** has the meaning given in Regulation S under the United States Securities Act of 1933, as amended, as well as the following (1) a citizen or resident of the US; (2) a partnership or corporation organised or incorporated under the laws of any state, territory or possession of the US; (3) any estate or trust, other than an estate or trust which is not subject to US income tax on its income derived from sources outside the US and not effectively connected with the conduct of a trade or business within the US; or (4) any estate or trust which has a US person as its executor, administrator or trustee.

2 In these Articles:

- (a) a reference to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to such statute or statutory provision as the same may have been or may from time to time be amended, modified, extended, consolidated, re-enacted or replaced and shall include any subordinated legislation made thereunder;
- (b) a references to a “subsidiary” or “holding company” shall be construed in accordance with Article 2 of the Law;
- (c) words denoting the singular include the plural and vice versa;
- (d) words denoting a gender include every gender;
- (e) where a word or phrase is given a particular meaning, other grammatical forms of that word or phrase have corresponding meanings;
- (f) references to persons shall include firms, corporations, partnerships, associations and other bodies of persons, whether corporate or not;
- (g) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
- (h) the word "currency" shall refer to the currency in which the Company is designated and a reference to pounds (or £) and to pence (or p) is a reference to the lawful currency of the United Kingdom;
- (i) the word “signed” shall include a signature or a representation of a signature affixed by mechanical means or electronically (subject to such terms and conditions as the Directors may from time to time determine and/or other method of authentication permitted by Law);
- (j) the words “in writing” shall mean written, or otherwise electronically transmitted in a readable form, printed, photographed or lithographed or represented by any other substitute for writing or partly one or partly another;
- (k) a reference to an Article, unless the context otherwise requires, is a reference to an Article of these Articles;
- (l) the expressions “issued shares”, “shares in issue” and “shares for the time being in issue” and similar expressions shall (subject to any conflicting provisions of the Law) be taken to mean such shares excluding any Treasury Shares held by the Company. For the avoidance of doubt, the Company shall not be entitled to vote or receive any distributions in respect of any Treasury Shares held by it;
- (m) references to a "meeting" mean a meeting convened and held in any manner permitted by these Articles, including without limitation a general meeting (including an annual general meeting) or separate general meeting of the holders of a particular class of shares of the Company at which any or all persons entitled to be

present attend and participate by means of an electronic platform and such persons shall be deemed to be "present" at that meeting for all purposes of the Law and these Articles and "attend", "attending", "attendance", "participate", "participating" and "participation" shall be construed accordingly;

- (n) references to an "electronic meeting" mean a general meeting (including an annual general meeting), or a separate general meeting of the holders of a particular class of shares, hosted on an electronic platform, whether that meeting is physically hosted at a specific location simultaneously or not;
- (o) references to an "electronic platform" mean a device, system, procedure, method or other facility providing an electronic means of attendance at and/or participation in a meeting as determined by the Board under these Articles, including, without limitation, online platforms, application technology and conference call systems; and
- (p) nothing in these Articles shall preclude the holding and conducting of a meeting in such a way that persons who are not present together at the same place may by the use of an electronic platform or platforms or by other electronic means attend and participate at it.

3 The headings in these Articles are intended for convenience only and shall not affect the construction of these Articles.

4 The standard table prescribed pursuant to the Law shall not apply to the Company and is hereby expressly excluded in its entirety.

Preliminary Expenses

5 The business of the Company shall be commenced as soon after the incorporation of the Company as the Directors think fit.

Location of Office of Company

6

- (a) The Office shall be at such address in the Island of Jersey as the Directors shall from time to time determine.
- (b) The Company, in addition to the Office, may establish and maintain such other offices and places of business and agencies as the Directors may from time to time determine.

The Investment Manager

7 The Directors may appoint an Investment Manager (who may be resident or established or carry on business in the United Kingdom) to be responsible for advising the Directors on the investment of the assets and monies of the Company and such Investment Manager may be vested with discretionary investment management powers to manage the Company's assets and monies.

The Custodian

- 8 The Directors may appoint a Custodian which shall hold the assets of the Company and perform such other duties and upon such terms as the Directors may from time to time (with the agreement of the Custodian) determine.

Issue of Ordinary Shares

- 9 Subject to the provisions of these Articles, the Company, on receipt by it or its authorised agent by the due time and date as provided in accordance with these Articles, of a written application in such form as the Directors may from time to time determine, and such information and declarations as the Directors may from time to time require, may allot and issue Ordinary Shares to the applicant for cash (or such other form of consideration as may be agreed by the Directors in accordance with Article 13) or at the option of the Directors, procure the transfer to the applicant of fully paid Ordinary Shares.
- 10 Subject to the provisions of these Articles, the allotment and issue of Ordinary Shares shall be made in such manner, at such times and on such terms and conditions and generally in such manner as the Directors may determine.
- 11 Provided that the application referred to in Article 9 has been received by the due time and date provided for in accordance with these Articles, the conditional allotment of Ordinary Shares may take place notwithstanding that the information and declarations referred to in Article 9 have not been received by the Company or its authorised agent provided that if the said information and declarations have not been received within one month (or such other period as the Directors may determine) after the day on which such shares are conditionally allotted the conditional allotment shall be cancelled and the relevant application monies shall be returned within one month thereafter to the applicant at his risk (together with such additional amount, if any, or after deducting such amount, if any, as in each case the Directors may in their absolute discretion think fit, any such amount so deducted being retained by the Company for its own benefit) and until returned may be made use of by the Company for its own benefit.
- 12 On its receipt by the Company, the Subscription Price of an Ordinary Share shall be credited to the stated capital.
- 13 The Directors may in their absolute discretion and on such terms as the Directors may determine allot Ordinary Shares against the vesting in the Company of any Investments provided that for such purpose such Investments shall be valued on the same basis as if they comprised Investments of the Company.
- 14 Payment for Ordinary Shares shall be made in such currency or, in the case of applications in accordance with Article 13, in Investments, at such time and place and to such person on behalf of the Company as the Directors may from time to time determine. The Directors shall, if necessary, convert currencies to other currencies or revalue currencies in terms of other currencies. The cost of conversion (if any) shall be deducted from the converted payment.

- 15 The Company may from time to time hold its own shares as Treasury Shares and the Directors may sell, transfer or cancel any Treasury Shares held by the Company in accordance with the Law.

Share Capital

16

16.1

- (a) The Company shall not without the previous sanction of an Ordinary Resolution of the holders of the Ordinary Shares passed at a general meeting of such holders convened and held in accordance with the provisions of these Articles issue further shares or securities, or rights to subscribe for or to convert or exchange any securities into shares or securities, or reclassify any shares save that there may be issued at any time shares or rights to subscribe for or to convert or exchange into shares, and shares may be reclassified as such other shares, provided that in any event the Relevant Share Test is satisfied and shall procure that no other member of the Group shall issue (other than to the Company), further shares or securities, or rights to subscribe for or to convert or exchange any securities into shares or securities or reclassify any shares;
- (b) For the purposes of this Article 16.1, the "**Relevant Share Test**" is that the Board shall be satisfied on the basis of the most recently available information that, in their opinion, such shares or rights are to be issued, reclassified or purchased at prices such that the net asset value attributable to an Ordinary Share ("the **Relevant Share**") immediately after such issue, exercise, reclassification or purchase is greater than the net asset value attributable to such a share immediately prior to such issue, exercise, reclassification or purchase, in each case assuming such shares or rights to be issued or exercised, reclassified or purchased as at the date prior to that on which such issue, exercise, reclassification or purchase is finally approved by the Directors.

- 16.2 The Company shall not without the previous sanction of a Special Resolution of the Company passed at a general meeting convened and held in accordance with the provisions of these Articles, issue any further shares (other than shares which neither as respects dividends nor as respects capital carry any right to participate beyond a specified amount in a distribution), or rights to subscribe for, or to convert or exchange into, such shares ("**equity securities**") for cash without first offering the same in proportion to their existing holding to:

- (a) existing holders of that class of equity securities; and
- (b) holders of other equity securities who are entitled to be offered them

PROVIDED THAT this shall not apply where the Company is undertaking a rights issue or open offer, with respect to equity securities representing fractional entitlements or to equity securities which the Company considers necessary or expedient to exclude from the offer on account of the laws or regulatory requirements of a territory other than the island of Jersey.

- 16.3 Any offer made pursuant to Article 16.2 shall be made by notice specifying the number of equity securities offered, and limiting a period (not being less than fourteen days) within which the offer, if not accepted, will be deemed to be declined.
- 16.4 Any equity securities not accepted pursuant to such offer or not capable of being offered as aforesaid except by way of fractions shall be allotted by the Directors generally on such terms as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the Members.
- 16.5 A Special Resolution passed for the purposes of Article 16.2:
- (a) must state the maximum amount of shares to which it relates (being, in the case of an issue of equity securities comprising rights to subscribe for, or to convert or exchange into, shares, the number of shares that may be issued pursuant to those rights);
 - (b) must specify the date on which it will expire, which must not be more than five years from the date on which the Special Resolution is passed; and
 - (c) may, by Special Resolution of the Company, be renewed for a further period not exceeding five years or be varied or revoked at any time. The Special Resolution renewing the authority granted under Article 16.2 must state (or restate) the maximum amount of shares to which it relates (or, as the case may be the remaining amount to which it relates) and specify the date on which the renewed resolution will expire.

Notwithstanding that any such Special Resolution has expired, the Company may issue equity securities in pursuance of an offer or agreement previously made by the Company if the Special Resolution enabled the Company to make an offer or agreement that would or might require equity securities to be issued after it expired.

- 17 Subject to the provisions of these Articles and without prejudice to any special rights for the time being conferred on the holders of any shares or class of shares (which special rights shall not be varied or abrogated except with such consent or sanction as is provided by Article 24 hereof) any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights, or such restrictions whether in regard to dividend, return of capital, voting or otherwise as the Company may from time to time by Ordinary Resolution determine.
- 18 Subject to the provisions of these Articles the unissued shares shall be at the disposal of the Directors, and they may allot or otherwise dispose of them to such persons, at such times and generally on such terms and conditions as they think proper PROVIDED THAT no such issue shall be made on terms which materially prejudice the interests of any existing holders in relation to their holdings of shares in the Company. The Directors shall not grant options over or issue warrants in respect of unissued shares.
- 19 The Directors may in their absolute discretion refuse to accept any application for shares in the Company or accept any application in whole or in part.

- 20 The Company may on any issue of shares pay such brokerage or commissions as may be lawful.
- 21 No person shall be recognised by the Company as holding any shares upon any trust, and the company shall not be bound by or recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or (except only as by these Articles otherwise provided or as by law required) any other right in respect of any share, except an absolute right thereto of the registered holder.
- 22 The directors shall have power to impose such restrictions as they may think necessary for the purpose of ensuring that no shares in the Company are acquired by any person in breach of the laws or requirements of any country or governmental authority.
- 23
- (a) The Directors shall have power by notice in writing to require any shareholder to:
 - (i) disclose to the Company the identity of any person other than the shareholder (an “interested party”) who has any interest in the shares held by the shareholder and the nature of such interest; and/or
 - (ii) promptly provide the Company or its agents, within such reasonable time as the Directors shall determine, with any information, representations, certificates, waivers, documentation or forms (“Information”) relating to such shareholder or any interested party that the Board reasonably determines from time to time is necessary or appropriate for the Company to have in order to:
 - (A) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed on the Company under or in relation to FATCA, the Common Reporting Standard or the requirements of any relevant laws or regulations of any jurisdiction or territory to which the Company may be subject from time to time (“Relevant Laws”); or
 - (B) avoid or reduce any tax (including withholding tax) otherwise imposed by FATCA, the Common Reporting Standard or Relevant Laws (including any withholding upon any dividends or other distributions or payments payable, paid or made to such holder by the Company); or
 - (C) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in or required under FATCA, the Common Reporting Standard, the US tax code or Relevant Laws.
 - (b) Any such notice shall require any information in response to such notice to be given in writing within such reasonable time as the Directors shall determine.
 - (c) The Company shall maintain a register of interested parties to which the provisions of Articles 42 and 72 of the Law shall apply mutatis mutandis 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.

- (d) The Company and its agents shall be entitled to hold and process the Information, and to disclose any Information and information about an Interested Party's interests in the Company to any relevant government division or department (including any taxation authority) or to any person or entity from which the Company receives or is required to make any payment, for the purposes of carrying out the business of the Company and the administration and protection of its interests and assets, including without limitation for the purposes referred to in Article 23(a)(ii) above and where the Member is not the beneficial owner of the relevant shares the Member shall procure that the beneficial owner shall give its consent and authorisation to the Company in respect of the holding, processing and disclosure of any Information relating to the beneficial owner.
- (e)
 - (i) The Directors may be required to exercise their powers under Article 23(a) on the requisition of Members 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.
 - (ii) The requisition must:
 - (A) state that the requisitionists are requiring the company to exercise its powers under this Article;
 - (B) specify the manner in which they require those powers to be exercised; and
 - (C) 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.
 - (iii) The requisition may consist of several documents in like form each signed by one or more requisitionists.
 - (iv) On the deposit of a requisition complying with this section it is the Directors' duty to exercise their powers under Article 23(a) in the manner specified in the requisition.
- (f) If any Member has been duly served with a notice given by the Directors in accordance with Article 23(a) and is in default for the prescribed period in supplying to the Company the information thereby required, then the Directors may in their absolute discretion at any time thereafter serve a notice (a "**direction notice**") upon such Member as follows:

- (i) a direction notice may direct that, in respect of:
 - (A) 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
 - (B) any other shares held by the Member;

the Member shall not be entitled to vote at a general meeting or meeting of the holders of any class of shares of the Company either personally or by a duly authorised representative (if a corporation) or by proxy or the exercise any other right conferred by membership in relation to meetings of the Company or of the holders of any class of shares of the Company; and
 - (ii) where the default shares represent at least 0.25 per cent in number of the issued shares of the class of shares concerned, then the direction notice may additionally direct that:
 - (A) in respect of the default shares, any dividend or part thereof or other money 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;
 - (B) no transfer other than an approved transfer (as set out in Article 23(i)(iii)) 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,
 - (iii) 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 the failure or omission by the Company to do so shall not invalidate such notice.
- (g) 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 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 Jersey) shall be treated as shares issued as a result of a Member holding other shares in the Company.

- (h) 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 23(i)(iii). As soon as practical after the direction notice has ceased to have effect (and in any event within 7 days thereafter) the Directors shall procure that the restrictions imposed by paragraphs 23(f) and 23(g) above shall be removed and that dividends and other moneys withheld pursuant to paragraph 23(f)(ii)(A) above are paid to the relevant Member.
- (i) For the purpose of this Article:
 - (i) 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;
 - (ii) 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 23(a) except where the default shares represent at least 0.25 per cent in number of the issued shares of the class of shares concerned in which case such period shall be 14 days;
 - (iii) a transfer of shares is an approved transfer if but only if:
 - (A) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer (within the meaning of Article 117 of the Law) in respect of shares in the Company; or
 - (B) 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
 - (C) the transfer results from a sale made through a Recognised Investment Exchange (as defined in the Financial Services and Markets Act 2000) or any stock exchange outside the United Kingdom on which the Company's shares are normally traded.

For the purposes of this sub paragraph any person referred to in Article 116(e) in relation to Directors shall, *mutatis mutandis*, be included amongst the persons who are connected with the Member or any person appearing to be interested in such shares.

- (j) Any shareholder who has given notice of an interested party in accordance with Article 23(b) 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 of change in such interest and the Directors shall promptly amend the register of interested parties accordingly.
- (k) Notwithstanding any rights the Company may exercise under Article 23(f) to 23(h), if any shareholder fails to supply all or any Information to the Company or its agents within the period set out in the notice referred to in Article 23(a), then the Board may give further written notice to such Member requiring them either:
 - (i) to provide the Company or its agents within 21 days of service of such further notice with Information to the satisfaction of the Board (in its discretion); or
 - (ii) to sell or transfer the Member's shares within 21 days of service of such notice and within such 21 days to provide the Board with satisfactory evidence of such sale or transfer, and pending such sale or transfer the Board may suspend (to the extent not already suspended in accordance with Article 23(f) to 23(h)) the exercise of any voting or consent rights and rights to receive notice of or to attend any meeting of the Company.
- (l) Where the relevant requirement set out in Article 23(k)(i) or 23(k)(ii) above is not satisfied within 21 days of service of the relevant further notice (or such longer period as the Board may determine), the Member will be deemed, upon the expiration of such 21 days, to have agreed to the sale and transfer of their shares. If the Board in its absolute discretion so determines, the Company shall be entitled to sell the relevant shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder. The powers granted to the Company under Article 102 shall apply to any such sale under this Article. In the event the Company has not been able to pay the net proceeds of sale to the former shareholder within ten years of the date of the sale, the provisions of Article 103 shall apply.
- (m) Nothing in these Articles (including, without limitation, this Article) shall prevent, limit or restrict the Company from withholding or deducting any taxes or other sums required to be withheld or deducted by the Company pursuant to FATCA, the Common Reporting Standard, any Relevant Laws or any other applicable legislation, regulations, rules or agreements.
- (n) To the extent that monies received by the Company become subject to a deduction or withholding under or relating to FATCA, the Common Reporting Standard, any Relevant Laws or any other applicable legislation, regulations, rules or agreements:
 - (i) the Company shall not be required to compensate, indemnify or in any way make good the Members in respect of such deduction or withholding and, therefore, without limitation:

- (A) the Company shall not be required to increase any dividend or other distribution or payment to the holders in order to reflect any amount deducted or withheld; and
 - (B) any monies paid or distributed to the holders by the Company shall be paid net of the amount deducted or withheld; and
- (ii) the holders shall have no recourse to the Company in respect of a credit or refund from any person relating to the amount so deducted or withheld.
- (o) Without limiting the generality of the obligations under FATCA, the Common Reporting Standard or Relevant Laws, each shareholder:
 - (i) must notify the Company of any material changes which affect the shareholder's status (and to the extent relevant, the status of any interested party) under FATCA, the Common Reporting Standard or Relevant Laws or which result in any information, waivers, forms or other documentation previously provided to the Company (pursuant to this Article) becoming inaccurate or incomplete within the earlier of 90 days of becoming aware of such changes and any other period provided under FATCA, the Common Reporting Standard or Relevant Laws for such event; and
 - (ii) must, to the extent there have been material changes as described in this Article, promptly provide the Company with updated information, waivers, forms or other documentation, as applicable.

24 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holders of three-fourths of the issued shares of the class (excluding any shares of the class held as a Treasury Share), or with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of the shares of the class, but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply except that the necessary quorum shall be two persons at least holding or representing by proxy or by a duly authorised representative (if a corporation) one-third in number of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those Members who are present in person or by proxy shall be a quorum).

25

- (a) The special rights conferred upon the holders of shares shall not be deemed to be varied by the exercise of any powers under Article 23.
- (b) The special rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other special rights shall not be deemed to be varied by the exercise of any powers under Article 23.

Certificated Shares

- 26 Every Member who makes a request to receive their shares in certificated form, upon becoming the holder of any shares, shall be entitled, without payment, to one certificate for all the shares held by him (and upon transferring a part of his holding of shares to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment, for every certificate after the first, of such reasonable sum as the Directors may determine. Every certificate shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Directors may from time to time determine that any signatures to be affixed to any such certificates need not be manual but may be printed or reproduced in any other manner notwithstanding any other provisions of these Articles PROVIDED THAT if at any time all the issued shares in the Company are fully paid up and rank pari passu for all purposes none of those shares need thereafter have a distinguishing number so long as they remain fully paid up and rank pari passu for all purposes with all shares of the same class for the time being issued and fully paid up. Unless the Directors shall determine otherwise, either generally or in particular cases, every share certificate shall be issued in such manner as the Directors may approve, having regard to the terms of the allotment or issue of the certificated share(s) and the requirements of the FCA.
- 27 If a share certificate is defaced, worn out, lost or destroyed it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence, as the Directors may determine, and (in the case of defacement or wearing out) on delivery up of the old certificate.
- 28 The Company shall not be bound to register more than four persons as the joint holders of any shares. Where two or more persons are registered as the holders of any share they shall be deemed to hold that share as joint tenants, subject to Article 87 and to the following provisions:
- (a) the joint holders of any shares shall be liable, severally, as well as jointly, in respect of all payments which ought to be made in respect of such share;
 - (b) any one of such joint holders may give an effectual receipt for any dividend, bonus, return of capital or other payment payable to such joint holders;
 - (c) only the first-named of the joint holders of a share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company to attend general meetings of the Company and any notice given to the first-named of joint holders shall be deemed to be notice given to all the joint holders.

CREST Arrangements

- 29 The Directors may implement such arrangements as they may think fit in order for any class of shares to be admitted to settlement by means of the CREST system provided that no provision of the Articles shall apply or have effect to the extent that it is inconsistent with:
- (a) the holding of shares of that class in uncertificated form;
 - (b) the transfer of title to shares of that class by means of the CREST system; or

- (c) the CREST Jersey Regulations and the CREST Jersey requirements.
- 30 Where any class of shares is for the time being admitted to settlement by means of the CREST system such securities may be issued in uncertificated form in accordance with and subject as provided in the CREST Jersey Regulations and the CREST Jersey Requirements.
- 31 Unless the Directors otherwise determine, securities held by the same Member or joint Member in both certificated form and uncertificated form shall be treated as separate holdings.
- 32 Securities may be changed from uncertificated to certificated form and from certificated to uncertificated form in accordance with and subject as provided in the CREST Jersey Regulations and the CREST Jersey Requirements.

Uncertificated Shares

- 33 The Company will for every Member who makes a request to receive their shares in uncertificated form, arrange for CRESTCo (or such other clearing system as the Directors may from time to time determine) to credit the appropriate stock amounts in CREST of the Members concerned with their respective entitlements for shares. The shares will be delivered through the CREST system and no share certificate will be issued to the relevant shareholder.
- 34 If under these Articles or the Law, the Company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot, accept the surrender of or otherwise enforce a lien over an uncertificated share, then, subject to these Articles and the Law, such entitlement shall include the right of the Board to:
- (a) require the holder of that uncertificated share by notice in writing to change that share from uncertificated to certificated form within such period as may be specified in the notice and keep it as a certificated share for as long as the Board requires;
 - (b) appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such share as may be required to effect the transfer of such share and such steps shall be as effective as if they had been taken by the holder of that share; and
 - (c) take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of that share or otherwise to enforce a lien in respect of that share.
- 35 Unless the Board otherwise determines or the Law otherwise requires, any shares issued or created out of or in respect of any uncertificated shares shall be uncertificated shares and any shares issued or created out of or in respect of any certificated shares shall be certificated shares.
- 36 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the Law and regularly reconciled with the relevant operator register are a complete and accurate reproduction of the particulars entered in the

operator register and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption; in particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the Register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

Lien

- 37 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.
- 38 The Company may sell in such manner as the Directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder demanding payment and stating that if the notice is not complied with the shares may be sold.
- 39 To give effect to a sale the Directors may authorise some person to execute an instrument of transfer of the shares sold to or in accordance with the directions of the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 40 The net proceeds of the sale after payment of the costs shall be applied in payment of so much of the sum for which the lien exists as is presently payable and any residue shall (upon surrender to the Company, for cancellation, of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Calls on Shares and Forfeiture

- 41 Subject to the terms of allotment the Directors may make calls upon the Members in respect of any moneys unpaid on their shares and each Member shall (subject to receiving at least 14 days' notice specifying when and where and/or the method by which payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may before receipt by the Company of any sum due thereunder be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- 42 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- 43 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

- 44 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or at such rate not exceeding ten per cent per annum as the Directors may determine but the Directors may waive payment of the interest wholly or in part.
- 45 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of any amount unpaid on such share or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call. The Company may accept from a Member the whole or a part of the amount remaining unpaid on shares held by him although no part of that amount has been called up.
- 46 Subject to the terms of allotment, the Directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.
- 47 If a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than 14 days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.
- 48 If the notice is not complied with any share in respect of which it was given may before the payment required by the notice has been made be forfeited by a resolution of the Directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
- 49 A forfeited share may be sold re-allotted or otherwise disposed of on such terms and in such manner as the Directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the Directors may authorise some person to execute an instrument of transfer of the share to that person.
- 50 A person any of whose shares have been forfeited shall cease to be a Member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or at such rate not exceeding ten per cent per annum as the Directors may determine from the date of forfeiture until payment but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 51 A declaration under oath by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an

instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

Transfer of Shares

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- (a) Any instrument of transfer of a share shall be in writing in any form which the Directors may approve and shall be signed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.
- (b) The Directors may decline to register any transfer of shares prohibited by Article 23 and may decline to register any transfer of shares unless the instrument of transfer is deposited at the Office or such other place as the Directors may reasonably require, accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. If the Directors decline to register a transfer of any share, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

53 The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine PROVIDED ALWAYS that such registration shall not be suspended for more than thirty days in any year.

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

55 A record of all instruments of transfer which shall be registered shall be retained for twelve years by the Company, but any instrument of transfer which the Directors may decline to register shall (except in any case of fraud) be returned to the person depositing the same.

56

- (a) Notwithstanding Article 52(b) hereof the Directors may decline to register any transfer of any shares if it has come to the attention of the Directors that the person to whom the shares are to be transferred is a US Person and (i) as a consequence of such transfer, the Company may be required to register or qualify under the US Investment Company Act of 1940, as amended; or (ii) as consequence of such transfer, the Company's assets are considered "plan assets" within the meaning of the plan asset regulations under the US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") (the "**US Restriction**"). The Directors may require as a condition of any transfer that the transferee represent that it is not a US Person. The Directors may subject registration of any transfer of shares to a US Person to such conditions as the Directors, acting in their discretion, may determine to be necessary or convenient for purposes of compliance with the US Restriction. Without limiting the generality of the foregoing, the Directors may require any US Person that acquires shares to execute a special investor letter containing

representation as to United States compliance matters and establishing certain restrictions on the transfer of the shares.

- (b) If any person upon whom such a notice is served pursuant to this Article does not within thirty clear days after service of such notice transfer his shares to a person qualified or permitted to own the same or establish to the satisfaction of the Directors (whose judgement shall be final and binding) that he is qualified, entitled and permitted to own the shares, the shares so held by such person may by resolution of the Directors be disenfranchised as to rights of voting and rights to receive dividends and distributions until such time as the provisions of this Article are complied with to the satisfaction of the Directors or may be sold by order of the Directors to a person qualified or permitted to own the same at a fair price determined by the Directors with the approval of the Auditors (acting as experts whose judgment shall be final and binding). To give effect to a sale the Directors may authorise any person to execute an instrument of transfer of the shares. The title of the transferee to the shares shall not be affected by any irregularity or invalidity of the proceedings in reference to the sale. The net proceeds of the sale, after payment of the costs shall be paid to the person entitled to the shares immediately preceding the sale. Any transfer of shares under this Article 56(b) may have such retroactive effect as the Directors may consider necessary or convenient for purposes of compliance with the US Restriction.
- (c) Any person who becomes aware that he holds or beneficially owns shares in breach of any law or requirement of any country or governmental authority by virtue of which he is not qualified to hold such shares or that he is a US Person (save where each of the following conditions apply (i) such US Person may lawfully own the same; (ii) the Company is not as a consequence of such holding or ownership required to register or qualify under the 1940 Act; and (iii) the Company's assets are not as a consequence of such holding or ownership considered "plan assets" within the meaning of the plan asset regulations under ERISA) or a person who belongs to or is comprised within any class of persons from time to time for the purposes of this Article stipulated by the Directors shall forthwith unless he has already received a notice pursuant to Article 56(a) transfer all his shares to a person qualified or permitted to own or hold the same.
- (d) The exercise by the Directors of the powers conferred by this Article 56 shall not be questioned or invalidated in any case on the ground that there was insufficient evidence of ownership of shares by any person or that the true ownership of any shares was otherwise than appeared to the Directors at the relevant date provided the said powers shall have been exercised in good faith.
- (e) If it shall come to the notice of the Directors that any shares are owned directly or beneficially by any person such that the status, standing or tax residence of the company is or may be prejudiced or the Company may suffer any legal, pecuniary or material disadvantage which it would not otherwise have suffered the Directors may give notice in writing in accordance with Article 56(b) hereof to any such person requiring him to transfer such shares failing which the Directors may exercise the powers conferred on it under the provisions of Article 56(b).

- (f) The Directors may at any time and from time to time call upon any holder of shares by notice in writing to provide the Directors with such information and evidence as it shall require upon any matter concerning in its opinion the status, standing or tax residence of the Company or any pecuniary disadvantage which it considers the Company might suffer as a result of that person continuing to hold shares or as to whether that person is a US Person. In the event of such information and evidence not being so provided within a reasonable time (not being less than fourteen clear days after service of the notice requiring the same) the Directors shall forthwith serve such holder of shares with a further notice calling upon him within seven days after service of such further notice to transfer his share in accordance with Article 56(b) failing with the Directors may exercise the powers conferred on it under the provisions of Article 56(b).
- (g) Where the Company is entitled under any provisions of the Law and the rules made and practices instituted by CRESTCo or the operator of any relevant system or under these Articles to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any shares which are held in uncertificated form, such entitlement (to the extent permitted by the CREST Jersey Regulations, the CREST Jersey Requirements and the CREST Regulations and the rules made and practices instituted by the operator of the relevant system) shall include the right to:
- (i) request or require the deletion of any computer-based entries in the relevant system relating to the holding of such shares in uncertificated form; and/or
 - (ii) require any holder of any uncertificated shares which are the subject of any exercise by the Company of any such entitlement, by notice in writing to the holder concerned, to change his holding of such uncertificated shares into certificated form within such period as may be specified in the notice, prior to completion of any disposal, sale or transfer of such shares or direct the holder to take such steps, by instructions given by means of a relevant system or otherwise, as may be necessary to sell or transfer such shares; and/or
 - (iii) appoint any person to take such other steps, by instruction given by means of a relevant system or otherwise, in the name of the holder of such shares as may be required to effect or transfer of such shares and such steps shall be as effective as if they had been taken by the registered holder of the uncertificated shares concerned; and/or
 - (iv) transfer any uncertificated shares which are the subject of any exercise by the Company of any such entitlement by entering the name of the transferee in the Register in respect of that share as a transferred share; and/or
 - (v) otherwise rectify or change the Register in respect of that share in such manner as may be appropriate; and/or
 - (vi) take such other action as may be necessary to enable those shares to be registered in the name of the person to whom the shares have been sold or disposed of or as directed by him.

Transmission of Shares

- 57 If a Member dies, the survivors or survivor where he was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having title to his interest in the shares, but nothing in this Article shall release the estate of the deceased holder whether sole or joint from any liability in respect of any shares solely or jointly held by him.
- 58 Any person becoming entitled to a share in consequence of the death, bankruptcy or incapacity of a Member shall, upon producing such evidence of his title as the Directors may require, have the right either to be registered himself as the holder of the share or to make such transfer thereof in accordance with the provisions of these Articles as the deceased, bankrupt or incapacitated Member could have made. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to transfer the share he shall execute an instrument of transfer of the share to the transferee. All of the limitations, restrictions and provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the Member and the death, bankruptcy or incapacity of the Member had not occurred.
- 59 A person so becoming entitled to a share in consequence of the death, bankruptcy or incapacity of a Member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not before being registered as the holder of the share be entitled to receive notice of or to attend or vote at a general meeting of the Company or at any separate meeting of the holders of any class of shares in the Company PROVIDED ALWAYS that the Directors 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 ninety days the Directors may thereafter withhold all dividends or other monies payable or other rights due in respect of the share until the requirements of the notice have been complied with.

Variation of Share Capital

- 60 The Company may from time to time by Ordinary Resolution:
- (a) consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares; or
 - (b) sub-divide all or any of its shares of a smaller amount than is fixed by the memorandum of association of the Company; or
 - (c) cancel any shares which at the date of the resolution have not been taken or agreed to be taken and diminish the amount of its authorised share capital by the amount of shares so cancelled.
- 61 All new shares shall be subject to the provisions of these Articles with reference to transfer, transmission, forfeiture and otherwise.

- 62 Subject to the provisions of the Law, the Company may by Special Resolution from time to time reduce its share capital in any way, and in particular, without prejudice to the generality of the foregoing power, may:
- (a) extinguish or reduce the liability of any of its shares in respect of share capital not paid up; or
 - (b) with or without extinguishing or reducing liability on any of its shares:
 - (i) cancel any capital account by an amount which is lost or which is unrepresented by available assets; or
 - (ii) pay off any amount standing to the credit of a capital which is in excess of the Company's requirements.
- and may, if and so far as is necessary, alter its Memorandum of Association by reducing the amount of its share capital and of its shares accordingly.

General Meetings

- 63 The Company shall within eighteen months of its incorporation and, subject to the Law, in each subsequent calendar year following the calendar year in which the first annual general meeting is held hold a general meeting as its annual general meeting in addition to any other meeting in that year. Annual general meetings shall be held at such time and place in the Island of Jersey and/or on an electronic platform as may be determined by the Directors.
- 64 All general meetings (other than annual general meetings) shall be called extraordinary general meetings and shall be held in the Island of Jersey and/or on such electronic platform as may be determined by Directors.
- 65 The Directors may call an extraordinary general meeting whenever they think fit. Extraordinary general meetings shall be convened on such requisition, or in default may be convened by such requisitionists, and in such manner, as provided by the Law.
- 66
- 66.1 The Board shall determine in relation to each general meeting (including a postponed or adjourned meeting) the means of attendance at and participation in the meeting, including whether persons entitled to attend and participate in the meeting shall be enabled to do so by means of an electronic platform or platforms pursuant to Article 67 (but for the avoidance of doubt, the Board shall be under no obligation to offer or provide such platform, whatever the circumstances).
- 66.2 The Board may make whatever arrangements it considers fit to allow those entitled to do so to attend and participate in any general meeting. In this respect, the Board may authorise the use of or require any voting application, system or facility for electronic meetings as the Board considers appropriate.

66.3 Two or more persons who may not be in the same place as each other may attend and participate in a general meeting if they are able to exercise their rights to speak and vote at that meeting. A person is able to exercise the right to speak at a general meeting if the Chair of the general meeting is satisfied that arrangements are in place so as to enable that person to communicate to all those attending the meeting while the meeting is taking place (which communication may be by means of the submission of written communication through an electronic platform). A person is able to exercise the right to vote at a general meeting if that person can vote on resolutions put to the meeting (or, in relation to a poll, can vote within the required time frame) and that person's vote can be taken into account in deciding whether or not such resolutions are passed at the same time as the votes of others attending the meeting.

67 Electronic Meetings

67.1 The Board may decide to enable persons entitled to attend a general meeting to do so by simultaneous attendance by means of an electronic platform with no persons necessarily in physical attendance together at the meeting. Members or their proxies or duly authorised corporate representatives present by means of such electronic platform shall be counted in the quorum for, and entitled to vote at, the general meeting in question, and that general meeting shall be duly constituted and its proceedings valid, if the Chair of the general meeting is satisfied that adequate facilities are available throughout the meeting to enable all members and their proxies and duly authorised corporate representatives attending the meeting by whatever means to:

- (a) participate in the business for which the general meeting has been convened; and
- (b) hear all persons who speak at the general meeting,

but under no circumstances shall the inability of one or more attendees to access, or continue to access, the electronic platform for participation in the meeting despite adequate facilities being made available by the Company affect the validity of the meeting or any business conducted at the meeting.

67.2 If it appears to the Chair of the general meeting that the electronic platform, facilities or security at the electronic meeting have become inadequate for the purposes of holding the meeting then the Chair may, without the consent of the general meeting, interrupt or adjourn the general meeting. All business conducted at the general meeting up to the time of that adjournment shall be valid and the provisions of Article 76 shall apply to that adjournment.

67.3 If at any general meeting at which persons are entitled to participate by means of an electronic platform, any document is required to be on display or available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that the relevant document is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.

67.4 When deciding whether a person is attending or participating in a meeting other than at a physical location, it is immaterial where that person is or how that person is able to communicate with others who are attending and participating.

- 67.5 All persons seeking to attend and participate in a general meeting by way of an electronic platform shall be responsible for maintaining adequate facilities to enable them to do so. Subject to the right of the Chair to adjourn a general meeting under these Articles, any inability of a person to attend or participate in a general meeting by means of an electronic platform shall not invalidate the proceedings of that meeting.
- 67.6 In relation to an electronic meeting, the Board or the Chair of the general meeting may make any arrangement and impose any requirement or restriction as the Board or the Chair shall consider appropriate to ensure the identification of those accessing or participating in the meeting, the security of the electronic platform and any electronic communications, and the orderly conduct of the meeting.

Notice of General Meetings

- 68 At least twenty working days' notice (or such other notice approved by the Directors (which other notice shall be not less than twenty-one clear days)) specifying the place and/or electronic platform, the day and the hour of the meeting, and in case of special business the general nature of such business (and in the case of an annual general meeting specifying the meeting as such) shall be given in the manner hereinafter mentioned to the Members of the Company for the time being, and the Auditors. The Auditors shall have the right to attend and speak at any general meeting of the Company. If the Board determines that a general meeting shall be held (wholly or partly) as an electronic meeting, the notice of meeting or associated communications shall specify any access, identification, security or other arrangements determined by the Board or shall state where details of such arrangements will be made available by the Company prior to the meeting.
- 69 A general meeting shall, notwithstanding that it is called by shorter notice than that specified in the last preceding Article, be deemed to have been duly called with regard to the length of notice if it is so agreed
- (a) In the case of a meeting called as the annual general meeting by all the Members entitled to attend and vote thereat; or
 - (b) In the case of any other meeting by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per centum of the total voting rights of the Members who have that right.
- 70 In every notice calling a meeting of the Company, or of any class of Members of the Company, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and a proxy need not also be a Member.
- 71 The accidental omission to give notice to or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at any general meeting.

Proceedings at General Meetings

- 72 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting with the exception of declaring or approving the payment of dividends, the consideration of the accounts and

balance sheet and the reports of the Directors and Auditors, the appointment of Directors in the place of those retiring, and the appointment and the fixing of the remuneration of the Auditors.

- 73 No business shall be transacted at any general meeting unless a quorum is present. Save as otherwise provided in these Articles, two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member shall be a quorum. A representative of a corporation authorised pursuant to Article 99 and present at any meeting of the Company or at any meeting of the holders of any class of shares in the Company shall be deemed to be a Member for the purpose of counting towards a quorum.
- 74 If within half an hour from the time appointed for the meeting or such longer interval as the Chair of the meeting may think fit and allow a quorum is not present or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of or by Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and such other time and place as the Chair may determine and if at such adjourned meeting a quorum is not present within quarter of an hour from the time appointed for holding the meeting, those Members present in person or by proxy shall be a quorum.
- 75 The Chair or, failing him, some other Director nominated by the Directors shall preside as Chair at every general meeting of the Company, but if at any meeting neither the Chair nor such other Director be present within a quarter of an hour after the time appointed for holding the meeting, or if neither of them be willing to act as Chair, the Directors present shall choose one of their number to be Chair, or if no Director be present or if all the Directors present decline to take the chair, the Members present and entitled to vote shall choose one of their number to be Chair.
- 76 The Chair may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted by any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, seven clear days' notice at the least specifying the place, the day and the hour of the adjourned meeting, shall be given but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned 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.
- 77 A resolution put to the vote at an electronic meeting (including in relation to procedural matters) shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll on resolutions shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates. Subject as aforesaid, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded. Subject to the provisions of the Law, a poll may be demanded by:
- (a) the Chair; or

- (b) at least two Members having the right to vote on the resolution; or
 - (c) a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote on the resolution.
- 78 Unless a poll is so demanded, a declaration by the Chair that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 79 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to demand or join in demanding a poll, and for the purposes of Article 77 a demand by a person as proxy for a Member shall be the same as a demand by a Member.
- 80 If a poll is duly demanded, it shall be taken in such manner and at such place as the Chair may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chair may, in the event of a poll, appoint scrutineers and may fix a day, time and place for the purpose of declaring the result of the poll.
- 81 In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- 82 A poll demanded on the election of a Chair and a poll demanded on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chair directs not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded.
- 83 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 the poll has been demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 84 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chair and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 85 No notice need be given of a poll not taken forthwith if the day, time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven days' notice shall be given specifying the day, time and place at which the poll is to be taken.

Votes of Members

- 86 Subject to Article 23 and to any special rights or restrictions for the time being attached to any class of shares:-
- (a) On a show of hands every Member who is present in person or by electronic means (or, being a corporation, by representative) shall have one vote;
 - (b) On a poll every Member present in person or by electronic means (or, being a corporation by representative) or by proxy shall be entitled to one vote in respect of each share held by him.
- 87 In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the shares.
- 88 A member who has appointed special or general attorneys or a Member who is subject to a curatelle and curator appointed by the Royal Court or a Member of unsound mind in respect of whom an order has been made by any court having jurisdiction in mental disorder, may vote whether on a show of hands or on a poll, by his said Attorney, Curator, committee, receiver, curator bonis or other person in the nature of a committee, receiver, or curator bonis appointed by such court and such Attorneys, Curator, committee, receiver, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which such person claims to vote.
- 89 No member shall, unless the Directors otherwise determine, be entitled to vote at any general meeting, either personally or by proxy, or to exercise any privileges as a Member unless all calls or other sums presently payable by him in respect of shares in the Company of which he is the holder or one of the joint holders have been paid.
- 90 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 at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chair of the meeting, whose decision shall be final and conclusive.
- 91 On a poll, votes may be given either personally or by proxy.
- 92 On a poll, a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- 93 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, either under its common seal or under the hand of an officer or attorney so authorised.
- 94 Any person (whether a Member of the Company or not) may be appointed to act as a proxy. A member may appoint more than one proxy to attend on the same occasion.

- 95 Save as provided in the following sentence, 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 such power or attorney, shall be deposited at the Office or at such other place or in such other manner as is specified for that purpose in the notice of meeting or in the instrument of proxy issued by the Company not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.
- 96 An instrument of proxy may be in any common form or such other form as the Directors may approve provided that there shall be provision for two-way voting on all resolutions intended to be proposed, other than resolutions which are merely procedural.
- 97 The Directors shall at the expense of the Company send, by post or otherwise, to the Members instruments of proxy (with or without prepaid postage for their return) for use at any general meeting or at any meeting of any class of Members of the Company, either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint a proxy a person or one of a number of persons specified in the invitations are issued at the expense of the Company, such invitations shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy.
- 98 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or the revocation of the instrument of proxy, or of the authority under which the instrument of proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office, before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.
- 99 Any corporation which is a Member of the Company, 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 at any meeting of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

Untraced Shareholders

- 100 The Company shall be entitled to sell at the best price reasonably attainable any share of a Member or any share to which a person is entitled by transmission if and provided that:
- (a) for a period of ten years prior to the date of the giving of notice in the manner described referred in Article 100(b) no cheque, warrant, order or other financial instrument or payment sent by the Company in the manner authorised by these Articles has been cashed or settled, provided that in any such period of ten years

at least three dividends whether interim or final in respect of the share have become payable and no such dividend has been claimed; and

- (b) the Company has at the expiration of the said period of ten years sent a notice to the registered address of the Member or person concerned stating that the Company intends to sell that share, provided that before sending such notice, the Company is satisfied that it has taken the steps it considers reasonable in the circumstances to trace the relevant Member or person concerned, engaging (if considered appropriate and at the cost of the Member) a professional asset reunification company or other tracing agent; and
- (c) the Company has not (so far as the Directors are aware) during the further period of three months after the date of such notice and prior to the exercise of the power of sale received any communication from the Member or person entitled to such share or shares by transmission (in both cases in his capacity as being interested in shares subject to this Article); and
- (d) the Company has first given notice in writing to the UK Listing Authority of its intention to sell such shares.

101 If during any relevant period further shares have been issued in right of those held at the beginning of the relevant period or of any previously so issued during the relevant period and all the requirements of sub-paragraphs 100(a) to 100(d) above have been satisfied in regard to the further shares (save that in respect of paragraph 100(a) above the further shares are not required to have been issued throughout the relevant period and no dividends whether interim or final are required to have become payable in respect of them and, in respect of paragraph 100(b) above there is no requirement for the notice to be made “at the expiration of the said period of ten years” in respect of the further shares), the Company may also sell the further shares. For the purposes of this Article “the relevant period” means the period beginning at the commencement of the ten year period referred to in sub-paragraph 100(a) above and ending on the date when all the requirements of sub-paragraph 100(a) to 100(d) also have been satisfied.

102 To give effect to any such sale the Company may appoint and instruct any person:

- (a) In the case of shares held in certificated form, to execute an instrument of transfer of such share or stock; and
- (b) in the case of shares held in uncertificated form, subject to the system's rules, to send a transfer instruction, and take such other steps as may be necessary, to give effect to such a transfer in accordance with the CREST Regulations,

and such instrument of transfer or transfer instruction and the taking of other steps as may be necessary in accordance with the CREST Regulations as aforesaid shall be as effective as if it had been executed by the registered holder of or person entitled by the transmission to such share or stock. The transfer of certificated shares in this way will be valid even if in respect of any of the shares no certificate accompanies the instrument of transfer. The transferee shall not be bound to see

to the application of the purchase money and his title shall not be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

- 103 The proceeds of any such sale, together with any unpaid or unclaimed dividends or other moneys payable in respect of the relevant share or shares (to the extent not already forfeited under these Articles) shall be forfeited and will belong to the Company and the Company will not be liable in any respect to the former registered holder or person entitled by transmission to such share or stock. The proceeds may be employed in the business of the Company, invested in such investments (other than shares of the Company or its holding company if any) or used for such charitable or good causes as the Board may think fit.

Directors

- 104 The number of the Directors shall not be less than two and shall not be subject to any maximum. A majority of the Directors shall not be resident in the United Kingdom.
- 105 The Directors shall be paid by way of remuneration for their services such sum as they shall determine PROVIDED ALWAYS that the aggregate fees of the Directors shall not exceed £150,000¹ per annum or such higher limit as shall be determined by the Company in general meeting by Ordinary Resolution. The Directors shall also be paid all 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 generally.
- 106 At each annual general meeting of the Company every Director (howsoever appointed) shall retire from office. A retiring director may offer himself for re-appointment by the members. A Director retiring at such meeting shall retain office until the dissolution of such meeting and accordingly on retiring a Director who is re-elected or deemed to have been re-elected pursuant to Article 107 will continue in office without a break.
- 107 The Company at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by appointing a person thereto by Ordinary Resolution. The Company at such meeting may also (subject to Article 104 hereof) fill up any other vacancies.
- 108 If at the end of any annual general meeting the number of Directors is fewer than the minimum required in accordance with Article 104, all Directors retiring and not otherwise re-appointed at such meeting shall be deemed to have been re-appointed ("**Deemed Directors**") and shall retain office solely for the purposes of (1) performing such duties as are necessary to maintain the Company as a going concern, (2) filling the vacancies, and (3) calling general meetings of the Company. The Directors shall call a further general meeting as soon as practicable to appoint by Ordinary Resolution the minimum number of Directors required in accordance with Article 104, and following such appointment, the Deemed Directors shall retire.

¹ The amount of aggregate fees of directors was increased from £150,000 to £250,000 by the Company in general meeting by Ordinary Resolution on 11 December 2015

- 109 At a general meeting a motion for the appointment of two or more persons as Directors of the Company by a single resolution shall not be made unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- 110 No person other than a Director retiring at the meeting shall be eligible for appointment or re-appointment as a Director at any general meeting unless:
- (a) he is recommended by the Directors for appointment; or
 - (b) not less than seven nor more than forty two clear days before the day appointed for the meeting, there shall have been given to the Company notice in writing by some Member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for appointment, and also notice in writing signed by the person to be proposed of his willingness to be appointed.
- 111
- (a) Subject to Article 104, the Company may from time to time by Ordinary Resolution increase or reduce the number of Directors.
 - (b) The Company may, by Ordinary Resolution, remove any Director before the expiration of his period of office, and by an Ordinary Resolution, appoint another person in his stead. The person so appointed shall be subject to retirement at the first annual general meeting following such appointment when they shall be eligible for re-appointment.
- 112 The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not at any time exceed any maximum number fixed in accordance with these Articles. Any Directors appointed as aforesaid shall hold office only until the first annual general meeting following such appointment when they shall be eligible for re-appointment by the Company. If not re-appointed at such annual general meeting, they shall vacate office at the conclusion of the meeting.
- 113 Each Director shall have the power to nominate another Director, or any other person to act as alternate Director in his place both generally and at any meeting of the Directors at which he is unable to be present, and at his discretion to remove such alternate Director and on such appointment being made the alternate Director shall (except as regards the power to appoint an alternate Director) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company and each alternate Director, which acting in the place of an absent Director he represents. Any Director of the Company who is appointed as alternate Director shall be entitled at a meeting of the Directors to cast a vote on behalf of his appointor in addition to the vote to which he is entitled in his own capacity as a Director of the Company, and shall also be considered as two Directors for the purpose of making a quorum of Directors when such quorum shall exceed two. Any person appointed as an alternate Director shall vacate such office as such alternate Director if and when the Director by whom he has been appointed vacates his office as Director.

- 114 Every instrument appointing an alternate Director shall, as nearly as circumstances shall admit, be in the following form or to the effect following:-

‘CQS New City High Yield Fund Limited

A Director of the above-named Company, in pursuance of the power in that behalf contained in the Articles of Association of the Company, do hereby nominate and appoint of to act as alternate Director in my place at any meeting of the Directors which I am unable to attend, and to exercise all my duties as a Director of the Company.

Signed this day of ,20 ‘

- 115 Without prejudice to the provisions for retirement by rotation or otherwise contained in these Articles, the office of a Director shall be vacated in any of the following events namely:-

- (a) If he resigns his office by notice in writing signed by him and left at the Office or sent to an address specified by the Company for the purposes of communication by electronic means.
- (b) If he becomes bankrupt or makes any arrangement or composition with his creditors generally.
- (c) If he becomes of unsound mind.
- (d) If he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason or, an order made under the provisions of any law or enactment.
- (e) If he becomes resident in the United Kingdom and as a result thereof a majority of the Directors are resident in the United Kingdom.
- (f) If he is removed pursuant to Article 111(b) hereof.
- (g) If each of the other Directors (being not less than two in number) resolve that he should vacate office.

116

- (a) 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, and otherwise as the Directors may determine.
- (b) No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be 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, but the nature of his interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the

proposed contract or arrangement, then at the next meeting of the Directors held after he becomes so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, then at the first meeting of the Directors held after he becomes so interested. A general notice in writing given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm, shall (if such Director shall give the same at a meeting of the Directors or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Directors after it is given) be deemed a sufficient declaration of interest in relation to any contract so made.

- (c) A Director shall not, as a Director, vote in respect of any contract, transaction, arrangement or proposal in which he has an interest which (together with any interest of any person connected with him) is a material interest (otherwise than by virtue of his interests, direct or indirect, in shares or debentures or other securities of, or otherwise in or through, the Company) and if he shall do so his vote shall not be counted, nor in relation thereto shall he be counted in the quorum present at the meeting, but (in the absence of some other material interest than is mentioned below) more of these prohibitions shall apply to:-
- (i) the giving of any security, guarantee or indemnity in respect of:-
 - (A) money lent or obligations incurred by him or by any other person for the benefit of the Company or any of its subsidiaries; or
 - (B) a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
 - (ii) where the Company or any of its subsidiaries is offering securities in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to or may participate;
 - (iii) any contract, transaction, arrangement or proposal affecting any other body corporate in which he is interested, directly or indirectly and whether as an officer, shareholder, creditor or otherwise howsoever, provided that he (together with persons connected with him) does not to his knowledge hold an interest representing one per cent or more of any class of the equity share capital of such body corporate (or of any third body corporate through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purposes of this Article to be a material interest in all circumstances);
 - (iv) any act or thing done or to be done in respect of any arrangement for the benefit of the employees of the Company or any of its subsidiaries under which he is not accorded as a Director any privilege or advantage not

generally accorded to the employees to whom such arrangement relates;
or

- (v) any matter connected with the purchase or maintenance for any Director of insurance against any liability.
 - (d) A Director may, as a Director, vote (and be counted in the quorum) in respect of any contract, transaction, arrangement or proposal in which he has an interest which is not a material interest or which falls within sub-paragraph 116(c) of this Article.
 - (e) For the purposes of this Article a person shall be treated as being connected with a Director if that person is:-
 - (i) a spouse, child (under the age of 18) or step child (under the age of 18) of the Director; or
 - (ii) an associated body corporate which is a company in which the Director alone, or with connected persons, is directly or indirectly beneficially interested in 20% or more of the equity share capital or is entitled (alone or with connected persons) to exercise or control the exercise of more than 20% of the voting power at general meetings; or
 - (iii) a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Director or persons falling within paragraphs 116(e)(i) or 116(e)(ii) above excluding trustees or an employees' share scheme or pension scheme, or
 - (iv) a partner (acting in that capacity) of the Director or persons in categories 116(e)(i) to 116(e)(iii) above.
 - (f) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place or profit under the Company, or whereat the terms of any such appointment are arranged or whereat any contract in which he is interested is considered, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.
 - (g) 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.
- 117 Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and any such Director shall not be accountable to the Company for any remuneration or other benefits received by him as a director, managing director, manager or other officer or member of any such company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as

they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to themselves as directors, managing directors, managers or other officers of such company) and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be or be about to be appointed a director, managing director, manager or other officer of such other company, and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

Powers of Directors

- 118 The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Law or by these Articles required to be exercisable by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Law, and to such regulations, being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.
- 119 The Directors may from time to time and at any time appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- 120 If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may delegate to the person in whose favour such mortgage or security is executed, or to any other person in trust for him, the power to make calls on the Members in respect of such uncalled capital and to sue in the name of the Company or otherwise for the recovery of moneys becoming due in respect of calls so made and to give valid receipts for such moneys and the power so delegated shall subsist during the continuance of the mortgage or security notwithstanding any change of Directors, and shall be assignable if expressed so to be.
- 121 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.
- 122 The Directors may from time to time appoint one or more of their body to the office of Managing Director or to any other office for such term and at such remuneration and upon such terms as to the duties to be performed, the powers to be exercised and all other matters as they think fit. The remuneration may be by way of salary or commission or

participation in profits or otherwise, or partly in one way and partly in another, as they think fit.

Proceedings of Directors

- 123 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. No meetings of Directors shall be held in the United Kingdom, and any decision reached or resolution passed by the Directors at any meeting which is held in the United Kingdom shall be invalid and of no effect. Any Director may participate in a meeting of the Directors or in a committee thereof by means of a video conference, web conference, conference telephone or similar communications equipment whereby all the Directors participating in the meeting can hear each other and the Directors participating in this manner shall be deemed to be present at such meeting for all the purposes of these Articles. However, no decision reached or resolution passed by the Directors shall be valid if a majority of the Directors participate in the meeting by means of a video conference, web conference, conference telephone or similar communications equipment from the United Kingdom. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the Chair shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Directors.
- 124 The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors but shall not be less than two.
- 125 If and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act for the purpose of summoning general meetings of the Company or meetings of the appropriate class of shareholders or to appoint additional Directors but not for any other purpose. If there be no Directors or Director able or willing to act, then any Member may summon a general meeting or a class meeting for the purpose of appointing Directors.
- 126 The Directors may from time to time elect and remove a Chair and, if they think fit, a Deputy Chair and determine the period for which they respectively are to hold office.
- 127 A resolution in writing signed or confirmed electronically by all the Directors for the time being entitled to receive a notice of a meeting of the Directors shall be as valid and effectual as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents or electronic communications in the like form each signed or confirmed electronically by one or more of the Directors. No such resolution shall be valid if a majority of the Directors sign or electronically confirm the resolution in the United Kingdom.
- 128 A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
- 129 The Directors may delegate any of their duties, powers, authorities and discretions to committees consisting of such member or members of their body as they think fit. Any

committee so formed shall, in the exercise of the duties, powers, authorities and discretions so delegated conform to regulations that may be imposed on them by the Directors.

- 130 The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles (save in respect of the quorum requirement) regulating the meeting and proceedings of the Directors so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.
- 131 All acts done by any meeting of Directors, or of a committee of Directors or by any person acting as a Director shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified and had continued to be a director and had been entitled to vote.
- 132 The Directors shall cause minutes to be made of:-
- (a) all appointments of officers made by the Directors;
 - (b) the names of the Directors present at each meeting of the Directors and of any committee of Directors;
 - (c) all resolutions and proceedings of all meetings of the Company and of the Directors and of committees of Directors.

Any such minutes, if purporting to be signed by the Chair of the meeting at which the proceedings took place, or by the Chair of the next succeeding meeting, shall be evidence of their proceedings.

- 133 A Register of Directors' interests in shares shall be kept at the Office and shall be open to the inspection of any Member or holder of debentures of the Company between the hours of 10.00 am and noon for a period beginning fourteen days before and ending three days after the annual general meeting. The said register shall also be produced at the commencement of each annual general meeting and shall remain open and accessible during the continuance of the meeting to any person attending the meeting.

Secretary

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

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

- (a) the sole Director of the Company, or
- (b) a corporation the sole Director of which is the sole Director of the Company, or
- (c) the sole Director of a corporation which is the sole Director of the Company.

Minutes

136 The Secretary shall cause minutes to be made in books kept for the purpose in accordance with the Law.

The Seal

137

- (a) The Company may have a Seal if the directors so determine.
- (b) Subject to the provisions of the Law, the Directors may also determine to have:
 - (i) an official seal for use in any country territory or place outside the Island of Jersey, which shall be a facsimile of the common seal of the Company. Any such official seal shall in addition bear either the name of the country in which it is to be used or the words "branch seal";
 - (ii) an official seal for use only in connection with the sealing of securities issued by the Company and such official seal shall be a facsimile of the common seal of the Company but shall in addition bear the word "securities".
- (c) Any Seal shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.

Dividends

138 Subject to the rights of persons entitled to shares with special rights as to dividends, the Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors but the Company in general meeting may declare a smaller dividend and the declaration of the Directors as to the amount of the profits shall be conclusive. The Directors may pay dividends in Sterling, Euros or in such other currency or currencies as they shall in their absolute discretion think fit on the request of the relevant shareholder or shareholders and at the risk and cost of such shareholder or shareholders.

139 No dividend shall be paid otherwise than out of distributable profits provided always that all moneys realised on the sale or other realisation of any capital assets in excess of book value and all other moneys in the nature of accretion to capital as determined conclusively by the Directors will not be treated as profits available for dividend and provided further that, if so required by the Listing Rules:

- (a) dividends may not be paid unless they are covered from income received by underlying investments; and
 - (b) the distribution of surpluses, as dividends, arising from the realisation of investments shall be prohibited.
- 140 The Directors may if they think fit from time to time pay the Members such interim dividends as appear to the Directors to be justified by the profits of the Company. The Directors may also pay monthly, half-yearly or at other suitable intervals to be settled by them, any dividend which may be payable at a fixed rate if they are of the opinion that the profits justify the payment.
- 141 Subject to Article 23 and the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid pro rata to the number of Ordinary Shares held by each Member. Provided that if any share is issued on terms providing that it shall rank for dividend as from or after a particular date, such share shall rank for dividend accordingly.
- 142 Any general meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other Company, and the Directors shall give effect to any such direction provided that no such distribution shall be made unless recommended by the Directors. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates (or ignore fractions), and may fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments may be made to any shareholders upon the footing of the value so fixed,' in order to adjust the rights of all parties, and may vest any such assets in trustees upon trust for the persons entitled to the dividends as may seem expedient to the Directors.
- 143 The Directors may deduct from any dividend or other moneys 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 in relation to the shares of the Company.
- 144 All unclaimed dividends may be invested or otherwise made of use of by the Directors for the benefit of the Company until claimed. No unclaimed dividend shall bear interest against the Company. The payment by the Directors of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof and any dividend or other monies payable and unclaimed after a period of ten years from the date of declaration of such dividend or date such monies became payable shall (unless the Directors decide otherwise) be forfeited and shall revert to the Company. The amount of such forfeited moneys may be employed in the business of the Company, invested in such investments (other than shares of the Company) or used for such charitable or good causes as the Directors may from time to time decide.
- 145 Any dividend or other moneys payable on or in respect of shares may be paid by any such method or combination of methods as the Directors may decide. The Directors may decide to use different methods of payment for different holders or groups of holders of shares. Without limiting any other method of payment which the Directors may decide upon, the

Directors may decide that payment can be made wholly or partly and exclusively or optionally:

- (a) In cash by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or in accordance with his written instructions to the Company, and in the case of joint holders to that one whose name stands first on the Register in respect of their joint holding or in accordance with the written instructions to the Company of such joint holders; or
- (b) by inter-bank transfer, electronic means or other funds transfer system to an account designated in writing by the person or persons entitled to the payment; or
- (c) by means of the relevant system in respect of an uncertificated share if the Directors decide and the person or persons entitled to payment has in writing authorised the payment to be made by means of that system; or
- (d) by such other method as the person or persons entitled to the payment may agree in writing.

146 Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and payment of the cheque or warrant shall be a good discharge thereof to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Payment by or on behalf of the Company of any dividend or other monies payable by bank or other funds transfer, by electronic means or means of a relevant system or by another method at the direction of the person or persons entitled to payment shall be a good discharge thereof to the Company and shall be at the risk of the person entitled to the money represented thereby and the Company shall have no responsibility for any amounts lost or delayed in the course of making that payment.

147 If:

- (a) a Member (or in the case of joint Members, the senior joint holder, seniority being determined by the order in which the names stand in the Register of Members) does not provide to the Company such information and other details as are necessary for payment of a dividend or other monies to be made to the Member by the method or methods prescribed by the Board under Article 145 (including where relevant by specifying an address or an account of the type prescribed by the Board); or
- (b) payment to the Member or joint Members by the method or methods prescribed by the Board cannot be made by the Company using the information provided by the Member (or joint Members),

then the dividend or other money will be treated as unclaimed for the purposes of these Articles.

148 If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.

149 If on two consecutive occasions payment of a dividend or other moneys payable on or in respect of shares by the Company to a Member or person entitled thereto is left uncashed,

is returned, or cannot be made by the Company by the method(s) elected using the details provided by such person, the Company shall not be obliged to send any further dividends or other moneys payable until the Member or person entitled thereto notifies the Company of an address or details of the account of the type prescribed by Directors to be used for such purpose.

Reserves

- 150 The Directors may, before recommending any dividends, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investment as the Directors may from time to time think fit. The Directors may also without placing the same reserve carry forward any profits which they think prudent not to distribute.

Scrip Dividends

151

- (a) The Directors may in relation to any dividend whether declared or not offer holders of Ordinary Shares in respect of the whole of their holdings of Ordinary Shares the right to elect to receive additional fully paid Ordinary Shares instead of cash in respect of such dividends subject to such minimum holdings provisions as resolved by the Directors from time to time.
- (b) The Directors may in their absolute discretion, but having due regard to the best interests of the Company and its Members as a whole determine that elections may be satisfied by either of the following procedures or by a combination of those procedures:
 - (i) By the allotment of new Ordinary Shares credited as fully paid to a value equal to or as near as may be the whole or part of the cash dividend. The value of each new Ordinary Share shall be calculated by reference to the average of the middle market quotations of the Company's Ordinary Shares on the London Stock Exchange as shown in the Daily Official List on each of the first five business days commencing on the date on which the Ordinary Shares were most recently quoted Ex-Dividend; and/or
 - (ii) By the application of the whole or part of the cash dividend, which would in the absence of the election have been paid to the relevant Member ("**Participating Member**"), in the purchase by an agent appointed by the Directors or the nominees of such agent for and on behalf of the Participating Member of existing issued Ordinary Shares which are fully paid at prices negotiated or calculated by such agent in accordance with normal market practices but not exceeding the estimated Net Asset Value per Ordinary Share published on the Consortium List by Datastream on the record date in respect of the relevant dividend (or as published or shown on such date by a similar market securities valuation serviced approved by the Directors) and such agent may for these purposes but subject to the

foregoing limit, purchase Ordinary Shares on different occasions at difference prices.

- (c) Subject to Article 151(d) below the aggregate number of new Ordinary Shares (if any) to be allotted to Participating Members by the Directors pursuant to Article 151(b)(i) above and the number of existing issued Ordinary Shares (if any) purchased on behalf of Participating Members in accordance with Article 151(b)(ii) above shall be divided between the Participating Members pro-rata or as nearly as may be to their existing holdings of Ordinary Shares and the Registrar shall ensure that such allotments and/or transfers are duly registered in the Register.
- (d) No fraction of an Ordinary Share will be allotted in accordance with Article 151(b)(i) above or transferred to an Ordinary Shareholder in accordance with Article 151(b)(ii) above and any cash balances remaining will be retained for the benefit of the Company.
- (e) The Directors shall give notice in writing to the holders of the Ordinary Shares of the right of election accorded to them and shall send forms of election with such notice and shall specify the procedure, the place and the latest time by which duly completed forms of election must be lodged at the Office in order to be effective.
- (f) In the event that holders of Ordinary Shares are allotted any additional Ordinary Shares in accordance with Article 151(b)(i) above the Company shall capitalise a sum equal to the aggregate value, calculated in accordance with the provisions of Article 151(b)(i) above, of the additional Ordinary Shares to be allotted out of the sums standing to the credit of the profit and loss account of the Company or the profits of the Company which would otherwise have been applied in paying dividends in cash as the Directors may determine, and shall appropriate to the sated capital account for the relevant class of shares such sum and shall apply the same in paying up in full the appropriate number of unissued Ordinary Shares for allotment and distribution amongst the holders of the Ordinary Shares.
- (g) The Directors may do all acts and things considered necessary or expedient to give effect to such capitalisation with full power to make such provision in connection with the allotment and issue of scrip dividends as they think fit.
- (h) Any additional Ordinary Shares allotted in accordance with Article 151(b)(i) above shall rank *pari passu* in all respects with the fully paid Ordinary Shares then in issue save only as regards participation in the relevant dividend.
- (i) The Directors may on any occasion determine that rights of election shall not be made available to any holders of Ordinary Shares whose registered addresses are in any territory or jurisdiction where in the absence of a prospectus, registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions of this Article should be read and construed subject to such determination.
- (j) The Directors shall be entitled to register or authorise registration of transfers of Ordinary Shares to satisfy elections notwithstanding that neither the Directors nor

the Registrar are on the payment date in respect of the relevant dividend in possession of an instrument of transfer signed by or on behalf of the transferor, or any other instrument of transfer or any certificate in respect of such shares.

- 152 The Directors shall as and where necessary make all appropriations and applications of the profits or sum resolved to be capitalised (if any) in accordance with Article 151(b)(i) and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto. Where any difficulty arises in respect of any appropriation and distribution the Directors may settle the same as they think expedient and in particular they may fix the value for distribution of any fully paid up shares or debentures, make cash payments (except from any stated capital account or capital redemption reserve fund) to any shareholders on the footing of the value so fixed in order to adjust rights and vest any shares or debentures in trustees upon such trusts for the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors.

Capitalisation of Profits

- 153 The Company in general meeting may on the recommendation of the Directors resolve that it is desirable to capitalise any undivided profits of the Company (whether standing to the credit of the profit and loss account or any reserve or reserves of a revenue or capital nature) or, subject as hereinafter provided, any sum standing to the credit of a capital redemption reserve fund, and accordingly that the Directors be authorised and directed to appropriate the profits or sum resolved to be capitalised to the Members in the proportion in which such profits or sum would have been divisible amongst them had the same been applied or been applicable in paying dividends and to apply such profits or sum on their behalf, either in or towards payment up the amounts, if any, for the time being unpaid on any shares or debentures held by such Members respectively, or in paying up in full unissued shares or debentures of the Company such shares or debentures to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportion aforesaid, or partly in one way and partly in the other; provided that any sum standing to the credit of a capital redemption reserve fund may, for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to Members as fully paid.

Accounts

- 154 The Directors shall cause to be kept proper accounts with respect to:
- (a) all sums of money received and expended in relation to the Company and the matters in respect of which such receipt and expenditure takes place;
 - (b) all sales and purchases in relation to the Company; and
 - (c) the assets and liabilities of the Company
- so as to enable the accounts of the Company and any report to Members to be prepared in accordance with these Articles and the Law.
- 155 The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the Directors. No Member (other than a

Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Law or as authorised by the Directors or by Ordinary Resolution.

- 156 The Directors shall cause to be prepared in respect of the Company a profit and loss account, balance sheet and a report made up to the Accounting Dates and the Interim Accounting Dates for the Company and such other dates as the Directors may determine which in the case of the profit and loss accounts, balance sheets and reports for the Company made up to the Accounting Date, shall be prepared in accordance with the Law and shall be laid before the Company in general meeting.
- 157 A copy of every account, balance sheet and report which are laid before the Company in general meeting in accordance with Article 158 shall not less than fourteen days prior to the meeting be provided, electronically or by means of electronic copies available on the Company's website, to every person entitled to receive notices and an electronic copy of every account, balance sheet and report made up to each Interim Accounting Date for the Company shall be provided, electronically or by means of electronic copies available on the Company's website, to every person entitled to receive notices within three months of such Accounting Date or Interim Accounting Date (as the case may be) PROVIDED THAT each such person is deemed to consent to such notice and electronic communication unless such person notifies the Company in writing that they refuse such consent within 28 days of the date such electronic communication is made available on the Company's website. Where a person notifies the Company that they refuse such consent, the Company shall deliver a printed copy of such documents by post to the registered address of such person.
- 158 Every account of the Directors when audited and approved by any general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever such an error is discovered within that period the accounts shall forthwith be corrected and thereupon shall be conclusive.

Audit

- 159
- (a) The Company shall at each annual general meeting appoint Auditors to hold office from the conclusion of that meeting until the conclusion of the next annual general meeting.
 - (b) The first Auditors of the Company shall be appointed by the Directors at any time before the first annual general meeting of the Company and the Auditors so appointed shall hold office until the conclusion of that meeting.
 - (c) The Directors may fill any casual vacancy in the office of Auditors but while any such vacancy continues the surviving or continuing Auditors if any may act.
 - (d) The remuneration of any Auditors appointed by the Directors shall be fixed by the Directors and of any Auditors appointed by the Company shall be fixed by the Company at the annual general meeting at which such appointment shall be made or in such manner as such meeting may determine.

- (e) The Auditors shall examine such books, accounts and vouchers as may be necessary for the performance of their duties.
- (f) The Auditors shall make a report to the Members on the profit and loss account and balance sheet in respect of the Company made up to each Accounting Date and to the holders of Ordinary Shares on the profit and loss account and balance sheet made up to each Accounting Date and each report shall state:
 - (i) whether or not they have obtained all the information and explanations they have required; and
 - (ii) whether in their opinion the balance sheet referred to in the report is properly drawn so as to exhibit a true and fair view of the state of the Company's affairs (as the case may be); and
 - (iii) whether the accounts have been audited in accordance with approved auditing standards.

Notices

- 160 Any notice or document may be served by the Company on any Member either personally, using Electronic Communication (to the extent permissible) or by sending it through the post in a prepaid letter addressed to such Member at his address as appearing in the Register. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders
- 161 Notices to be posted to addresses outside the Channel Islands and the United Kingdom shall so far as practicable be forwarded by prepaid airmail.
- 162 Any Member present, either personally, electronically or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.
- 163 Any summons, notice, order or other documents required to be sent to or served upon the Company, or upon any officer of the company may be sent or served by leaving the same or sending it through the post in a prepaid letter envelope or wrapper, addressed to the Company or to such officer at the Registered Office.
- 164 Any notice or other document, if served by post, shall be deemed to have been served 24 hours after the time when the letter containing the same is posted and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted.
- 165 Any notice or other document, if sent by Electronic Communication (to the extent permissible) shall be deemed to have been received at the expiration of 24 hours after the time it was sent. Proof that an electronic communication was sent by the Company shall be conclusive evidence of such sending.

- 166 Where a document requires to be signed by a shareholder or other person then, if in the form of an electronic communication, it must, to be valid, incorporate the electronic signature or personal identification details of that shareholder or other person, in such form as the Directors may approve, or be accompanied by such other evidence as the Directors may require to satisfy themselves that the document is genuine. The Company may designate mechanisms for validating such document.
- 167 Any notice or document delivered or sent by Electronic Communication (to the extent permissible), by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder unless his name shall at the time of the service of the notice or document, have been removed from the Register as the holder of the share, 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 the share.

Destruction of Documents

- 168 The Company shall be entitled to destroy all instruments of transfer of shares which have been registered at any time after the expiration of ten years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was a valid and effective instrument duly and properly registered and that every other document hereinbefore mentioned had been reflected in accordance with the recorded particulars thereof in the books or records of the Company PROVIDED ALWAYS that:
- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article;
 - (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

Winding Up

- 169 If the Company shall be wound-up, the surplus assets remaining after payment of all creditors shall be divided among the Members in proportion to the number of Ordinary Shares held by them respectively at the commencement of the winding-up subject to the rights of any shares which may be issued with special rights or privileges.
- 170 If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may, with the authority of an Ordinary Resolution, divide

among the Members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved but so that no Member shall be compelled to accept any assets in respect of which there is a liability.

- 171 Where the Company is proposed to be or is in course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company ("the transferee") the liquidator of the Company may, with the sanction of an Ordinary Resolution, conferring either a general authority on the liquidator or an authority in respect of any particular arrangement, receive in compensation or part compensation for the transfer of sale, shares, policies or other like interests in the transferee for distribution among the Members of the Company or may enter into any other arrangement whereby the Members of the Company may, in lieu of receiving cash, shares, policies or other like interests, or in addition thereto, participate in the profits of or receive any other benefits from the transferee.

Duration of the Company

- 172 At each annual general meeting of the Company commencing with the annual general meeting to be held in 2008, the Directors shall cause an Ordinary Resolution to be proposed to the effect that the Company continues as an investment fund ("**a Continuation Resolution**");
- 173 In the event that a Continuation Resolution is not passed, the Directors will cause an extraordinary general meeting of the Company to be convened for a date not later than 180 days after the date of the annual general meeting at which such resolution is not passed (or, if adjourned, the date of the adjourned meeting). Prior to, or with the notice such extraordinary general meeting the Directors shall send to shareholders detailed proposals for the voluntary liquidation open-ended or other reconstruction or reorganisation of the Company (which proposals may include a continuation of the Company in a revised form, including, without limitation, a new investment objective and/or policy) ("**the Proposals**");
- 174 At any extraordinary general meeting of the Company convened pursuant to Article 173 the Directors will cause a Special Resolution to be proposed instructing the Directors to implement the Proposals. If such resolution (in its original or amended form) is not passed as a Special Resolution:-
- (a) if the Proposals included a voluntary liquidation of the Company, the Company shall continue as an investment; or
 - (b) if the Proposals did not include a voluntary liquidation of the Company, the Directors will cause a further extraordinary general meeting to be convened for a date not later than 60 days after the date of the extraordinary general meeting convened in accordance with Article 173 (or, if adjourned, the date of the adjourned meeting), at

which further extraordinary general meeting the Directors will cause a special resolution to be proposed to implement proposals which include a voluntary liquidation of the Company (and, in the event of such resolution, in its original or amended form, is not passed as a special resolution, the Company shall continue as an investment trust).

Indemnity

- 175 Every Secretary agent servant and employee of the Company shall be indemnified by the Company against and it shall be the duty of the directors out of the funds of the Company to pay the costs charges losses liabilities damages and expenses which any such person may incur in the course of the discharge by him of his duties as Secretary agent servant or employee of the Company as the case may be provided that this indemnity shall not be applicable in circumstances where any such person has incurred such costs charges losses liabilities damages and expenses through his own fraud wilful misconduct or negligence. The Investment Manager shall be entitled to such indemnity from the Company, subject to such terms and limitations, as shall be set out in their respective terms of appointment.
- 176 In so far as the Law allows every present or former officer of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by him by reason of being or having been such an officer.
- 177 The Directors are empowered to arrange for the purchase and maintenance in the name and at the expense of the Company of insurance cover for the benefit of any officer or former officer of the Company the Secretary and any agent servant or employee of the Company against any liability which is incurred by any such person by reason of the fact that he is or was an officer of the Company the Secretary or an agent servant or employee of the Company.

Representatives for Real and Personal Estate

- 178 Power and authority to represent the Company for the purchase or sale of real property will be vested in the Directors for the time being or in one of them designated by the Directors or in their duly appointed Attorney. The Directors or one of them designated by the Directors or their duly appointed Attorney will represent the Company in all legal and judicial transactions arising out of the real property of the Company.
- 179 One of the Directors of the Company for the time being or any Attorney duly appointed by the Directors will represent the Company before all courts of law with respect to all legal transactions other than those arising from the real property of the Company.

Subsidiary Company

- 180 Investments or cash which would otherwise form part of the assets of the Company may be owned beneficially by a company or companies incorporated anywhere in the world provided that:
- (a) all of the issued share capital of any such company or companies for the time being shall be beneficially owned by the Company and registered in the name of the Custodian or its nominee on behalf of the Company;

- (b) all Investments and cash beneficially owned by any such company shall be deemed for all of the purposes of these Articles to form part of the assets of the Company and in particular, but without in any way limiting the foregoing, such Investments and cash shall be aggregated with the other Investments and cash included or deemed to be included among the assets of the Company for the purposes of any limits upon Investments and any such company shall be bound by all such limits accordingly. Such Investments and cash shall be aggregated with other Investments and cash included or deemed to be included among the assets of the Company for valuation purposes;
- (c) when ascertaining Net Asset Value there shall be excluded from such valuation any amounts due to the Company from any such company and the value of any shares in any such company held by the Company or its nominee or the Custodian or its nominee on behalf of the Company, and the Net Asset Value of the Company and any such company shall accordingly be valued on a consolidated basis.

Borrowing Powers

181

- (a) Subject to Article 182 the Company shall comply with the borrowing restrictions applicable to an investment company listed on the stock exchanges on which the shares are listed.
- (b) The Directors shall restrict the borrowing of the Company so as to ensure that at the time of any borrowing the aggregate amount for the time being remaining undischarged of all monies borrowed by the Company inclusive of any fixed or minimum premium payable on final repayment shall not, except with the consent of the Company in general meeting, exceed an amount equal to the Adjusted Total of Capital and Reserves of the Company as hereinafter defined.
- (c) For the purposes of this Article “Adjusted Total of Capital and Reserves” means the aggregate of the amount paid up or credited as paid up on the issued share capital of the Company and the amounts standing to the credit or debit of the Capital and Revenue reserves (including capital redemption reserve fund, investment reserve, revaluation reserve and profit and loss account) of the Company and the Group, all as shown in the latest published semi-annual balance sheet of the Group or any other balance sheet of the Company approved by the Directors, but adjusted as may be appropriate in respect of any variation in such paid up share capital, capital redemption reserve fund, investment reserve, revaluation reserve and profit and loss account since the date of such balance sheet. Prior to the publication of a balance sheet of the Group, the Adjusted Total of Capital and Reserves shall mean the aggregate issue price of all the shares allotted by the Company.

- (d) The Directors and the Investment Manager shall exercise all and any powers of the Company to borrow money subject to and in accordance with the following limitations and conditions
 - (i) subject to any applicable requirement of law, interest may be charged against the income of the Company or against the capital or partly one and partly the other as the Directors may from time to time determine;
 - (ii) no such borrowing may be made from the Investment Manager and/or Connected Person of it unless the terms of such borrowing are in line with those for the time being offered by the relevant lender to other similar borrowers for similar sums in the same currency and for the relevant term, but not otherwise, and in such a case the relevant lender shall not be liable to account for any profits or benefits made or derived from or in connection with such borrowing.
- (e) Any person lending money to the Company shall be entitled to assume that the Directors and the Investment Manager are acting in accordance with this Article in arranging such borrowing and shall not be concerned to see or enquire whether such provisions have in fact been complied with.
- (f) For the purposes of this Article the expressions “monies borrowed” and “borrowing” shall be deemed to include any claim (whether interest-bearing or not) for the time being outstanding against the Company but shall not be deemed to include:
 - (i) monies borrowed at or about the time of, or in contemplation of, the issue by the Company of new shares, whether or not secured on the assets of the Company by security interest or debenture, provided that the aggregate amount of such monies borrowed does not exceed the aggregate amount paid up or credited as paid up on such new shares;
 - (ii) claims by the Members in their capacity as such;
 - (iii) claims of the Investment Manager and any other functionaries or the Secretary in respect of their fees and expenses accrued and unpaid or accruing but not yet payable;
 - (iv) claims in respect of current liabilities of the Company and claims in respect of the settlement of transactions entered into for account of the Company, being in any such case claims which have been outstanding for not more than thirty (30) days;
 - (v) any claim to the extent that liquid assets of the Company are deposited in connection therewith or to the order of the claimant and there is a right of set off or other comparable provision to the intent that the ability to enforce and recover the claim against the Company is either by agreement or by operation of law dependant upon or affected by the ability of the Company to recover the assets so deposited; and
 - (vi) any intra-Group liabilities.

- (g) Any amounts guaranteed by the Company shall be counted as borrowing by the Company for the purposes of the limit on borrowing set out in paragraph 181(a) hereof.

Investment Restrictions

182

- (a) The Company shall comply with the investment restrictions applicable to an investment company listed on the stock exchanges on which the shares are listed.
- (b) In any case where the Company may:
 - (i) acquire or hold any Investment which is for the time being partly paid only or otherwise likely to involve the Company in any liability (contingent or otherwise) unless according to the terms of the issue thereof the Investment will or may at the option of the holder become within one year from the date of its acquisition by the Company fully paid up and free from all such liabilities as aforesaid; or
 - (ii) enter into underwriting or sub-underwriting contracts in relation to the subscription for or purchase of Investments the Directors shall, where relevant, be entitled but not bound to appropriate and set aside cash or such other property of the Company as is approved by the Investment Manager (such approval not to be unreasonably withheld) and sufficient to provide for paying up such Investment in full or (as the case may be) for meeting such underwriting or sub-underwriting or other liability. The cash or other property so appropriated shall not be available for application in any way otherwise than as may be required for paying up the Investment or meeting the liability in respect of which the appropriation was made so long as and to the extent that such Investment remains an asset of the Company and/or any liability (contingent or otherwise) exists in respect thereof. Any such underwriting or sub-underwriting contract as mentioned in this (ii) above be entered into upon such terms in all respects as the Directors or, as the case may be, the Investment Manager shall think fit (but subject always to the provisions of these Articles and so that no such contract shall relate to an Investment which if acquired would constitute or result in a holding in excess of any of the limits specified in this paragraph) and all commissions or other fees received by the Investment Manager pursuant to any such contract shall be paid by the Investment Manager to the Company and shall form part of the assets of the Company.
- (c) It shall not be necessary for the Company to effect changes of Investments merely because owing to appreciations or depreciations of any one or more of the Investments of the Company (including appreciations and depreciations occasioned by fluctuations in exchange rates) any one or more of the limits prescribed in paragraph 182(a) above shall be exceeded, nor by reason of any one or more of the said limits being exceeded as a result of:-
 - (i) receipt by the Company of any rights, bonuses or benefits in the nature of

- (ii) capital; or
 - (iii) any scheme or arrangement for amalgamation, reconstruction, conversion
 - (iv) or exchange; or
 - (v) any redemption; or
 - (vi) any listing, if and so long as the value or the aggregate of any Investments shall exceed all or any of the limits referred to in paragraph 182(a) above, the Company shall not purchase any further such Investments.
- (d) Investments or cash which would otherwise form part of the assets of the Company may be owned beneficially by a company or companies incorporated anywhere in the world provided that:-
- (i) all of the issued share capital of any such company or companies for the time being shall be beneficially owned by the Company and registered in the name of the Company or its nominee on behalf of the Company;
 - (ii) if and to the extent that an Investment Manager has been appointed in relation to the Company, and subject to the provisions of these Articles, any such company shall be managed by the Investment Manager, who shall supply the management of the same at no additional direct or indirect cost to the Company;
 - (iii) all Investments and cash beneficially owned by any such company shall be aggregated with the other Investments and cash included or deemed to be included among the assets of the Company for the purposes of any limits upon Investments and any such company shall be bound by all such limits accordingly. Such Investments and cash shall be aggregated with other Investments and cash included or deemed to be included among the assets of the Company for valuation purposes:
 - (iv) when valuing the net assets of the Company there shall be excluded from such valuation any amounts due to the Company from any such company and the value of any shares in any such company held by the Company or its nominee and the net assets of the Company and any such company shall accordingly be valued on a consolidated basis.

Valuation of the Company's Assets

- 183 Without prejudice to any other provision of these Articles, valuation of the Company's assets shall be performed in accordance with prevailing accounting standards, the AIFM Rules, or such other accounting standards, bases, policies and procedures as the Board may determine from time to time.
- 184 The net asset value per share of the Company shall be calculated at least annually and disclosed to members from time to time in such manner as may be determined by the Board.

- 185 Valuations of net asset value per share of the Company may be suspended if the underlying data necessary to value the investments of the Company cannot readily or without undue expenditure be obtained or for regulatory reasons and any such suspension shall be announced through a Regulatory Information Service (as defined in the FCA Handbook).

Investor Disclosures

- 186 Notwithstanding anything to the contrary in Articles 160 to 167, Investor Disclosures shall be made available to members and prospective members in such manner as may be determined by the Board from time to time (including, without limitation, and where so determined, by posting some or all of the Investor Disclosures on the Company's website or by notice by electronic means).

For the purposes of this Article, the term "Investor Disclosures" means the information required to be made available to members and prospective members of the Company pursuant to FUND 3.2.2R of the Investment Funds Sourcebook of the FCA Handbook, as amended or replaced from time to time.