



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

It contains proposals relating to Riverstone Energy Limited (the “Company”) on which you are being asked to vote. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek immediately your own personal financial advice from your independent financial adviser, stockbroker, bank manager, solicitor, accountant, or from another appropriately qualified and duly authorised independent adviser.

If you have sold or otherwise transferred all of your shares in Riverstone Energy Limited please send this document and the accompanying documents at once to the purchaser or transferee or to the stockbroker, banker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

RIVERSTONE ENERGY LIMITED

(a registered closed-ended collective investment scheme incorporated as a company limited by shares under the laws of Guernsey with registration number 56689)

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting to be held at 10.30 a.m. (BST) on 23 May 2017 at The Old Government House Hotel, St Ann’s Place, St Peter Port, Guernsey GY1 2NU, Channel Islands is set out at the end of this document.

Shareholders are requested to return the Form of Proxy accompanying this document for use at the Annual General Meeting. To be valid, the Form of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible and, in any event, not later than 10.30 a.m. (BST) on 19 May 2017. Alternatively, Shareholders may submit proxies electronically not later than 10.30 a.m. (BST) on 19 May 2017 using the Capita Share Portal Service at www.capitashareportal.com.

Your attention is drawn to the letter from the Chairman of Riverstone Energy Limited which is set out in Part I of this document and which recommends that you vote in favour of the Resolutions to be proposed at the Annual General Meeting. Your attention is also drawn to the section entitled “Action to be Taken” on page 3 of this document.

PART I

LETTER FROM THE CHAIRMAN

RIVERSTONE ENERGY LIMITED

(a registered closed-ended collective investment scheme incorporated as a company limited by shares under the laws of Guernsey with registration number 56689)

Directors:

Mr Richard Hayden (Chairman)
Peter Barker
Patrick Firth
Pierre Lapeyre
David Leuschen
Kenneth Ryan
Jeremy Thompson
Claire Whittet

Registered Office:

Heritage Hall
P.O. Box 225
Le Marchant Street
St Peter Port
Guernsey
GY1 4HY
Channel Islands

18 April 2017

ANNUAL GENERAL MEETING

Dear Shareholder,

Introduction //

The fourth Annual General Meeting of the Company will be held at The Old Government House Hotel, St Ann's Place, St Peter Port, Guernsey GY1 2NU, Channel Islands on 23 May 2017 at 10.30 a.m. (BST). The business to be considered at the Annual General Meeting is contained in the notice convening the Annual General Meeting on pages 5 to 7 of this document. A brief explanation of each of the Resolutions to be considered is set out below.

This letter explains the business to be considered at the Annual General Meeting and includes a recommendation that you vote in favour of the resolutions set out in the notice of the Annual General Meeting.

The Annual General Meeting //

Ordinary Resolutions

Resolution 1:

The Directors must lay the annual audited financial statements for the financial year ending 31 December 2016 and the reports of the Directors and the Auditor thereon before Shareholders, and the Shareholders will be asked to receive and consider the financial statements and the reports.

Resolutions 2 and 3:

Shareholders will be asked to confirm the re-appointment of Ernst & Young LLP (Guernsey) as Auditor until the conclusion of the next annual general meeting due to be held in 2018 and to grant authority to the Board to determine their remuneration.

Resolutions 4 to 11 (inclusive):

In accordance with the Articles and corporate governance best practice as set out in the UK Corporate Governance Code, all Directors will retire from office at the Annual General Meeting. Each Director has offered himself or herself to stand for re-election. Each Director re-elected will hold office until the conclusion of the next annual general meeting due to be held in 2018 unless in the meantime he or she retires or ceases to be a Director in accordance with the Articles, by operation of law or until he or she resigns.

Further, since Pierre F. Lapeyre, David M. Leuschen and Kenneth Ryan were nominated for appointment to the Board by the Company's investment manager pursuant to a right set out in the Investment Management Agreement dated 23 September 2013 between the Company, Riverstone Energy Investment Partnership, LP (acting by its general partner REL IP General Partner Limited), and Riverstone International Limited, they are not considered to be independent for the purposes of Listing Rule 15.2.13A and accordingly are required to stand for annual re-election pursuant to that Listing Rule.

Following a formal performance evaluation of the Directors conducted during the year, the Board believes that each Director standing for re-election continues to make an effective and valuable contribution and demonstrates commitment to the role.

Special Resolutions

Resolution 12:

As part of the Company's discount management arrangements, the Directors are seeking to renew the authority to purchase the Company's shares in the market up to 12,663,562 Ordinary Shares (equivalent to 14.99 per cent. of the shares in issue (excluding shares held in treasury) as at the latest practicable date prior to the date of publication of this document) from time to time either for cancellation or to hold as treasury shares for future resale or transfer.

Purchases will only be made in the market at prices at or below the prevailing net asset value per share in the Company in circumstances in which the Directors believe such purchases should result in an increase in the net asset value per share of the remaining shares or as a means of addressing any imbalance between the supply of, and demand for, the shares.

Resolution 13:

Resolution 13 disappplies the pre-emption rights contained in the Articles so that the Board has authority to allot and issue (or sell from treasury) equity securities for cash on a non-pre-emptive basis (i) up to a maximum number of equity securities equal to 8,448,006 Ordinary Shares in the Company (equivalent to 10 per cent. of the shares in issue as at the latest practicable date prior to the date of publication of this document); and (ii) an unlimited number of Ordinary Shares in accordance with the Performance Allocation Reinvestment Agreement dated 23 September 2013 between the Company and Riverstone Energy Limited Capital Partners L.P., acting by its general partner Riverstone Holdings II Cayman, Ltd. ("RELCP"), pursuant to which RELCP agrees to reinvest the portion of each Performance Allocation (as defined and described in the IPO Prospectus) attributable to RELCP. The disapplication expires on the date falling 15 months after the date of passing of Resolution 13 or the conclusion of the next annual general meeting of the Company (whichever is the earlier) and permits the Board to allot and issue equity securities (or sell shares from treasury) after expiry of the disapplication if it has agreed to do so beforehand. Equity securities issued (or shares sold from treasury) pursuant to the disapplication would not be issued at a price that is less than the prevailing net asset value per share.

The disapplication of pre-emption rights in (i) above is set at a maximum number of equity securities equal to 10 per cent. of the number of Ordinary Shares in issue at the latest practicable date prior to the publication of this document. As the issue of equity securities (or sale of shares from treasury) by the Company on a non-pre-emptive basis will only be made either at, or a premium, to the prevailing net asset value of the Ordinary Shares, the Board believes that an existing authority to issue new equity securities equal to 10 per cent. of the existing shares in issue is appropriate.

Resolution 14:

On 3 September 2015, the Companies Law Ordinance came into force and has amended certain provisions of the Companies Law. Certain provisions of the Companies Law Ordinance came into effect from 31 December 2016, by which time the Companies (Transitional Provisions) Regulations, 2008 (as amended) expired. Due to the various changes made by the Companies Law Ordinance, the Company has reviewed and proposes amendments to the Articles to reflect these changes and to update and amend certain definitions and other provisions, in order to ensure that the Company benefits from having a modernised constitution.

Part III of this document contains a summary of the proposed changes to be made to the Articles. This resolution is to approve the adoption of the amended Articles.

Action to be taken //

Form of Proxy

You will find enclosed the Form of Proxy for use at the Annual General Meeting. Whether or not you intend to attend the Annual General Meeting, you are urged to complete and return the Form of Proxy as soon as possible. To be valid, the Form of Proxy must be completed in accordance with the instructions printed on it and lodged with Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible and, in any event, not later than 10.30 a.m. (BST) on 19 May 2017. Alternatively, Shareholders may submit proxies electronically not later than 10.30 a.m. (BST) on 19 May 2017 using the Capita Share Portal Service at www.capitashareportal.com.

The lodging of the Form of Proxy will not prevent you from attending the Annual General Meeting and voting in person if you so wish. If you have any queries relating to the completion of the Form of Proxy, please contact Capita Asset Services, by post at PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4ZF; by telephone on 0871 664 0300 (calls cost twelve pence per minute plus network extras) or from outside the UK on +44 (0) 208 639 3399. Lines are open Monday to Friday from 9 a.m. to 5.30 p.m. Capita Asset Services can only provide information regarding the completion of the Form of Proxy and cannot provide you with investment or tax advice.

A quorum consisting of two Shareholders entitled to vote and attending in person or by attorney or proxy (or, in the case of a corporation, by a duly appointed representative) is required for the Annual General Meeting.

Resolutions 1 to 11 are proposed as ordinary resolutions, which require a simple majority of the Shareholders and duly appointed proxies attending the meeting and voting on a show of hands to vote in favour (excluding any votes that are withheld) or, if a poll is demanded, a simple majority of the total voting rights cast on the relevant resolution (excluding any votes that are withheld) to be in favour.

Resolutions 12 to 14 are proposed as special resolutions, which require not less than 75 per cent. of the Shareholders and duly appointed proxies attending the meeting and voting on a show of hands to vote in favour (excluding any votes that are withheld) or, if a poll is demanded, not less than 75 per cent. of the total voting rights cast on the relevant resolution (excluding any votes that are withheld) to be in favour.

Recommendations

The Board considers that the proposals and subjects of the Resolutions are in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders, as those Directors who own shares in the Company intend to do so in respect of their own beneficial holdings, to vote in favour of the Resolutions. You are requested to complete and return the enclosed Form of Proxy without delay, whether or not you intend to attend the Annual General Meeting.

Yours faithfully

Richard Hayden
Chairman

PART II

Definitions //

“Annual General Meeting” means the annual general meeting of the Company convened for 10.30 a.m. (BST) on 23 May 2017 (or any adjournment thereof), notice of which is set out at the end of this document;

“Articles” means the articles of incorporation of the Company in force from time to time;

“Auditor” means the statutory auditor of the Company from time to time (currently Ernst & Young LLP (Guernsey));

“Board” or “Directors” (each a “Director”) means the board of directors of the Company from time to time;

“Companies Law” means the Companies (Guernsey) Law, 2008 (as amended);

“Companies Law Ordinance” means the Companies (Guernsey) Law, 2008 (Amendment) Ordinance, 2015;

“Company” means Riverstone Energy Limited;

“Form of Proxy” means the form of proxy for use at the Annual General Meeting;

“Guernsey Regulations” means The Uncertificated Securities (Guernsey) Regulations, 2009;

“Listing Rules” means the Listing Rules of the UK Listing Authority;

“IPO Prospectus” means the prospectus published on 24 September 2013 by the Company in connection with the initial public offering of the Shares;

“Ordinary Shares” means the redeemable ordinary shares of no par value in the capital of the Company issued and designated as “Ordinary Shares” of such class, and denominated in such currencies, as may the Directors may determine in accordance with the Articles, and having the rights and being subject to such restrictions as contained in the Articles;

“Resolutions” (each a “Resolution”) means the resolutions to be proposed at the Annual General Meeting and contained in the notice of the Annual General Meeting;

“Shareholders” (each a “Shareholder”) means the shareholders of the Company from time to time; and

Capitalised terms used in this document which are not defined above shall be as defined in the IPO Prospectus.

PART III

Summary of amendments to the Articles of the Company //

Set out below is a summary of the changes made to the current Articles of the Company to reflect certain changes brought about by the amendments to the Companies Law pursuant to the Companies Law Ordinance and also to generally update and amend certain definitions and other provisions. The following description is only being provided by way of summary of the principal changes. Accordingly, Shareholders are encouraged to review the proposed amended Articles for the purposes of ascertaining the full extent of the changes. Clean copies of the amended Articles and copies marked up to show changes from the current Articles are available for inspection at the registered office of the Company at Heritage Hall, PO Box 225, Le Marchant Street, St. Peter Port, Guernsey, GY1 4HY and at www.RiverstoneREL.com.

Articles

The definition of “FATCA” in Article 1.1 of the Articles has been replaced with a new definition of “Tax Information Reporting Rules” principally in order to include reference to the Organisation for Economic Co-operation and Development’s “Common Reporting Standard”.

Article 4.4 has been amended to reflect the fact that there are now simpler, more permissive, powers for the Directors to issue shares of a company and the previous five year authority which was required for multi-class companies has been removed.

In addition to the changes implemented pursuant to the Ordinance, section 327 of the Companies Law dealing with treasury shares was further amended in July 2016 by The Companies (Treasury Shares) Regulations, 2016 and The Companies (Treasury Shares) (Amendment) Regulations, 2016 (together, the “Treasury Shares Regulations”). Pursuant to the Treasury Shares Regulations, the 10 per cent. statutory limit on the number of shares of each class in issue that may be held in treasury by a company at any one time was removed from section 327 of the Companies Law. Article 4.6 has been amended accordingly.

Article 6.7 has been amended as there is now no longer a requirement to tie the maximum length of the special resolution to disapply pre-emption rights to the previous maximum five year authority to issue equity securities under Article 4.4. Instead, the Company will now have greater flexibility so that the terms of any special resolution to disapply pre-emption rights may be in respect of either a maximum or unspecified number or market value of equity securities, have a specified expiry date for the authority or be for an unlimited duration and such authority may also be renewed for a further fixed period or be for an unlimited duration.

Certain technical amendments to the CREST related provisions (principally affecting Articles 11 and 15) and definitions in the Articles have been made in line with the requirements under the Guernsey Regulations.

Article 20.6 has been deleted as the provision dealing with the cut-off time by which a Shareholder must be entered on the register of members in order to attend or vote at general meetings has been consolidated into Article 47 which has been separately amended to permit the Directors to explicitly fix record dates in relation to certain corporate actions in line with the requirements under the Guernsey Regulations.

Articles 20.9 (re-numbered as Article 20.8) and 20.11 (re-numbered as Article 20.10) dealing with proxies have been amended to give the Directors greater flexibility in how they receive and process proxy forms.

A new Article 21.11 has been included to deal with the practical issues in respect of voting where multiple proxies have been appointed to exercise rights attached to different shares.

Article 21.5 dealing with the re-election of Directors has been amended to reflect the new provisions of the Companies Law permitting documents and other information in electronic form to be sent to a “Relevant Electronic Address” (an electronic address notified to the Company by a relevant person), which is a new addition to the Companies Law.

Articles 27.1, 27.2 and 27.3 have been amended to reflect that the Companies Law no longer requires the Directors of a company to disclose the monetary value of any interest they may have in a transaction or proposed transaction with that company.

Article 29.5 dealing with the ability of Shareholders to summon a general meeting for the purpose of appointing a Director if there are no Directors able or willing to act has been amended in line with the requirements under the Companies Law.

A new Article 31.2 has been included as the Companies Law states that a company may (but need not) appoint a secretary and that, if appointed, the functions of the secretary of a company are those assigned to the secretary in the company’s articles of incorporation. Article 31.2 deals with the duties that a secretary of the Company may be appointed to undertake.

Article 38.3 has been amended to align with the requirements under the Companies Law in relation to company accounts and reporting.

Article 39.3 has been deleted as it is now historic and new Articles 39.7 and 39.8 have been included as the process for appointing auditors has been simplified under the Companies Law, such that the members may appoint an auditor of a company by ordinary resolution at any time.

Article 41 dealing with notices has been generally amended to reflect the fact that there are new statutory timings for the deemed service of documents. For documents sent to an address in the UK, Channel Islands or the Isle of Man, these are deemed received on the second (formerly the third) day after posting and in the case of a document posted elsewhere, on the third (formerly the seventh) day after the day of posting (excluding any day which is not a Business Day). In addition, provisions have been included in Article 41 and elsewhere relating to the service of documents to a “Relevant Electronic Address” (an electronic address notified to the Company by a relevant person), which is a new addition to the Companies Law.

A limited number of non-substantive amendments to make conforming and consistency edits to the text of the Articles have also been made.

RIVERSTONE ENERGY LIMITED

(Company No. 56689)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the fourth Annual General Meeting of Riverstone Energy Limited (the “Company”) will be held at The Old Government House Hotel, St Ann’s Place, St Peter Port, Guernsey GY1 2NU, Channel Islands on 23 May 2017 at 10.30 a.m. (BST) to consider and if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions and special resolutions as set out below:

Ordinary Resolutions

To be proposed as ordinary resolutions:

1. That the annual audited financial statements of the Company for the year ended 31 December 2016, together with the reports of the Directors and the Auditor thereon, be received and considered.
2. That Ernst & Young LLP (Guernsey) be re-appointed as Auditor until the conclusion of the next annual general meeting.
3. That the Board of Directors be authorised to determine the remuneration of the Auditor.
4. That Peter Barker be re-elected as a Director.
5. That Patrick Firth be re-elected as a Director.
6. That Richard Hayden be re-elected as a Director.
7. That Pierre F. Lapeyre be re-elected as a Director.
8. That David M. Leuschen be re-elected as a Director.
9. That Kenneth Ryan be re-elected as a Director.
10. That Jeremy Thompson be re-elected as a Director.
11. That Claire Whittet be re-elected as a Director.

Special Resolutions

To be proposed as special resolutions:

12. That the Company be and is hereby generally and unconditionally authorised in accordance with the Companies (Guernsey) Law, 2008, as amended (the “Companies Law”) (subject to the Listing Rules made by the UK Listing Authority and all other applicable legislation and regulations), to make market acquisitions (as defined in the Companies Law) of each class of its shares (either for the retention as treasury shares for resale or transfer, or cancellation), PROVIDED THAT:
- a. the maximum number of shares authorised to be purchased shall be 12,663,562 Ordinary Shares (as defined in the Company's articles of incorporation (the “Articles”) (being 14.99 per cent. of the Ordinary Shares in issue (excluding shares held in treasury) as at the latest practicable date prior to the date of publication of this document);
 - b. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share shall be one penny;
 - c. the maximum price which may be paid for an Ordinary Share is an amount equal to the higher of: (a) 105 per cent. of the average of the middle market quotations for an Ordinary Share on the relevant market for the five business days immediately preceding the date on which the Ordinary Share is purchased; and (b) the higher of (i) the price of the last independent trade for an Ordinary Share and (ii) the highest current independent bid for an Ordinary Share at the time of purchase; and
 - d. the authority hereby conferred shall expire at the next annual general meeting of the Company due to be held in 2018 unless such authority is varied, revoked or renewed prior to such date by a special resolution of the Company in a general meeting save that the Company may make an offer or agreement to acquire shares under this authority before its expiry which will or may be executed wholly or partly after its expiration and the Company may make an acquisition of shares pursuant to such an offer or agreement as if the authority had not expired.
13. That, in accordance with Article 6.7 of the Articles, the Directors be empowered to allot and issue (or sell from treasury) equity securities (within the meaning of the Company's Articles) for cash as if article 6.2 of the Articles did not apply to any such allotment and issue, provided that this power shall be limited to the allotment and issue of (i) up to a maximum number of equity securities equal to 8,448,006 Ordinary Shares in the Company (being 10 per cent. of the Ordinary Shares in issue as at the latest practicable date prior to the date of this notice) and (ii) an unlimited number of Ordinary Shares in accordance with the Performance Allocation Reinvestment Agreement dated 23 September 2013 between the Company and Riverstone Energy Limited Capital Partners L.P., acting by its general partner Riverstone Holdings II Cayman, Ltd. (“RELCP”), pursuant to which RELCP agrees to reinvest the portion of each Performance Allocation (as defined and described in the IPO Prospectus) attributable to RELCP, and shall expire on the date falling 15 months after the date of passing of this Resolution 13 or the conclusion of the next annual general meeting of the Company in 2018, whichever is the earlier, save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted and issued (or sold) after such expiry and the Directors may allot and issue (or sell) shares in pursuance of any such offer or agreement notwithstanding that the power conferred by this Resolution 13 has expired. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot and issue equity securities in the capital of the Company for cash as if the pre-emption rights contained in article 6.2 of the Articles did not apply to such allotment and issue but without prejudice to any allotment and issue of equity securities already made, offered or agreed to be made pursuant to such authorities.
14. That the amendments to the Articles of the Company in the terms set out in Part III to the Notice of Annual General Meeting and set out in the amended Articles of the Company tabled by the Chairman at the Annual General Meeting be and are hereby approved and adopted.

By order of the Board
Yours faithfully

Richard Hayden
Chairman

Registered Office
Heritage Hall
P.O. Box 225
Le Marchant Street
St Peter Port
Guernsey GY1 4HY
Channel Islands

Dated 18 April 2017

Notes: //

1. To have the right to attend and vote at the meeting you must hold shares in the Company and your name must be entered on the share register of the Company in accordance with Note 4 below.
2. Shareholders entitled to attend and vote at the meeting may appoint one or more proxies (who need not be a Shareholder) to attend, speak and vote on their behalf, provided that if two or more proxies are to be appointed, each proxy must be appointed to exercise the rights attaching to different shares. Where multiple proxies have been appointed to exercise rights attached to different shares, on a show of hands those proxy holders taken together will collectively have the same number of votes as the Shareholder who appointed them would have on a show of hands if he were present at the meeting. On a poll, all or any of the rights of the Shareholder may be exercised by one or more duly appointed proxies.
3. To be valid, the relevant instrument appointing a proxy (and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) must be received by Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible and, in any event, not later than 10.30 a.m. (BST) on 19 May 2017. Alternatively, Shareholders may submit proxies electronically not later than 10.30 a.m. (BST) on 19 May 2017 using the Capita Share Portal Service at www.capitashareportal.com. A Form of Proxy accompanies this notice. Completion and return of the Form of Proxy will not preclude members from attending and voting at the meeting should they wish to do so.
4. The time by which a person must be entered on the share register of the Company in order to have the right to attend and vote at the meeting is close of business on 21 May 2017. If the Annual General Meeting is adjourned, the time by which a person must be entered on the share register in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date fixed for the adjourned Annual General Meeting. In calculating such 48 hours period, no account shall be taken of any part of a day that is not a business day in London and Guernsey. Changes to entries on the share register after such times shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.
5. On a poll, each Shareholder will be entitled to one vote per Ordinary Share held. As at the date of this notice, the Company's issued share capital consisted of 84,480,064 Ordinary Shares. Therefore, the total voting rights in the Company as at the date of this notice are 84,480,064.
6. If you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are set out below:

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST manual (available via www.euroclear.com/CREST) subject to the provisions of the Articles. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK and Ireland Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 10.30 a.m. (BST) on 19 May 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34(1) of the Uncertificated Securities (Guernsey) Regulations, 2009.

7. The annual audited financial statements of the Company for the year ended 31 December 2016, are available from the Company's website www.riverstonerel.com with hard copies available upon request from the Company Secretary, Heritage International Fund Managers Limited (via telephone +44 (0) 1481 716 000 or email HIFMRiverstone@heritage.co.gg).

THE COMPANIES (GUERNSEY) LAW, 2008, AS AMENDED

NON-CELLULAR COMPANY LIMITED BY SHARES

ARTICLES OF INCORPORATION

of

RIVERSTONE ENERGY LIMITED

Registered on 23 May 2013 and
Amended and Restated by written special resolution dated 23 September 2013, as further Amended and
Restated by special resolution dated 23 May 2017

TABLE OF CONTENTS

1.	DEFINITIONS	1
2.	INTERPRETATION.....	12
3.	STANDARD ARTICLES NOT TO APPLY	13
4.	SHARES	13
5.	CLASS ACCOUNTS.....	15
6.	PRE-EMPTION ON ALLOTMENT AND ISSUE OF SHARES.....	17
7.	ORDINARY SHARES	20
8.	C SHARES	21
9.	COMPANY NOT OBLIGED TO RECOGNISE ANY TRUST	24
10.	DISCLOSURE OF INTERESTS AND PROVISION OF INFORMATION BY SHAREHOLDERS.....	24
11.	CERTIFICATES AND REGISTER OF MEMBERS.....	30
12.	LIEN.....	31
13.	CALLS ON SHARES.....	31
14.	FORFEITURE AND SURRENDER OF SHARES	32
15.	TRANSFER AND TRANSMISSION OF SHARES.....	33
16.	ALTERATION OF CAPITAL.....	38
17.	GENERAL MEETINGS.....	39
18.	NOTICE OF GENERAL MEETINGS	40
19.	PROCEEDINGS AT GENERAL MEETINGS	40
20.	VOTES OF MEMBERS	43
21.	NUMBER AND APPOINTMENT OF THE BOARD	46
22.	QUALIFICATION AND REMUNERATION OF DIRECTORS	47
23.	ALTERNATE DIRECTORS.....	48
24.	BORROWING POWERS OF THE BOARD.....	49
25.	OTHER POWERS AND DUTIES OF THE BOARD	50
26.	POWERS OF ATTORNEY	50
27.	DIRECTORS' INTERESTS AND CONFLICTS OF INTEREST	50
28.	DISQUALIFICATION AND REMOVAL OF DIRECTORS.....	52
29.	PROCEEDINGS OF DIRECTORS	53
30.	EXECUTIVE DIRECTOR.....	54
31.	SECRETARY	55
32.	COMMON SIGNATURE	55
33.	THE SEAL.....	56
34.	AUTHENTICATION OF DOCUMENTS.....	56
35.	DIVIDENDS AND DISTRIBUTIONS.....	56
36.	RESERVES.....	60
37.	CAPITALISATION OF RESERVES.....	60
38.	ACCOUNTS.....	61
39.	AUDITORS.....	61
40.	UNTRACEABLE MEMBERS	62
41.	NOTICES.....	63
42.	WINDING UP.....	67
43.	INDEMNITY	67
44.	INSURANCE.....	68
45.	INSPECTION OF DOCUMENTS	68
46.	REPORTING AND SUSPENSION OF NET ASSET VALUE.....	68
47.	RECORD DATES	69
48.	U.S. TAX MATTERS.....	69
49.	DISCONTINUATION RESOLUTION.....	71

THE COMPANIES (GUERNSEY) LAW, 2008, AS AMENDED

NON-CELLULAR COMPANY LIMITED BY SHARES

ARTICLES OF INCORPORATION

of

RIVERSTONE ENERGY LIMITED

1. **DEFINITIONS**

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

Words	Meanings
Administrator	The administrator of the Company as appointed by the Board from time to time.
Admission	Admission of the Ordinary Shares of the Company to listing on the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities.
Articles	These Articles of Incorporation as now framed and at any time altered.
at any time	At any time or times and includes for the time being and from time to time.
Auditor	The auditor for the time being of the Company.
Authorised Operator	The authorised operator (as defined in the Regulations) of an Uncertificated System.
Board or Directors	The Directors at any time or the Directors present at a duly convened meeting at which a quorum is present or, as the case may be, the Directors assembled as a duly

formed committee of such Board.

Business Day

A day on which the London Stock Exchange and banks in Guernsey and London are normally open for business.

C Admission

Admission of C Shares of the relevant class to listing on the Official List and to trading on the London Stock Exchange or such other listing / market as the Directors shall determine at the time that the C Shares of such class are first offered.

C Share

A redeemable convertible ordinary share of no par value in the capital of the Company issued and designated as a C Share of such class, denominated in such currency, and convertible into such New Ordinary Shares, as may be determined by the Directors at the time of issue.

C Share Surplus

In relation to any class of C Shares, the net assets of the Company attributable to that class of C Shares (as determined by the Directors) at the date of winding up or other return of capital.

Calculation Time

The earliest of:

- (a) the close of business on the last Business Day prior to the day on which Force Majeure Circumstances have arisen or the Directors resolve that they are in contemplation;
- (b) the close of business on the back stop date (being the date that is 3 years from the date of issue) for the relevant class of C Shares; and
- (c) the close of business on such date as the Directors may determine, in the event that the Directors, in their discretion, resolve that at least 90 per cent. of the assets attributable to the relevant class of C Shares (or such other percentage as the Directors may decide as part of the terms of issue of the relevant class of C Shares) have been invested in accordance with the Company's investment policy.

Calendar Year	The period from 1 January to 31 December of a particular year.
Capital Account	In relation to each Member, the account maintained in the books of the Company on a notional basis for the benefit of each Member in accordance with Article 48.1.
Certificated	A unit of a security which is not an Uncertificated unit and reference to such security being held in Certificated form should be construed accordingly.
Class Account	Has the meaning ascribed to it in Article 5.1.
Clear Days	In relation to a period of notice, shall mean that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect.
Companies Law	The Companies (Guernsey) Law, 2008 (as amended).
Company	Riverstone Energy Limited (company registration number 56689).
Conversion	In relation to any class of C Shares, conversion of that class of C Shares in accordance with these Articles.
Conversion Ratio	<p>In relation to each class of C Shares, A divided by B calculated to four decimal places (with 0.00005 being rounded upwards) where:</p> $A = \frac{C - D}{E}$ <p>and</p> $B = \frac{F - G}{H}$ <p>and where:</p> <p>C is the aggregate value of all assets and investments of the Company attributable to the relevant class of C Shares (as determined by the Directors) at the relevant Calculation Time calculated in accordance with the valuation policy adopted by the Directors from time to</p>

time;

D is the amount which (to the extent not otherwise deducted in the calculation of C) in the Directors' opinion fairly reflects at the relevant Calculation Time the amount of the liabilities and expenses of the Company attributable to the C Shares of the relevant class (as determined by the Directors);

E is the number of the C Shares of the relevant class in issue as at the relevant Calculation Time;

F is the aggregate value of all assets and investments attributable to the Ordinary Shares (as determined by the Directors) at the relevant Calculation Time calculated in accordance with the valuation policy adopted by the Directors from time to time;

G is the amount which (to the extent not otherwise deducted in the calculation of F) in the Directors' opinion, fairly reflects at the relevant Calculation Time the amount of the liabilities and expenses of the Company attributable to the Ordinary Shares; and

H is the number of Ordinary Shares in issue as at the relevant Calculation Time;

Provided always that:

- (a) the Directors shall be entitled to make such adjustments to the value or amount of A or B as they believe to be appropriate having regard to, among other things, the assets of the Company immediately prior to the Issue Date or the Calculation Time or to the reasons for the issue of the C Shares of the relevant class;
- (b) in relation to any class of C Shares, the Directors may, as part of the terms of issue of such class, amend the definition of Conversion Ratio in relation to that class; and
- (c) where valuations are to be made as at the Calculation Time and the Calculation Time is not

a Business Day, the Directors shall apply the provisions of this definition as if the Calculation Time were the preceding Business Day.

Conversion Time	A time following the Calculation Time, being the opening of business in London on such Business Day as may be selected by the Directors and falling not more than 20 Business Days after the Calculation Time.
Court	The Royal Court of Guernsey sitting as an Ordinary Court.
Dematerialised Instruction	An instruction sent or received by means of the Uncertificated System.
Director	A director of the Company for the time being.
EEA State	A state which is a contracting party to the Agreement on the European Economic Area signed at Oporto on 2 May 1992 (as it has effect from time to time).
Eligible Members	Has the meaning ascribed to it in the Companies Law.
ERISA	The United States Employee Retirement Income Security Act of 1974, as amended.
Executor	Includes administrator.
Financial Conduct Authority	The Financial Conduct Authority of the United Kingdom acting in its capacity as the competent listing authority for the purposes of Part 6 of the Financial Services and Markets Act 2000, as amended, and its successor bodies.
Force Majeure Circumstances	<p>In relation to any class of C Shares:</p> <ul style="list-style-type: none">(a) any political or economic circumstances or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable;(b) the issue of any proceedings challenging, or seeking to challenge the power of the Company or its Directors to issue the C Shares of that

class with the rights proposed to be attached to them or to the persons to whom they are, or the terms on which they are, proposed to be issued; or

- (c) the convening of any general meeting of the Company at which a resolution is to be proposed to wind up the Company.

Group

The Company and the Partnership.

Investment Undertaking

The Partnership and any intermediate holding or investing entities that the Company or the Partnership may establish from time to time for the purposes of efficient portfolio management and to assist with tax planning generally or any subsidiary undertaking of the Company or the Partnership from time to time.

Issue Date

In relation to any class of C Shares, the date on which C Admission becomes effective or, if later, the day on which the Company receives the net proceeds of the issue of the relevant class of C Shares.

Laws

The Companies Law and every other Order in Council, Ordinance or Statutory Instrument for the time being in force concerning companies registered in Guernsey and affecting the Company.

Liquidator

Any liquidator of the Company appointed at any time under the Laws.

Listing Rules

The listing rules made by the UK Listing Authority under section 73A of the Financial Services and Markets Act 2000.

London Stock Exchange

London Stock Exchange plc.

Management Fee

The annual management fee payable by the Company to the Manager and referred to in the Company's Prospectus.

Manager

The investment manager of the Company as appointed by the Board from time to time.

Member	In relation to shares in the capital of the Company means the person whose name is entered in the Register as the holder of the shares.
Memorandum	The Memorandum of Incorporation of the Company for the time being current.
Month	Calendar month.
NAV Calculation Date	The last Business Day of each calendar quarter.
NAV or Net Asset Value	The value of the assets of the Company less its liabilities, or, where relevant, the assets attributable to a class of share less the liabilities attributable to that class of share, in each case determined (by the Directors in their absolute discretion) in accordance with the valuation policy adopted by the Company from time to time and expressed in U.S. dollars.
New Ordinary Shares	The new Ordinary Shares arising upon the Conversion of C Shares in accordance with these Articles.
Non-Qualified Holder	Any person whose holding or beneficial ownership of shares may result in (i) the Company or any Investment Undertaking being in violation of, or required to register under, the U.S. Investment Company Act of 1940, as amended or the U.S. Commodity Exchange Act of 1974, as amended or being required to register the Shares under the U.S. Securities Exchange Act of 1934, as amended (including in order to maintain the status of the Company as a “foreign private issuer” for the purposes of that Act); (ii) the assets of the Company being deemed to be assets of an employee benefit plan within the meaning of ERISA or of a plan within the meaning of Section 4975 of the U.S. Code, as amended or of a plan or other arrangement subject to provisions under applicable federal, state, local, non-U.S. or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the U.S. Code; (iii) the Company or any Investment Undertaking from having or being subject to withholding obligations under, or from being in violation of, any Tax Information Reporting Rules or otherwise not being in compliance

with the Investment Company Act, the U.S. Securities Exchange Act of 1934, as amended, the U.S. Commodity Exchange Act of 1974, as amended, ERISA or any applicable federal, state, local, non-U.S. or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the U.S. Code; (iv) the Company being a “controlled foreign corporation” for the purposes of the U.S. Code; or (v) the Company ceasing to be a “foreign private issuer” for the purposes of the U.S. Securities Act or the U.S. Exchange Act.

Notifiable Interest

Has the meaning given to it in Article 10.19.

Office

The registered office at any time of the Company, which shall always be located in the Island of Guernsey.

Official List

The official list of the Financial Conduct Authority.

Ordinary Resolution

A resolution of the Company passed as an ordinary resolution in accordance with the Companies Law.

Ordinary Share

A redeemable ordinary share of no par value in the capital of the Company issued and designated as an Ordinary Share of such class, and denominated in such currency, as may be determined by the Directors at the time of issue.

Ordinary Share Surplus

The net assets of the Company attributable to the Ordinary Shares (as determined by the Directors) at the date of winding up or other return of capital.

Participating Security

A security (including a share) the title to units of which is permitted by an Authorised Operator to be transferred by means of an Uncertificated System.

Partnership

Riverstone Energy Investment Partnership LP, a limited partnership registered in the Cayman Islands with registered number HL-71531, as such limited partnership may from time to time be constituted.

Person

An individual, a company, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organisation, and a governmental entity or any department, agency,

or political subdivision thereof, and any other entity.

Present In Person

In relation to general meetings of the Company and to meetings of the holders of any class of shares, includes present by attorney or by Proxy or, in the case of a corporate Member, by duly authorised corporate representative.

Prospectus

A document issued by the Company in connection with Admission.

Proxy

Includes attorney.

Register or Register of Members

The register of Members kept pursuant to the Companies Law which shall, unless the context otherwise requires, include the register required to be kept by the Company under the Regulations and the Rules in respect of Company shares held in Uncertificated Form.

Regulations

The Uncertificated Securities (Guernsey) Regulations, 2009 (as amended from time to time).

Relevant Electronic Address

Shall have the meaning ascribed to it by the Companies Law.

RIS

A regulatory information service that is approved by the FCA as meeting the primary information provider criteria and that is on the list of regulatory information service providers maintained by the FCA.

Rules

The rules, including any manuals, issued from time to time by an Authorised Operator governing the admission of securities to and the operation of the Uncertificated System managed by such Authorised Operator.

Secretary

Any person appointed to perform any of the duties of secretary of the Company (including an assistant, deputy or temporary secretary) and in the event of two or more persons being appointed as joint secretaries any one or more of the persons so appointed.

shares	Shares of any class in the capital of the Company as well as any fraction of a share.
Special Resolution	A resolution of the Members passed as a special resolution in accordance with the Companies Law.
Sterling	The lawful currency of the United Kingdom from time to time.
Taxation or Tax	All forms of taxation, whether direct or indirect and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or other reference and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies (including social security contributions, national insurance contributions and any other payroll taxes), whenever and wherever imposed (whether imposed by way of a withholding or deduction for or on account of tax or otherwise) and in respect of any Person and all penalties, charges, costs and interest relating thereto.
Tax Information Reporting Rules	(i) The United States Foreign Account Tax Compliance Act provisions of the US Hiring Incentives to Restore Employment Act 2010, which implemented Sections 1471 through 1474 of the U.S. Code, any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the U.S. Code; (ii) any legislation, regulations or guidance enacted in or adopted by any jurisdiction that seeks to implement legislation described in (i) above or a similar tax reporting or withholding tax regime, including without limitation any legislation, regulations or guidance relating to the Organisation for Economic Co-operation and Development's "Common Reporting Standard"; (iii) any intergovernmental agreement, treaty or other agreement entered into in order to comply with, facilitate, supplement or implement any legislation, regulations or guidance described in clause (i) or (ii) above; and (iv) any legislation, regulations or guidance that gives effect to any matter described in clauses (i) through (iii) above.

Tax Matters Member	Has the meaning given to it in Article 48.3.
Tax Refunds	<p>In relation to any Member, any refund or other payment which that Member is entitled to receive (whether under any applicable double taxation treaty or otherwise) either:</p> <ul style="list-style-type: none"> (a) with respect to Tax paid by the Company or any Investment Undertaking; or (b) with respect to Tax withheld or deducted from a payment or distribution made by or to a Person described in paragraph (a).
U.S. Code	The United States Internal Revenue Code of 1986, as amended, and including, to the extent applicable, the United States Treasury Regulations promulgated thereunder and any other administrative or judicial Tax Law of the United States.
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended.
U.S. Investment Advisers Act	The United States Investment Advisers Act of 1940, as amended.
U.S. Investment Company Act	The United States Investment Company Act of 1940, as amended.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
Uncertificated	A unit of a Guernsey security, title to which is recorded on the relevant Register of Members or on the Company's register of non-share securities as being held in uncertificated form, and title to which may be transferred by means of an Uncertificated System in accordance with the Regulations and the Rules, if any.
Uncertificated System	Any computer based system and its related facilities and procedures that are provided by an Authorised Operator and by means of which title to units of a security (including shares) can be evidenced and transferred in accordance with the Regulations without

a written certificate or instrument.

United Kingdom

The United Kingdom of Great Britain and Northern Ireland.

United States or U.S.

The United States of America, its territories and possessions, any state or political subdivision of the United States and the District of Columbia.

Written Resolution

A resolution of the Eligible Members passed as a written resolution in accordance with the Companies Law.

2. INTERPRETATION

- 2.1 The singular includes the plural and *vice versa*.
- 2.2 The masculine includes the feminine and neutral genders.
- 2.3 Words importing persons include corporations.
- 2.4 Expressions referring to writing include any mode of representing or reproducing words (but only to the extent that (a) the Board so resolves, either generally or in relation to particular categories of document, and (b) (the recipient (if not the Company) has requested or agreed) including electronic communication.
- 2.5 References to enactments shall include references to any modifications or re-enactments thereof for the time being in force.
- 2.6 The word “**may**” shall be construed as permissive and the word “**shall**” shall be construed as imperative.
- 2.7 Subject to the above, any words defined in the Laws shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- 2.8 The headings are inserted for convenience only and shall not affect the interpretation of these Articles.
- 2.9 The expression “**officer**” shall include a Director, the Secretary and such other person as the Board from time to time shall think fit but shall not include an auditor.
- 2.10 Any words or expressions defined in the Regulations shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.
- 2.11 The expressions “**communication**”, “**electronic communication**”, “**electronic form**”, “**electronic means**” and “**hard copy form**” shall have the same respective meanings as in the Companies Law, with the term “**electronic communication**” including, without limitation, e-mail, facsimile,

CD-Rom, audio tape and telephone transmission and (in the case of electronic communication by the Company in accordance with Article 41.11) publication on a website.

2.12 The expression “**address**” shall have the same meaning as in Section 1148(1) of the Companies Act 2006.

2.13 The expression “**subsidiary undertaking**” shall have the meaning given in Part 38 of the Companies Act 2006.

3. **STANDARD ARTICLES NOT TO APPLY**

The standard articles prescribed by the States of Guernsey Commerce and Employment Department pursuant to section 16(2) of the Companies Law shall not apply to the Company.

4. **SHARES**

4.1 Subject to the Companies Law and the other provisions of these Articles, the Directors have power to issue an unlimited number of shares of no par value each and an unlimited number of shares with a par value as they see fit.

4.2 Shares may be issued and designated as Ordinary Shares or C Shares or such other classes of shares as the Board shall determine, in each case of such classes, and denominated in such currencies, as shall be determined at the discretion of the Board and the price per share at which shares of each class shall first be offered to subscribers shall be fixed by the Board.

4.3 Subject to the terms and rights attaching to shares already in issue and these Articles, any new shares shall be of such class and amount and have such preference or priority as regards dividends or in the distribution of assets or as to voting or otherwise over any other shares of any class whether then issued or not or be subject to such stipulations deferring them to any other shares with regard to dividends or in the distribution of the assets or as to voting or otherwise and such other rights and restrictions as the Board may determine in accordance with the Companies Law.

4.4 Subject to the following provisions of this Article 4.4 and Article 6, the unallotted and unissued shares of the Company shall be at the disposal of the Board which may dispose of them to such persons and in such a manner and on such terms and conditions and at such times as the Board may determine from time to time. Without prejudice to the authority conferred on the Directors pursuant to this Article, the Directors are generally and unconditionally authorised to exercise all powers of the Company to allot and issue shares, to grant rights to subscribe for, or to convert any securities into, an unlimited number of shares of each class in the Company.

4.5 Any shares may, with the sanction of the Board, be issued on terms that they are, at the option of the Company or the holder, liable to be redeemed on such terms and in such manner as the Board before the issue may determine. Subject to the approval of the holders of the relevant

class of shares having been obtained in accordance with Article 4.8, the Board shall have the power to determine that any shares already in issue shall be converted into shares that are redeemable in accordance with the provisions of these Articles and the Laws.

- 4.6 The Company may acquire its own shares (including any redeemable shares) and any shares so acquired by the Company may be cancelled or held as treasury shares in accordance with the requirements of the Companies Law.
- 4.7 The Company and any of its subsidiary companies may give financial assistance (as defined by the Companies Law) directly or indirectly for the purpose of or in connection with the acquisition of its shares or in connection with reducing or discharging any liability incurred in connection with the purchase of shares in the Company.
- 4.8 If at any time the shares of the Company are divided into different classes, all or any of the rights for the time being attached to any share or class of shares (and notwithstanding that the Company may or may be about to be in liquidation) may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of more than half in number of the issued shares of that class or with the consent of an Ordinary Resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in these Articles, but so that the quorum at such meeting (other than an adjourned meeting) shall be two persons holding or representing as Proxy at least one third of the voting rights of the class in question (excluding any shares of that class held as treasury shares) (and so that at any adjourned meeting one holder entitled to vote and Present In Person (whatever the number of shares held by him) shall be a quorum) provided always that where the class has only one Member, that Member shall constitute the necessary quorum and any holder of shares of the class in question can demand a poll. At any such separate general meeting: (a) on a show of hands every holder of shares of the relevant class Present In Person and entitled to vote shall have one vote and (b) on a poll every holder of shares of the relevant class Present In Person and entitled to vote shall have one vote for each share of such class held by him.
- 4.9 The rights conferred upon the holders of the shares of any class issued with preferred, deferred or other rights (including, without limitation, Ordinary Shares and C Shares, as the case may be) shall not (unless otherwise expressly provided by the terms of issue of the shares of that class) be deemed to be varied by (a) the creation or issue of further shares or classes of shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith or having rights to participate only in a separate pool of assets of the Company provided in any event that such shares do not rank in any respect in priority to any existing class of shares or (b) the purchase or redemption by the Company of any of its own shares (or the holding of such shares as treasury shares).

- 4.10 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 10.
- 4.11 The Company may pay commission in money or shares to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any shares in the Company or procuring or agreeing to procure subscriptions whether absolute or conditional for any shares in the Company provided that the rate or amount of commission shall be fixed by the Board. The Company may also pay brokerages.
- 4.12 The Board may at any time after the conditional issue of, or agreement to issue, any share but before any person has been entered in the Register as the holder:
- 4.12.1 recognise a renunciation thereof by the person conditionally issued with any shares in favour of some other person and accord to the former a right to effect such renunciation; and/or
- 4.12.2 allow the rights represented thereby to relate to one or more shares,
- in each case upon and subject to such terms and conditions as the Board may think fit to impose.

5. **CLASS ACCOUNTS**

- 5.1 The Directors shall, for the purposes of determining the Net Asset Value for each class of share, establish a separate class account (in such currency as the Directors may determine) in the books of the Company for each such share class (each a “**Class Account**”) and each of the separate Class Accounts shall be designated by reference to each class of share as appropriate, and the following provisions shall apply thereto:
- 5.1.1 An amount equal to the proceeds of issue of shares of the relevant class shall be credited to the relevant Class Account.
- 5.1.2 Any decrease in the Net Asset Value of the Company arising from the redemption or repurchase of shares of a particular class will be debited to the relevant Class Account.
- 5.1.3 Each Class Account shall be adjusted as the Directors deem appropriate to reflect the conversion of shares of any class into shares of any other class.
- 5.1.4 An amount equal to the payment to holders of a class of shares in respect of payment of a dividend (if any) or other distribution thereon, shall be debited against the Class Account designated by reference to the appropriate share class.
- 5.1.5 Any increase or decrease in the Net Asset Value of the Company's portfolio which is attributable to more than one class of shares (disregarding for these purposes any increases or decreases in Net Asset Value attributable to issues, repurchases or

redemptions of shares or any dividend or other distribution paid by the Company or any Designated Adjustments) shall be allocated among the relevant Class Accounts *pro rata* to the respective Net Asset Values of such Class Accounts.

- 5.1.6 The amount of any foreign exchange item, placing or distributor fees or commissions or other costs, fees, liabilities, losses or expenses relating to any valuation period that shall be attributed by the Directors to a specific class of shares in issue ("**Designated Deductions**") shall be deducted from the relevant Class Account (after allocation of the portion of increase or decrease in the Net Asset Value referred to in Article 5.1.5) of the relevant share class to which such Designated Deductions specifically relate and as the Directors shall determine.
- 5.1.7 The amount of any foreign exchange item, pre-paid expense, asset, profit, gain or income, relating to any valuation period that shall be attributed by the Directors to a specific class of shares in issue ("**Designated Additions**") shall be credited to the Class Account (after allocation of the portion of increase or decrease in the Net Asset Value referred to in Article 5.1.5) of the relevant share class to which such Designated Additions specifically relate and as the Directors shall determine. The Designated Deductions and Designated Additions shall together be known as the "**Designated Adjustments**".
- 5.1.8 The Net Asset Value of each class of share at the beginning of a valuation period after adjustment by the apportionment referred to in Article 5.1.5 and the making of any Designated Adjustments referred to in Articles 5.1.6 and 5.1.7 shall be the Net Asset Value of each class of share as at the day as at which the allocation or valuation is being determined.
- 5.1.9 Where any event takes place which may affect the proportion of the Net Asset Value of the Company attributable to the Class Account maintained in the books of the Company for any share class, the Directors may make such adjustment to the above calculation as they deem appropriate to ensure any increase or decrease in the Net Asset Value of the Company and all liabilities and expenses are attributed to the Class Accounts maintained for each share class properly and fairly.
- 5.1.10 In the case of a pre-paid expense, asset, profit, gain, income, loss or liability (including expenses) which the Directors do not consider is attributable to a specific share class, the Directors shall have the discretion to determine the basis upon which any such prepaid expense, asset, profit, gain, income, loss or liability (including expenses) shall be allocated between Class Accounts and the Directors shall have power at any time and from time to time to vary such allocation.
- 5.1.11 For the purposes of this Article 5 the Directors may determine from time to time such valuation periods as they see fit.

- 5.1.12 Upon the designation of further share class(es), the Directors shall create new Class Accounts as necessary and shall determine the Designated Adjustments referable to the existing and new classes having regard to the proper and fair treatment of affected Members. Such determination may be amended or revoked by the Directors from time to time having like regard.
- 5.2 The Net Asset Value of the Class Account referable to each such share class shall be determined in accordance with the provisions of this Article 5. The Net Asset Value per share of each class shall equal the Net Asset Value of the relevant Class Account divided by the number of shares of that class then in issue calculated up to four decimal places.
6. **PRE-EMPTION ON ALLOTMENT AND ISSUE OF SHARES**
- 6.1 In this Article 6:
- 6.1.1 “equity securities” means:
- (a) redeemable ordinary shares in the Company, or
 - (b) rights to subscribe for, or to convert securities into, redeemable ordinary shares in the Company;
- 6.1.2 “redeemable ordinary shares” means shares other than shares that as respects dividends and capital carry a right to participate only up to a specified amount in a distribution; and
- 6.1.3 references to the allotment and issue of equity securities include:
- (a) the grant of a right to subscribe for, or to convert any securities into, redeemable ordinary shares in the Company (but do not include the allotment and issue of redeemable ordinary shares pursuant to such a right); and
 - (b) the sale of redeemable ordinary shares in the Company that immediately before the sale are held by the Company in treasury.
- 6.2 The Company shall not allot and issue equity securities to a person on any terms unless:
- 6.2.1 it has made an offer to each person who holds redeemable ordinary shares in the Company to allot and issue to him on the same or more favourable terms a proportion of those securities the aggregate value of which (at the proposed issue price) is as nearly as practicable equal to the proportion of the total Net Asset Value of the Company represented by the redeemable ordinary shares held by such holder; and
- 6.2.2 the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made,

provided that the Directors may impose such exclusions or make such other arrangements as they deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical problems arising under the laws of any overseas territory, or the requirements of any regulatory body or stock exchange in any territory or otherwise howsoever. The holders of redeemable ordinary shares affected as a result of such exclusions or arrangements shall not be, or be deemed to be, a separate class of Members for any purpose whatsoever.

- 6.3 Securities that the Company has offered to allot and issue to a holder of redeemable ordinary shares may be allotted and issued to him, or anyone in whose favour he has renounced his right to their allotment and issue, without contravening Article 6.2.1.
- 6.4 Redeemable ordinary shares held by the Company in treasury shall be disregarded for the purposes of this Article 6, so that the Company is not treated as a person who holds redeemable ordinary shares; and the redeemable ordinary shares held in treasury are not treated as forming part of the redeemable ordinary share capital of the Company.
- 6.5 Any offer required to be made by the Company pursuant to Article 6.2 should be made by a notice (given in accordance with Article 41) and such offer must state a period during which such offer may be accepted and such offer shall not be withdrawn before the end of that period. Such period must be a period of at least 14 days beginning on the date on which such offer is deemed to be delivered or received (as the case may be) pursuant to Article 41. If the offer is not accepted within this period it will be deemed to have been declined. After the expiration of the period, or if earlier, on receipt of acceptances or refusals from all holders of redeemable ordinary shares to whom the offer was made, the Board may aggregate and dispose of those equity securities that have not been taken up in such a manner as they determine is most beneficial to the Company.
- 6.6 Article 6.2 shall not apply in relation to the allotment and issue of:
 - 6.6.1 bonus shares, shares allotted and issued in accordance with Article 35.5 or Article 35.17 nor to a particular allotment and issue of equity securities if these are, or are to be, wholly or partly paid otherwise than in cash; or
 - 6.6.2 equity securities in connection with a rights issue, open offer or other offer of securities in favour of holders of redeemable ordinary shares at such record date as the Directors may determine where the securities attributable to the interests of the holders of redeemable ordinary shares are proportionate (as nearly as may be practicable) to the respective numbers of redeemable ordinary shares held by them on such record date, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or any other matter whatever.

- 6.7 The Company may by Special Resolution resolve that Article 6.2 shall be excluded or that such Article shall apply with such modifications as may be specified in the resolution:
- 6.7.1 generally in relation to the allotment and issue by the Company of equity securities;
 - 6.7.2 in relation to allotments and issues of a particular description; or
 - 6.7.3 in relation to a specified allotment and issue of equity securities,
- and any such resolution must:
- 6.7.4 state the maximum number (which may be expressed as a percentage) of equity securities in respect of which Article 6.2 is excluded or modified or such maximum number or market value may remain unspecified; and
 - 6.7.5 specify the date on which such exclusion or modifications will expire or may be of unlimited duration.
- 6.8 Any resolution passed pursuant to Article 6.7 may:
- 6.8.1 be renewed or further renewed by a further Special Resolution for a further fixed period or may be of unlimited duration; and
 - 6.8.2 be revoked or varied at any time by a further Special Resolution.
- 6.9 Notwithstanding that any such resolution referred to in Article 6.7 or Article 6.8 has expired, the Directors may allot and issue equity securities in pursuance of an offer or agreement previously made by the Company if the resolution enabled the Company to make an offer or agreement that would or might require equity securities to be allotted and issued after it expired.
- 6.10 In this Article 6, in relation to an offer to allot and issue equity securities a reference (however expressed) to the holder of redeemable ordinary shares of any description is to whoever was the holder of redeemable ordinary shares of that description at the close of business on a date to be specified in the offer and the specified date must fall within the period of 28 days immediately before the date of the offer.
- 6.11 If a holder of redeemable ordinary shares has no registered address in an EEA State and has not given to the Company an address in an EEA State for the service of notices on him, the offer (made pursuant to Article 6.2) may be deemed supplied by causing it, or a notice specifying where a copy of it can be obtained or inspected, to be published in La Gazette Officielle. The Company shall only be liable for a breach of the provisions of Article 6 where proceedings are commenced before the expiration of two years from the date of issue, grant or other disposal of such equity securities.

- 6.12 For the purpose of any disapplication of Article 6.2 by way of a Special Resolution, equity securities which grant rights to subscribe for, or to convert into, shares shall be deemed to relate to such number of shares into which such equity securities may convert pursuant to their initial terms of issue, notwithstanding any terms providing for subsequent adjustment of that number.

7. **ORDINARY SHARES**

- 7.1 The Directors are authorised to issue Ordinary Shares of such classes (and denominated in such currencies) as they may determine in accordance with Articles 4 and 6.
- 7.2 Subject to Article 8 and to the rights of any Ordinary Shares which may be issued with special rights or privileges, the Ordinary Shares of each class carry the right to receive all income of the Company attributable to the Ordinary Shares of such class (as determined by the Directors) and to participate in any distribution of such income made by the Company, *pro rata* to the relative Net Asset Values of each of the classes of Ordinary Shares calculated in accordance with Article 5 (subject to such adjustments as the Directors may consider appropriate in the case of a class of Ordinary Shares which was not in issue for the whole of the period to which such distribution relates) and within each such class such income shall be divided *pari passu* among the holders of Ordinary Shares of that class in proportion to the number of Ordinary Shares of such class held by them.
- 7.3 Subject to Article 8 and to the rights of any Ordinary Shares which may be issued with special rights or privileges, on a winding-up of the Company or other return of capital attributable to the Ordinary Shares (as determined by the Directors), other than by way of a repurchase or redemption of shares in accordance with the provisions of these Articles and the Companies Law, the surplus assets of the Company attributable to the Ordinary Shares (as determined by the Directors) and available for distribution shall be paid to the holders of Ordinary Shares of each class *pro rata* to the relative Net Asset Values of each of the classes of Ordinary Shares calculated in accordance with Article 5 and within each such class such assets shall be divided *pari passu* among the holders of Ordinary Shares of that class in proportion to the number of Ordinary Shares of such class held by them.
- 7.4 Subject to the provisions of these Articles and any special rights, restrictions or prohibitions as regards voting for the time being attached to any Ordinary Shares, the Ordinary Shares shall carry the right to receive notice of and to attend or vote at any general meeting of the Company or class meeting and at any such meeting:
- 7.4.1 on a show of hands every holder of Ordinary Shares Present In Person and entitled to vote shall have one vote; and
- 7.4.2 on a poll every holder of Ordinary Shares of a particular class Present In Person at any general meeting of the Company or class meeting shall have such number of votes for each Ordinary Share of such class as shall be determined by the Directors prior to the first issue of Ordinary Shares of such class.

8. **C SHARES**

- 8.1 Subject to the Companies Law, the Directors are authorised to issue C Shares of such classes as they may determine in accordance with Articles 4 and 6 and with C Shares of each such class being convertible into Ordinary Shares (being the “**New Ordinary Shares**”).
- 8.2 The Directors shall, on the issue of each class of C Shares, be entitled to effect any amendments to the definition of Conversion Ratio attributable to such class.
- 8.3 Notwithstanding any other provision of these Articles:
- 8.3.1 the holders of any class of C Shares will be entitled to receive such dividends as the Directors may resolve to pay to such holders out of the assets attributable to such class of C Shares (as determined by the Directors);
- 8.3.2 the New Ordinary Shares arising upon Conversion shall rank *pari passu* with all other New Ordinary Shares of the same class for dividends and other distributions declared, made or paid by reference to a record date falling after the relevant Calculation Time and holders of the New Ordinary Shares shall receive all the rights accruing to the relevant class of New Ordinary Shares, including such number of votes per share of the relevant class of New Ordinary Shares as is designated to such shares in accordance with these Articles;
- 8.3.3 no dividend or other distribution shall be made or paid by the Company on any of its shares between the Calculation Time and the Conversion Time (both dates inclusive) and no dividend shall be declared with a record date falling between the Calculation Time and the Conversion Time (both dates inclusive);
- 8.3.4 the capital and assets of the Company shall on a winding up or on a return of capital (other than by way of the repurchase or redemption of shares by the Company) prior, in each case, to Conversion shall be applied as follows:
- (a) the Ordinary Share Surplus shall be divided amongst the holders of Ordinary Shares *pro rata* to their holdings of Ordinary Shares as if the Ordinary Share Surplus comprised the assets of the Company available for distribution; and
- (b) the C Share Surplus attributable to each class of C Shares shall be divided amongst the C Shareholders of such class *pro rata* according to their holdings of C Shares of that class; and
- 8.3.5 the C Shares shall be transferable in the same manner as the Ordinary Shares.
- 8.4 Subject to the provisions of these Articles and any special rights, restrictions or prohibitions as regards voting for the time being attached to any C Shares, the C Shares shall carry the right to

receive notice of and attend and/or vote at any general meeting of the Company or class meeting and at any such meeting.

8.5 The C Shares are issued on the terms that each class of C Shares shall be redeemable by the Company in accordance with the terms of this Article 8.

8.6 Without prejudice to the generality of these Articles, until Conversion the consent of the holders of C Shares as a class (irrespective of whichever class of C Shares they may hold) shall be required in accordance with Article 4.8 for, and accordingly the special rights attached to any class of C Shares shall be deemed to be varied, inter alia, by:

8.6.1 any alteration to the Memorandum or these Articles; or

8.6.2 the passing of any resolution to wind up the Company.

8.7 Until Conversion and without prejudice to its obligations under the Companies Law, the Company shall in relation to each class of C Shares establish a separate Class Account for that class in accordance with Article 5 and, subject thereto:

8.7.1 procure that the Company's records and bank accounts shall be operated so that the assets attributable to the relevant class of C Shares can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to each class of C Shares; and

8.7.2 allocate to the assets attributable to each class of C Shares such proportion of the income, expenses or liabilities of the Company incurred or accrued between the Issue Date and the Calculation Time (both dates inclusive) as the Directors fairly consider to be attributable to such class of C Shares including, without prejudice to the generality of the foregoing, those liabilities specifically identified in the definition of "Conversion Ratio" above; and

8.7.3 give appropriate instructions to the Administrator and/or the Manager to manage the Company's assets so that such undertakings can be complied with by the Company.

8.8 Each class of C Shares shall be converted into New Ordinary Shares at the Conversion Time in accordance with the provisions of Articles 8.9 to 8.15.

8.9 The Directors shall procure that within twenty Business Days after the Calculation Time:

8.9.1 the Administrator or, failing which, an independent accountant selected for the purpose by the Board, shall be requested to calculate the Conversion Ratio as at the Calculation Time and the number of New Ordinary Shares to which each holder of C Shares of the relevant class shall be entitled on Conversion; and

8.9.2 the Auditor may, if the Directors consider it appropriate, be requested to certify whether such calculations have been performed in accordance with these Articles and are arithmetically accurate;

whereupon, subject to the provisos in the definition of "Conversion Ratio", such calculations shall become final and binding on the Company and all Members. If the Auditor is unable to confirm the calculations of the Administrator or independent accountant, as described above, the Conversion shall not proceed.

8.10 The Directors shall procure that, as soon as practicable, and following such determination or certification (as the case may be), an RIS announcement is made advising holders of C Shares of that class of the Conversion Time, the Conversion Ratio and the aggregate numbers of New Ordinary Shares to which holders of C Shares of that class are entitled on Conversion.

8.11 Conversion of each class of C Shares shall take place at the Conversion Time designated by the Directors for that class of C Shares. On Conversion the issued C Shares of the relevant class shall automatically convert (by redesignation and/or sub-division and/or consolidation and/or a combination of both, or otherwise as appropriate) into such number of New Ordinary Shares as equals the aggregate number of C Shares of the relevant class in issue at the Calculation Time multiplied by the Conversion Ratio (rounded down to the nearest whole New Ordinary Share) and if, as a result of the Conversion, the Member concerned is entitled to:

8.11.1 more shares of the relevant class of New Ordinary Shares than the number of original C Shares of the relevant class, additional New Ordinary Shares of the relevant class shall be allotted and issued accordingly; or

8.11.2 fewer shares of the relevant class of New Ordinary Shares than the number of original C Shares of the relevant class, the appropriate number of original C Shares shall be cancelled accordingly.

8.12 Notwithstanding the provisions of Article 8.11, Conversion of the original C Shares of the relevant class may be effected in such other manner permitted by applicable legislation as the Directors shall from time to time determine.

8.13 The New Ordinary Shares of the relevant class arising upon Conversion shall be divided amongst the former holders of the relevant class of C Shares *pro rata* according to their respective former holdings of the relevant class of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to the New Ordinary Shares, including, without prejudice to the generality of the foregoing, selling or redeeming any such shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company) and for such purposes any Director is hereby authorised as agent on behalf of the former holders of C Shares of the relevant class to do any other act or thing as may be required to give effect to the same including, in the case of a share in Certificated form, to execute any

stock transfer form and, in the case of a share in Uncertificated form, to give directions to or on behalf of the former holder of C Shares of the relevant class who shall be bound by them.

- 8.14 Forthwith upon Conversion, any certificates relating to C Shares of the relevant class shall be cancelled, the Register shall be updated and the Company shall issue to each such former holder of C Shares of the relevant class new certificates in respect of the shares of the relevant class which have arisen upon Conversion, unless such former holder of C Shares of the relevant class elects to hold such shares in Uncertificated form, and the Register shall be updated accordingly.
- 8.15 The Company will use its reasonable endeavours to procure that, upon Conversion, the resulting New Ordinary Shares are admitted to trading on the London Stock Exchange's main market for listed securities or such other market as the Directors shall determine at the time that the C Shares of such class are first offered.
- 8.16 References to the Auditors certifying any matter shall be construed to mean certification of their opinion as to such matter, whether qualified or not.

9. **COMPANY NOT OBLIGED TO RECOGNISE ANY TRUST**

Except as ordered by a court of competent jurisdiction or as required by law, the Company shall not be affected or bound by or be compelled in any way to recognise (even when having notice) any equitable, contingent, future or partial interest in any share or fraction thereof or (except only as otherwise provided by these Articles or by law) any other rights in respect of any share except an absolute right to the entirety in the registered holder and whether or not such share shall be entered in the Register as held in trust, nor shall the Company be bound to see to the execution of any trust to which any share may be subject.

10. **DISCLOSURE OF INTERESTS AND PROVISION OF INFORMATION BY SHAREHOLDERS**

- 10.1 The Board shall have power by notice in writing to require any Member to disclose to the Company in writing:

10.1.1 within the prescribed deadline as determined in accordance with Article 10.16.2, the identity of any person other than the Member (an "**Interested Party**") who has, or has had at any time during the three years immediately preceding the date on which the notice is issued, any interest (whether direct or indirect) in the shares held by the Member and the nature of such interest. For these purposes, a person shall be treated as having an interest in shares if they have any interest in them whatsoever, including but not limited to any interest acquired by any person as a result of:

- (a) entering into a contract to acquire them;
- (b) not being the registered holder, being entitled to exercise, or control the exercise of, any right conferred by the holding of the shares;

- (c) having the right to call for delivery of the shares; or
- (d) having the right to acquire an interest in shares or having the obligation to acquire such an interest; and

10.1.2 within 28 days from the date of service of the said notice, such information as the Board determines is necessary or appropriate to permit the Company or any Investment Undertaking to satisfy applicable United States Tax or other jurisdiction tax withholding, reporting or filing requirements arising with respect to the Member's, or applicable Interested Party's, ownership interest in the Company under the U.S. Code or any Tax Information Reporting Rules, including:

- (a) compliance with the Company's withholding and reporting obligations under any Tax Information Reporting Rules in any jurisdiction; and
- (b) determining, withholding and reporting to the U.S. Internal Revenue Service or other applicable taxing jurisdiction by the Company or any Investment Undertaking on amounts received, paid or, solely for United States Tax compliance and reporting purposes, accrued that are derived from U.S. source income (including in respect of the payment of U.S. sourced fixed or determinable annual or periodic income),

(a "**Tax Reporting Notice**").

10.2 The Company may maintain a register of Interested Parties to which the provisions of the Laws relating to the Register of Members shall apply *mutatis mutandis* as if the register of Interested Parties was the Register of Members 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. At no time shall the Company permit the register of Interested Parties to be kept or maintained in the United Kingdom, or to be inspected by anyone other than a Director.

10.3 The Board shall be required to exercise its powers under Article 10.1 if requisitioned to do so in accordance with Article 10.4 by Members holding at the date of the deposit of the requisition not less than one-tenth of the total voting rights attaching to the Ordinary Shares at the relevant time.

10.4 A requisition under Article 10.3 must:

- 10.4.1 state that the requisitionists are requiring the Company to exercise its powers under this Article;
- 10.4.2 specify the manner in which they require those powers to be exercised;

- 10.4.3 give reasonable grounds for requiring the Company to exercise those powers in the manner specified; and
- 10.4.4 be signed by the requisitionists and deposited at the Office.
- 10.5 A requisition may consist of several documents in like form each signed by one or more requisitionists.
- 10.6 On the deposit of a requisition complying with this Article 10 it is the Board's duty to exercise their powers under Article 10.1 in the manner specified in the requisition.
- 10.7 If any Member has been duly served with a notice given by the Board in accordance with Article 10.1.1 or Article 10.1.2 and is in default after the prescribed deadline under these Articles for supplying to the Company the information thereby required, then the Board may in its absolute discretion at any time thereafter serve a notice (a "**direction notice**") upon such Member.
- 10.8 A direction notice may direct that, in respect of:
 - 10.8.1 any shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the "**Default Shares**"); and
 - 10.8.2 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 in person or by Proxy or to 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.
- 10.9 Where the default relates to a failure to provide the information required by a Tax Reporting Notice or the Default Shares represent at least 0.25% of the number of shares in issue of the class of shares concerned, the direction notice may additionally direct that in respect of the Default Shares:
 - 10.9.1 any dividend or distribution or the proceeds of any repurchase, redemption or repayment on the Default Shares or part thereof which would otherwise be payable on such shares shall be retained by the Company without any liability to pay interest thereon when such money is finally paid to the Member and such dividend or proceeds may be reduced by an amount equal to any Taxes or other costs or expenses incurred by the Company or any other Investment Undertaking resulting from such failure or default; and
 - 10.9.2 no transfer other than an approved transfer (as set out in Article 10.16.3) of the Default Shares held by such Member shall be registered unless:

- (a) the Member is not himself in default as regards supplying the information requested; and
 - (b) when presented for registration the transfer is accompanied by a certificate by the Member in a form satisfactory to the Board to the effect that after due and careful enquiry the Member is satisfied that no person who is in default as regards supplying such information is interested in any of the shares the subject of the transfer.
- 10.10 The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but failure or omission by the Company to do so shall not invalidate such notice.
- 10.11 If shares are issued to a Member as a result of that Member holding other shares in the Company and if the shares in respect of which the new shares are issued are Default Shares in respect of which the Member is for the time being subject to particular restrictions, the new shares shall on issue become subject to the same restrictions whilst held by that Member as such Default Shares. For this purpose, shares which the Company procures to be offered to Members *pro rata* (or *pro rata* ignoring fractional entitlements and shares not offered to certain Members by reason of legal or practical problems associated with offering shares outside the United Kingdom or Guernsey) shall be treated as shares issued as a result of a Member holding other shares in the Company.
- 10.12 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:
 - 10.12.1 if the information requested in the notice is delivered to the Company within the prescribed deadline; or
 - 10.12.2 in relation to any shares which are transferred by such Member by means of an approved transfer as set out in Article 10.16.3.
- 10.13 As soon as practicable after the direction notice has ceased to have effect (and in any event within five Business Days thereafter) the Board shall procure that the restrictions imposed by Articles 10.8 and 10.9 shall be removed and that dividends withheld pursuant to Article 10.9.1 are paid to the relevant Member.
- 10.14 If any Member has been duly served with a direction notice given by the Board in accordance with Article 10.7 for failing to supply to the Company the information required by a Tax Reporting Notice, then the Board may in its absolute discretion at any time after the date which is thirty days from the date of service of the direction notice, give notice to such Member requiring him to sell or transfer his shares to a person who is not a Non-Qualified Holder or himself a holder of Default Shares within thirty days (or fourteen days in the case of ERISA-related violations) and within such thirty days (or fourteen days in the case of ERISA-related

violations) to provide the Board with satisfactory evidence of such sale or transfer. If any person upon whom such a notice is served pursuant to this Article 10.14 does not within thirty days (or fourteen days in the case of ERISA-related violations) after such notice either (i) transfer his shares to a person who is not a Non-Qualified Holder or a holder of Default Shares or (ii) establish to the satisfaction of the Board (whose judgment shall be final and binding) that he is not a Non-Qualified Holder or has duly provided the information required by the relevant Tax Reporting Notice, (a) such person shall be deemed upon the expiration of such thirty days (or fourteen days in the case of ERISA-related violations) to have forfeited his shares and the Board shall be empowered at its discretion to follow the procedure pursuant to Articles 14.3 to 14.6, 14.8 and 14.9 in respect of those shares or (b) if the Board in its absolute discretion so determines, to the extent permitted under the Regulations and the Rules, the Board may arrange for the Company to sell the Default Shares at the best price reasonably obtainable to any other person (other than a Non-Qualified Holder or holder of Default Shares), in which event the Company may, but only to the extent permitted under the Regulations and the Rules, take any action whatsoever that the Board considers necessary in order to effect the transfer of such shares by the defaulting Member (including where necessary requiring the Member in question to execute powers of attorney or other authorisations, or authorising an officer of the Company to deliver an instruction to the Authorised Operator or the operator of any other Uncertificated System), and the Company shall pay the net proceeds of sale, reduced by an amount equal to any Taxes or other costs or expenses incurred by the Company or any Investment Undertaking resulting from such failure or default to the former holder upon its receipt of the sale proceeds and the surrender by the holder of the relevant share certificate or, if no certificate has been issued, such evidence as the Board may reasonably require to satisfy itself as to the holder's former entitlement to the Default Shares and to such net proceeds of sale and the former holder shall have no further interest in the relevant Default Shares or any claim against the Company in respect thereof. No trust will be created and no interest will be payable in respect of such net proceeds of sale.

10.15 For the purpose of enforcing the restrictions referred to in Article 10.9.2 and to the extent permissible under the Regulations and the Rules, the Board may give notice to the relevant Member requiring the Member to change any Default Shares held in Uncertificated form to Certificated form by the time stated in the notice. The notice may also state that the Member may not change any of the Default Shares held in Certificated form to Uncertificated form. If the Member does not comply with the notice, the Board may authorise any person to instruct the operator of the Uncertificated System to change the Default Shares held in Uncertificated form to Certificated form.

10.16 For the purpose of this Article 10:

10.16.1 a person shall be treated as appearing to be interested in any shares if the Member holding such shares has given to the Company a notification which either (a) names such person as being so interested or (b) fails to establish the identities of those

interested in the shares and (after taking into account the said notification and any other relevant notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares; and

10.16.2 the prescribed deadline in respect of any particular Member is 28 days from the date of service of the said notice in accordance with Article 10.1.1 except where the Default Shares represent at least 0.25% of the number of shares in issue of the class of shares concerned in which case such deadline shall be 14 days;

10.16.3 subject to Article 15.7, 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 public offer made to acquire all the issued shares in the capital of the Company not already owned by the offeror or connected person of the offeror in respect of the Company; or
- (b) the Board is satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares which are the subject of the transfer 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, as amended) or any stock exchange outside the United Kingdom on which the Company’s shares are listed or normally traded.

10.17 For the purposes of Article 10.16.3 any person of the following persons shall be included amongst the persons who are connected with the Member or any other person appearing to be interested in such shares:

10.17.1 a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of the Member or any other person appearing to be interested in such shares;

10.17.2 an associated body corporate which is a company in which the Member or any other person appearing to be interested in such shares alone, or with connected persons, is directly or indirectly beneficially interested in 20% or more of the nominal value of the equity share capital or is entitled (alone or with connected persons) to exercise or control the exercise of more than 20% of the voting power at general meetings; or

10.17.3 a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Member or any other person appearing to be interested in such shares or persons falling within Articles 10.17.1 or 10.17.2 above excluding trustees of an employees’ share scheme or pension scheme; or

10.17.4 a partner (acting in that capacity) of the Member or any other person appearing to be interested in such shares or persons described in Articles 10.17.1 to 10.17.3 above.

10.18 Any Member who has been given notice of an Interested Party in accordance with Article 10.1.1 who subsequently ceases to have any party interested in his shares or has any other person interested in his shares shall notify the Company in writing of the cessation or change in such interest and, where such a register is maintained, the Board shall promptly amend the register of Interested Parties accordingly.

10.19 Notwithstanding any other provision of this Article 10, any Member who acquires an interest in the Company equal to or exceeding five per cent. of the number of shares in issue of the class of shares concerned (a “**Notifiable Interest**”) shall forthwith notify the Company of such interest and having acquired a Notifiable Interest, a Member shall forthwith notify the Company if he ceases to hold a Notifiable Interest and where a Member has a Notifiable Interest he shall notify the Company of any increase or decrease to the nearest whole percentage number in his Notifiable Interest.

11. **CERTIFICATES AND REGISTER OF MEMBERS**

11.1 Subject to the Laws, the Regulations and the Rules, shares shall be issued in registered form and may be issued and held in Certificated or Uncertificated form as the Board may in its absolute discretion determine.

11.2 Subject to Article 11.1, the Company shall issue:

11.2.1 without payment one certificate to each person for all his shares of each class and, when part only of the shares comprised in a certificate is sold or transferred, a balance certificate; or

11.2.2 upon payment of such sum as the Board may determine several certificates each for one or more shares of any class.

11.3 Any certificate issued shall specify the shares to which it relates and the amount paid up and the distinguishing numbers (if any).

11.4 All forms of certificate for shares or debentures or representing any other form of security may if determined by the Board be issued under the common signature of the Company and may be signed mechanically.

11.5 If a share certificate is issued and is defaced lost or destroyed it may be replaced or renewed without charge (other than exceptional out of pocket expenses) on such terms (if any) as to evidence and indemnity as the Board thinks fit.

11.6 The Company shall keep the Register at the Office in accordance with the Companies Law. The Company shall not at any time cause or permit to be kept in the United Kingdom any branch register or other register of the Members.

11.7 The Company shall not be bound to register more than four persons as the joint holders of any share or shares. In the case of a share held jointly by more than one person in Certificated form the Company shall not be bound to issue more than one certificate thereof and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

12. **LIEN**

12.1 The Company shall have a first and paramount lien (extending to all dividends and distributions payable) on all shares (not being fully paid) for all moneys whether presently payable, or not called, or payable at a fixed time in respect of those shares and for all the debts and liabilities of the holder to the Company and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person (other than such holder) and whether the time for payment or discharge shall have arrived or not and notwithstanding that the same are joint debts or liabilities of such holder and any other person (whether a Member or not) save that any shares held in an Uncertificated System must be fully paid up.

12.2 For the purpose of enforcing such lien, the Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of intention to sell in default, shall have been served on the holder for the time being of the shares or the person entitled by reason of his death or bankruptcy to the shares. For the purpose of giving effect to any such sale the Board may authorise some person to transfer to the purchaser thereof the shares so sold.

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

13. **CALLS ON SHARES**

13.1 The Board may at any time make calls upon the Members in respect of any moneys unpaid on their shares and each Member shall pay to the Company at the time and place appointed the amount called. A call may be revoked or postponed.

- 13.2 Joint holders shall be jointly and severally liable to pay calls.
- 13.3 If a sum called in respect of a share is not paid before or on the day appointed the person from whom the sum is due shall pay interest from the day appointed to the time of actual payment at such rate (not exceeding 15 per cent. per annum) as the Board may determine but the Board shall be at liberty in any case or cases to waive payment of such interest wholly or in part.
- 13.4 Any sum which by the terms of issue of a share becomes payable on issue or at any fixed date shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in the case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 13.5 The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him beyond the sums actually called up thereon as payment in advance of calls, and such payment in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is advanced, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which it has been received, the Company may (until the same would, but for such advance, become presently payable) pay interest at such rate as the Member paying such sum and the Board agree upon **PROVIDED THAT** any amount paid up in advance of calls shall not entitle the holder of the shares upon which such amount is paid to participate in respect thereof in any dividend or distribution until the same would but for such advance become presently payable.
- 13.6 The Board may on an issue of shares differentiate between holders as to amount of calls and times of payment.
14. **FORFEITURE AND SURRENDER OF SHARES**
- 14.1 If a Member fails to pay any call or instalment on the day appointed, the Board may at any time during such period as any part remains unpaid serve notice requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and any expenses which may have been incurred by the Company by reason of non-payment.
- 14.2 The notice shall state a further day on or before which the payment required by the notice is to be made and the place where the payment is to be made and that in the event of non-payment the shares in respect of which the call was made or instalment is payable will be liable to be forfeited. If the requirements of any such notice are not complied with any share in respect of which the notice has been given may at any time before payment has been made be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture.

- 14.3 Notice of forfeiture shall forthwith be given to the former holder and an entry of such notice and forfeiture shall forthwith be made and dated in the Register opposite the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give notice or to make entry.
- 14.4 If the Board has served a notice upon a Non-Qualified Holder pursuant to Article 15.14 and such holder has not sold or transferred his shares to a person who is not a Non-Qualified Holder within the required period, such shares shall be deemed forfeited and treated as such in accordance with Articles 14.5 to 14.9 below.
- 14.5 A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted and re-issued or otherwise disposed of on such terms as the Board shall think fit with or without all or any part of the amount previously paid on the share being credited as paid and at any time before a sale or disposition the forfeiture may be cancelled.
- 14.6 A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares. Where a Member fails to pay any call or instalment, that Member shall notwithstanding the forfeiture remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon from the date of forfeiture until payment at such rate (not exceeding 15 per cent. per annum) as the Board may determine and the Board may enforce payment without any allowance for the value of the shares at the time of forfeiture.
- 14.7 The Board may accept from any Member on such terms as shall be agreed a surrender of any shares in respect of which there is a liability for calls. Any surrendered share may be disposed of in the same manner as a forfeited share.
- 14.8 A declaration in writing by a Director or the Secretary that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on the date stated in the declaration shall be conclusive evidence of the facts therein as against all persons claiming to be entitled to the shares.
- 14.9 Where a Member fails to pay any call or instalment, the Company may receive and retain the consideration given for any share on any sale or disposition and may execute a transfer of the share in favour of the person to whom the same is sold or disposed of and he shall thereupon be registered as the holder and shall not be bound to see to the application of the purchase money nor shall his title be affected by any irregularity or invalidity in forfeiture, sale, re-allotment and re-issue or disposal.

15. TRANSFER AND TRANSMISSION OF SHARES

- 15.1 Under and subject to the Regulations and the Rules, the Board shall have power to implement such arrangements as it may, in its absolute discretion, think fit in order for any class of shares (if all shares of that class are in all respects identical) to be admitted to settlement by means of an

Uncertificated System. Where it does do so, the provisions of this Article 15 shall commence to have effect immediately prior to the time at which the relevant Authorised Operator admits the class to settlement by means of the relevant Uncertificated System. The Board shall also, subject to compliance with the Regulations and the Rules, have the power to determine at any time that title to any class of shares may from a date specified by the Board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular Uncertificated System.

- 15.2 In relation to any class of shares which, for the time being, an Authorised Operator has admitted to settlement by means of its Uncertificated System, and for so long as such class remains so admitted, no provision of these Articles (including for the avoidance of doubt Article 9) shall apply or have effect to the extent that it is in any respect inconsistent with:-

15.2.1 the holding of shares of that class in Uncertificated form;

15.2.2 the transfer of title to shares of that class by means of an Uncertificated System; or

15.2.3 the Regulations or the Rules.

- 15.3 Without prejudice to the generality of Article 15.2 and notwithstanding anything contained in these Articles where any class of shares is, for the time being, admitted to settlement by means of an Uncertificated System:-

15.3.1 such securities may be issued in Uncertificated form in accordance with and subject as provided in the Regulations and the Rules;

unless the Board otherwise determines, such securities held by the same holder or joint holder in Certificated form and Uncertificated form shall be treated as separate holdings but a class of shares shall not be treated as two classes simply because some shares of that class are held in Certificated form and others in Uncertificated form;

15.3.2 such securities may be changed from Uncertificated to Certificated form, and from Certificated to Uncertificated form, in accordance with and subject as provided in the Regulations and the Rules;

15.3.3 unless the Board determines otherwise or the Regulations and the Rules require otherwise, 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;

15.3.4 title to such of the shares as are recorded on the Register as being held in Uncertificated form may be transferred only by means of an Uncertificated System and as provided in the Regulations and the Rules and accordingly (in particular) no provision of these Articles shall apply in respect of such shares to the extent that these Articles require or

contemplate the effecting of a transfer by an instrument in writing and the production of a certificate for the security to be transferred; and

- 15.3.5 no provision of these Articles shall apply so as to require the Company to issue a certificate to any person holding such shares in Uncertificated form.
- 15.4 Words and expressions not specifically defined in this Article shall bear the same meaning as those words and expressions defined in the Regulations and the Rules.
- 15.5 Subject to such of the restrictions of these Articles as may be applicable (including for the avoidance of doubt, Article 10.15):
- 15.5.1 any Member may transfer all or any of his Uncertificated shares by means of an Uncertificated System in such manner provided for in, and subject to, the Regulations and the Rules and accordingly no provision of these Articles shall apply in respect of an Uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the shares to be transferred;
- 15.5.2 any Member may transfer all or any of his Certificated shares by an instrument of transfer in any usual common form or in any other form which the Board may approve; and
- 15.5.3 an instrument of transfer of a Certificated share shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. An instrument of transfer of a Certificated share need not be under seal.
- 15.6 Every instrument of transfer of a Certificated share shall be left at the Office or such other place as the Board may prescribe with the certificate of every share to be transferred and such other evidence as the Board may reasonably require to prove the title of the transferor or his right to transfer the shares, and the transfer and certificate (if any) shall remain in the custody of the Board but shall be at all reasonable times produced at the request and expense of the transferor or transferee or their respective representatives. A new certificate shall be delivered free of charge to the transferee after the transfer is completed and registered on his application and when necessary a balance certificate shall be delivered if required by him in writing.
- 15.7 The Board may, in its absolute discretion and without giving a reason, decline to transfer, convert, or register any transfer of any share in Certificated form or (to the extent permitted by the Regulations and the Rules) Uncertificated form (subject to Article 15.8 below) which is not fully paid or on which the Company has a lien provided or if:
- 15.7.1 it is in respect of more than one class of shares;
- 15.7.2 it is in favour of more than four joint transferees;

- 15.7.3 in the case of a share in Certificated form, having been delivered for registration to the Office or such other place as the Board may decide, it is not accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so; or
- 15.7.4 the transfer is in favour of any Non-Qualified Holder,
- provided in the case of a listed or quoted share such refusal to register a transfer would not prevent dealings in the share from taking place on an open and proper basis on the relevant stock exchange. In the event that any holder becomes, or holds shares on behalf of, a Non-Qualified Holder, such holder shall notify the Administrator immediately.
- 15.8 The Board may decline to register a transfer of an Uncertificated share which is transferred by means of an Uncertificated System in any circumstances that are allowed or required by the Regulations and the Rules.
- 15.9 If the Board refuses to register the transfer of a share it shall, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee.
- 15.10 To the extent permitted by the Laws the registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in the aggregate in any Calendar Year) as the Board may decide on giving notice in La Gazette Officielle and either generally or in respect of a particular class of share except that, in respect of any shares which are participating shares held in an Uncertificated System, the Register shall not be closed without the consent of the relevant Authorised Operator.
- 15.11 No fee shall be payable to the Company in respect of the registration of any transfer, probate, letters of administration, certificate of marriage or death, power of attorney, instruction or other document relating to or affecting the title to any shares.
- 15.12 On the death of a Member, the survivors where the deceased was a joint holder and the executor or administrator of the deceased where he was a sole holder shall be the only persons recognised by the Company as having any title to or interest in his shares; but nothing herein shall release the estate of a deceased joint holder from any liability in respect of any share jointly held.
- 15.13 A person so becoming entitled to a share in consequence of the death, bankruptcy or incapacity of a Member or otherwise by operation of law (subject as hereinafter provided), upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, shall have the right to receive and may give a discharge for all dividends and other money payable or other advantages due on or in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company, or save as aforesaid, to any of

the rights or privileges of a Member unless and until he shall be registered as a Member in respect of the share **PROVIDED ALWAYS THAT** the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 days the Board may thereafter withhold all dividends or other monies payable or other advantages due in respect of the share until the requirements of the notice have been complied with.

15.14 If, under these Articles or the Companies Law, the Company is entitled to sell, transfer or otherwise dispose of, forfeit, re-allot and re-issue, accept the surrender of or otherwise enforce a lien over an Uncertificated share, then, subject to these Articles, the Companies Law and the Regulations and the Rules, such entitlement shall include the right of the Board to:

15.14.1 require the holder of the 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;

15.14.2 appoint any person to take such other steps, by instruction given by means of an Uncertificated 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 registered holder of that share; and

15.14.3 take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or re-issue, or surrender of that share or otherwise to enforce a lien in respect of that share.

15.15 If it shall come to the notice of the Board that any shares are owned directly, indirectly, or beneficially by a Non-Qualified Holder, the Board may give notice to such person requiring him either (i) to provide the Board within thirty days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Non-Qualified Holder; or (ii) to sell or transfer his shares to a person who is not a Non-Qualified Holder within thirty days (or fourteen days in the case of ERISA-related violations) and within such thirty days to provide the Board with satisfactory evidence of such sale or transfer. Pending such sale or transfer the Board may suspend the exercise of any voting or consent rights and rights to receive notice of, or attend, meetings of the Company and any rights to receive dividends or other distributions with respect to such shares, and the holder shall repay the Company any amounts distributed to such holder by the Company during the time such holder held such shares. If any person upon whom such a notice is served pursuant to this Article 15.14 does not within thirty days (or fourteen days in the case of ERISA-related violations) after such notice either (i) transfer his shares to a person who is not a Non-Qualified Holder or (ii) establish to the satisfaction of the Board (in its absolute discretion and whose judgment shall be final and binding) that he is not a Non-Qualified Holder, (a) the Board may determine in its absolute discretion that such person shall be deemed upon the expiration of such thirty days (or fourteen days in the case of ERISA-related violations) to have forfeited his shares and the Board shall be empowered at their

discretion to follow the procedure pursuant to Articles 14.3-14.9 or (b) to the extent permitted under the Regulations and the Rules, the Board may arrange for the Company to sell the shares at the best price reasonably obtainable to any other person so that the shares will cease to be held by a Non-Qualified Holder, in which event the Company may, but only to the extent permitted under the Regulations and the Rules, take any action whatsoever that the Board considers necessary in order to effect the transfer of such shares by the holder of such shares (including where necessary requiring the holder in question to execute powers of attorney or other authorisations, or authorising an officer of the Company to deliver an instruction to the Authorised Operator or the operator of any other Uncertificated System), and the Company shall pay the net proceeds of sale to the former holder upon its receipt of the sale proceeds and the surrender by the holder of the relevant share certificate or, if no certificate has been issued, such evidence as the Board may reasonably require to satisfy themselves as to the holder's former entitlement to the shares and to such net proceeds of sale and the former holder shall have no further interest in the relevant shares or any claim against the Company in respect thereof. No trust will be created and no interest will be payable in respect of such net proceeds of sale.

16. ALTERATION OF CAPITAL

16.1 Subject as provided elsewhere in these Articles, the Company may by Ordinary Resolution:

- 16.1.1 consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;
- 16.1.2 subdivide all or any of its shares into shares of smaller amounts than is fixed by the Memorandum or Articles or by Ordinary Resolution so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that the resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from subdivision one or more of the shares may have such preferred, deferred or other rights over the others as the Company has power to attach to unissued or new shares;
- 16.1.3 cancel any shares which at the date of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;
- 16.1.4 redesignate or convert the whole, or any particular class, of its shares into shares of another class;
- 16.1.5 convert all or any of its shares the nominal amount of which is expressed in a particular currency or former currency into shares of a nominal amount of a different currency, the conversion being effected at the rate of exchange (calculated to not

less than 3 significant figures) current on the date of the resolution or on such other date as may be specified therein; and

16.1.6 where its share capital is expressed in a particular currency or former currency, denominate or redenominate it, whether by expressing its amount in units or subdivisions of that currency or former currency or otherwise.

16.2 The Board on any consolidation of shares may deal with fractions of shares in any manner.

17. GENERAL MEETINGS

17.1 Subject to the Companies Law, an annual general meeting shall be held at least once in each Calendar Year provided that not more than 15 months may elapse between one annual general meeting and the next, and in default of an annual general meeting any Member may, not less than 14 days after the last date upon which the meeting ought to have been held, apply to the Court to make such order as the Court thinks fit. All general meetings (other than annual general meetings) shall be called extraordinary general meetings. Extraordinary general meetings and annual general meetings shall be held in Guernsey or such other place as may be determined by the Board from time to time.

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

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

17.4 If the Board, in its absolute discretion, considers that it is impractical or undesirable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may postpone or move the general meeting to another date, time and/or place. The Board shall take reasonable steps to ensure that details of the date, time and place of the rearranged meeting are made available to any Member trying to attend the meeting at the original time and place. Notice of the business to be transacted at such rearranged meeting shall not be required. If a meeting is rearranged in this way, the appointment of a Proxy will be valid if it is received as required by these Articles not less than 48 hours before the time appointed for holding the rearranged meeting. The Board may also postpone or move the rearranged meeting under this Article.

17.5 The Members may require the Directors to call a general meeting in accordance with the Companies Law.

- 17.6 Any general meeting convened by the Members in accordance with the Companies Law shall be convened in the same manner (as nearly as possible) as that in which general meetings are convened by the Board.

18. NOTICE OF GENERAL MEETINGS

- 18.1 Unless special notice is required in accordance with the Companies Law, not less than 10 Clear Days' notice specifying the date, time and place of any general meeting and the text of any proposed Special Resolutions and Ordinary Resolutions and notice of the fact that the resolution proposed is proposed as a Special Resolution or Ordinary Resolution and the general nature of the business to be dealt with at the Meeting shall be given by notice sent by any lawful means by the Secretary or other officer of the Company or any other person appointed by the Board for that purpose to such Members as are entitled to receive notices provided that with the consent in writing of all the Members entitled to receive notices of such meeting a meeting may be convened by a shorter notice or at no notice and in any manner they think fit.
- 18.2 The accidental omission to give notice of any meeting to or the non-receipt of such notice by any Member shall not invalidate any resolution (or any proposed resolution otherwise duly approved) passed or proceeding at any meeting.
- 18.3 All Members are deemed to have agreed to accept communications from the Company by electronic means in accordance with Article 41.11.
- 18.4 A Member Present In Person at any meeting of the Company or of the holders of any class of shares in the Company, is deemed to have received notice of the meeting and, where required, of the purpose for which it was called.
- 18.5 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the Register, has been duly given to a person from whom he derives his title.

19. PROCEEDINGS AT GENERAL MEETINGS

- 19.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, the quorum for a general meeting shall be two Members Present In Person.
- 19.2 If within thirty minutes from the time appointed for the meeting a quorum is not present, the meeting if convened by or upon a requisition shall be dissolved. If otherwise convened it shall stand adjourned for five Business Days at the same time and place or to such other day and at such other time and place as the Board may determine and (subject to Article 19.5) no notice of

adjournment need be given. Save as otherwise provided by these Articles on the resumption of an adjourned meeting, those Members Present In Person shall constitute the quorum.

19.3 The chairman of any general meeting shall be either:

19.3.1 the chairman of the Board;

19.3.2 in the absence of the chairman, or if the Board has no chairman, then the Board shall nominate one of their number to preside as chairman;

19.3.3 if neither the chairman of the Board nor the nominated Director are present at the meeting then the Directors present at the meeting shall elect one of their number to be the chairman;

19.3.4 if only one Director is present at the meeting then he shall be chairman of the general meeting; or

19.3.5 if no Directors are present at the meeting then the Members Present In Person shall elect a chairman for the meeting by an Ordinary Resolution.

19.4 The chairman of the general meeting shall conduct the meeting in such a manner as he thinks fit and may limit the time for Members to speak.

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

19.6 In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon. In the case of a resolution duly proposed as an Ordinary Resolution no amendment thereto (other than an amendment to correct a patent error) may be considered or voted upon unless either (a) at least two Business Days prior to the date appointed for holding the meeting or adjourned meeting at which such Ordinary Resolution is to be proposed notice in writing of the terms of the amendment and intention to move the same has been received by the Company or (b) the chairman of the meeting in his absolute discretion decides that it may be considered or voted upon. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is put to the vote.

- 19.7 If an amendment shall be proposed to any resolution under consideration but shall be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 19.8 At any meeting, a resolution put to the vote shall be decided by a show of hands or by a poll at the option of the chairman. Nevertheless before or on the declaration of the result a poll may be demanded:
- 19.8.1 by the chairman; or
- 19.8.2 not less than five Members having the right to vote on the resolution; or
- 19.8.3 one or more of the Members Present In Person representing, not less than ten per cent. of the total voting rights of all of the Members having the right to vote on the resolution.
- The demand for a poll may be withdrawn.
- 19.9 Unless a poll be demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded.
- 19.10 A poll if demanded shall be taken at the meeting at which the same is demanded or at such other time and place as the chairman shall direct and the result shall be deemed the resolution of the meeting.
- 19.11 If a poll is properly demanded, it shall be taken in such manner and at such place as the chairman may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman may, in the event of a poll appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
- 19.12 A poll demanded on the election of a chairman and a poll demanded on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman directs not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded. It shall not be necessary (unless the chairman of the meeting otherwise directs) for notice to be given of a poll.
- 19.13 In case of an equality of votes the chairman shall have a second or casting vote in addition to any other vote he may have.
- 19.14 A Director of the Company shall be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company regardless of whether that Director is a Member of the Company or of the relevant class.

20. VOTES OF MEMBERS

- 20.1 A Member shall not be entitled in respect of any share held by him to be Present In Person or take part in any proceedings or vote (either personally or by duly authorised corporate representative or by Proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting in respect of any share held by him unless all calls due from him in respect of that share have been paid. No Member shall be entitled to vote in respect of any shares unless he has been registered as their holder.
- 20.2 A Member shall not, if the Board so determines, be entitled in respect of any share held by him to attend to be Present In Person or take part in any proceedings or vote (either personally or by duly authorised corporate representative or by Proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting in respect of any share held by him if he or any other person appearing to be interested in such shares has failed to comply with a notice requiring the disclosure of Members' interests and given under the Article 10 within 14 days, in a case where the shares in question represent at least 0.25 per cent. of the number of shares in issue of the class of shares concerned, or within 28 days, in any other case, from the date of such notice. The restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.
- 20.3 Where there are joint registered holders of any share such persons shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether in person or by Proxy in their name. In default of such election the person whose name stands first on the Register of the Company shall alone be entitled to vote.
- 20.4 Any Member being under any legal disability may vote by his curator or other legal guardian. Any of such persons may vote either personally or by Proxy.
- 20.5 On a poll votes may be given either personally or by Proxy and a Member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A Proxy need not be a Member. An instrument of Proxy may be valid for one or more meetings.
- 20.6 No objection shall be raised to the qualification of any voter except at the meeting or the adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed shall be valid for all purposes. Any objection made in due time shall be referred to the chairman whose decision shall be final and binding.
- 20.7 Subject to the provisions of the Companies Law, the instrument appointing a Proxy shall be in any common form or in such other form as the Directors may approve and (i) if in writing but not sent in electronic form, made under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation under its common seal or under the hand of an

officer or attorney duly authorised in that behalf, or (ii) if sent in electronic form, submitted by or on behalf of the appointor and authenticated.

20.8 Subject to Article 20.10, the instrument appointing a Proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of that power or authority certified notarially or in some other way approved by the Directors shall:

20.8.1 in the case of an instrument in writing (including, whether or not the appointment of a Proxy is sent in electronic form, any such power of attorney or other authority) be deposited at the Company's Office (or such other address as may be specified by the Company from time to time for the purpose of receiving documents) not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

20.8.2 in the case of an appointment sent in electronic form, where a Relevant Electronic Address or another address has been specified for the purpose of receiving documents of information sent in electronic form;

(a) in the notice convening the meeting; or

(b) in any instrument of Proxy sent out by the Company in relation to the meeting;
or

(c) in any invitation sent in electronic form to appoint a Proxy issued by the Company in relation to the meeting,

be received at such an address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

20.8.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or

20.8.4 in the case of a poll not taken forthwith but taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting or any Director, the Secretary or some other person authorised by the Company,

in default of which the proxy shall not be treated as valid unless the Directors otherwise determine in their sole discretion.

20.9 The appointment of a Proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned, subject to Article 20.13.

- 20.10 The Directors have the discretion (but shall not be required) to treat as valid any instrument appointing a proxy received after the times specified in Article 20.8. If the Directors so elect, the person named in such instrument of proxy shall be entitled to vote.
- 20.11 A Member may appoint more than one proxy to attend on the same occasion provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Where multiple proxies have been appointed to exercise rights attached to different shares, on a show of hands those proxy holders taken together will collectively have the same number of votes as the Member who appointed them would have on a show of hands if he were present at the meeting. On a poll, all or any of the rights of a Member may be exercised by one or more duly appointed proxies. Where the same proxy has been appointed by more than one Member, that proxy is permitted to vote on a show of hands both “for” and “against” as applicable in order to reflect the different voting instructions.
- 20.12 The instrument appointing a Proxy shall be deemed to confer authority to demand or join in demanding a poll and shall be as valid for any adjournment as for the meeting to which it relates.
- 20.13 A vote given in accordance with the terms of an instrument of Proxy shall be valid notwithstanding the previous death or disability of the principal or revocation of the Proxy or of the authority under which the Proxy was executed provided that no intimation in writing of such death, disability or revocation shall have been received by the Company at the Office (or such other address as may be specified by the Company from time to time for the purpose of receiving documents) before the commencement of the meeting or adjournment or the taking of the poll at which the Proxy is used.
- 20.14 Subject to the Companies Law, a Written Resolution to which the requisite majority of Eligible Members (including, for the avoidance of doubt, Members of a particular class) have within twenty-eight days of the date on which circulation of such Written Resolution, signified their agreement shall be as effective as if the same had been duly passed at a general meeting.
- 20.15 When two or more valid but differing appointments of a Proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share. The proceedings at a general meeting shall not be invalidated where an appointment of a Proxy in respect of that meeting is sent in electronic form as provided in these Articles, but because of a technical problem it cannot be read by the recipient.
- 20.16 Any corporation which is a Member may by resolution of its board of directors or other governing body authorise any one or more persons as it thinks fit to act as its representative(s) at any meeting of the Company or of any class of Members or to approve any resolution submitted in writing and each person so authorised shall be entitled to exercise on behalf of the

corporation which he, she or they represent the same powers (other than to appoint a Proxy) as that corporation could exercise if it were an individual Member, provided that if two or more representatives of one Member purport to exercise a power in respect of the same shares, then (i) if they exercise the power in the same manner, it shall be exercised in such manner; but (ii) if they exercise the power in a different manner, it shall be deemed not to have been exercised.

20.17 In calculating the periods mentioned in this Article 20 no account shall be taken of any part of a day that is not a Business Day.

20.18 The provisions contained in this Article 20 are without prejudice to any special rights, restrictions or prohibitions as regards voting for the time being attached to any shares or class of shares.

21. NUMBER AND APPOINTMENT OF THE BOARD

21.1 The number of the Directors shall be not less than two and there shall be no maximum number unless otherwise determined by the Company by Ordinary Resolution. At no time shall a majority of the Board be either (a) resident in the United Kingdom for United Kingdom tax purposes or (b) citizens of, or resident in, the United States. Each Director shall immediately inform the Board and the Company of any change, potential or intended, to his residential or US citizenship status for tax purposes or otherwise.

21.2 Subject to Article 21.1, the Board shall have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Board but so that the total number of the Board shall not at any time exceed the number (if any) fixed pursuant to these Articles. Any person so appointed by the Board shall hold office only until the next annual general meeting and shall then be eligible for election in accordance with Article 21.3.

21.3 Subject to Article 21.1, at each annual general meeting of the Company, all the Directors at the date of the notice convening the annual general meeting shall retire from office and each Director may offer himself for election or re-election by the Members.

21.4 If, at a general meeting at which a Director retires, the Company neither re-elects that Director nor appoints another person to the Board in the place of that Director, the retiring Director shall, if willing to act, be deemed to have been re-elected unless at the general meeting it is resolved not to fill the vacancy or unless a resolution for the re-election of the Director is put to the meeting and not passed.

21.5 No person other than a Director retiring at a general meeting shall, unless recommended by the Board, be eligible for election by the Company to the office of Director unless not less than 20 Clear Days before the date appointed for the meeting there shall have been left at the Office (or, if a Relevant Electronic Address or another electronic address has been specified by the Company for such purposes, sent to the Company's Relevant Electronic Address or other electronic address) a notice in writing signed or authenticated in accordance with these Articles by a Member duly qualified to attend and vote at the meeting for which such notice is given of

his intention to propose such person for election together with notice in writing signed by that person of his willingness to be elected, specifying his tax residency and US citizenship status and containing a declaration that he is not ineligible to be a Director in accordance with the Laws.

21.6 If:

21.6.1 any resolution or resolutions for the election or re-election of the persons eligible for election or re-election as Directors are put to the annual general meeting and lost; and

21.6.2 at the end of that meeting the number of Directors is fewer than any minimum number of Directors required under Article 21.1,

all retiring Directors who stood for re-election at that meeting (the “**Retiring Directors**”) shall be deemed to have been re-elected as Directors and shall remain in office, but the Retiring Directors may only:

21.6.3 act for the purpose of filling vacancies and convening general meetings of the Company; and

21.6.4 perform such duties as are appropriate to maintain the Company as a going concern and to comply with the Company's legal and regulatory obligations,

but not for any other purpose.

21.7 Without prejudice to the powers of the Board, the Company by Ordinary Resolution may 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 the Board shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles (and subject at all times to Articles 21.1 and 21.6). Any person so appointed by the Board shall hold office only until the next annual general meeting and shall then be eligible for election.

21.8 At a general meeting a motion for the appointment of two or more persons as Directors of the Company by a single resolution shall not be made unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.

21.9 A person must not be appointed as a Director unless he has, in writing, consented to being a director and declared that he is not ineligible to be a director under the Companies Law.

22. **QUALIFICATION AND REMUNERATION OF DIRECTORS**

22.1 A Director need not be a Member. A Director who is not a Member shall nevertheless be entitled to attend and speak at Members' meetings.

22.2 The Directors (other than any alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine provided that

the aggregate amount of such fees (including fees, if any, due to the Directors for attendance at meetings of any committee of the Board) for all the Board collectively shall not exceed £1,000,000 in any financial year, or such larger sum as may be determined from time to time by Ordinary Resolution of the Company. Any fees payable pursuant to these Articles shall be distinct from and shall not include any salary, remuneration for any executive office or other amounts payable to a Director pursuant to any other provisions of these Articles and shall accrue from day to day.

22.3 The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors, including expenses incurred in attending meetings of the Board or any committee of the Board or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company, and all reasonable expenses properly incurred by them in seeking independent professional advice on any matter that concerns them in the furtherance of their duties as a Director. If by arrangement with the Board, any Director shall perform or render any special duties or services outside his ordinary duties as a Director, he may be paid such reasonable additional remuneration as the Board may determine.

22.4 The Board shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

23. ALTERNATE DIRECTORS

23.1 Any Director may, but only with the prior written consent of the chairman of the Board, by notice in writing under his hand and deposited at the Office, or delivered at a meeting of the Board, appoint any person who fulfils the criteria contained in Article 23.2 as an alternate Director to attend and vote in his place at any meeting of the Board at which he is not personally present or to undertake and perform such duties and functions and to exercise such rights as he could personally and such appointment may be made generally or specifically or for any period or for any particular meeting and with and subject to any particular restrictions provided that the alternate director in question has provided notice in writing of his willingness and eligibility to act.

23.2 Subject to Article 21.1, every alternate Director shall either (a) be resident for tax purposes in the same jurisdiction as his appointor or (b) (i) not be resident for United Kingdom tax purposes in the United Kingdom and (ii) not be a citizen of, or resident in, the United States, in each case for the duration of the appointment of that alternate Director and in either case shall also be eligible to be a Director of the Company under the Laws and shall sign a written consent to act.

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

23.3.1 if his appointor so directs the Secretary, to notice of meetings of the Board; and

- 23.3.2 to attend and to exercise (subject to any restrictions) all the rights and privileges of his appointor at all such meetings at which his appointor is not personally present and generally at such meetings to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meetings the provisions of these Articles shall apply as if he (instead of his appointor) were a Director.
- 23.4 Every alternate Director shall *ipso facto* vacate office if and when his appointment expires by effluxion of time or his appointor vacates office as a Director or removes the alternate Director from office as such by notice in writing under his hand deposited at the Office, or delivered at a meeting of the Board, or if such alternate Director (being a person who at the time of his appointment as an alternate Director was not resident in the United Kingdom for United Kingdom tax purposes, not within the United Kingdom and not a citizen of or resident in the United States) changes his position in that regard.
- 23.5 No alternate Director shall be entitled as such to receive any remuneration from the Company but every alternate Director shall be entitled to be paid all reasonable expenses incurred in the exercise of his duties.
- 23.6 Subject to the foregoing provisions of this Article 23, a Director may act as alternate Director for another Director and shall be entitled to vote for such other Director as well as on his own account but no Director shall at any meeting be entitled to act as alternate Director for more than one other Director. He shall not be counted more than once for the purposes of the quorum.
- 23.7 An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be indemnified to the same extent *mutatis mutandis* as if he were a Director.

24. **BORROWING POWERS OF THE BOARD**

The Directors may exercise all the powers of the Company to borrow money to give guarantees, hypothecate, mortgage, charge or pledge all or part of the Company's assets, property or undertaking and uncalled capital, or any part thereof, for any and all purposes, including, without limitation, for the purposes of financing share repurchases or redemptions, making investments or satisfying working capital requirements provided that borrowings of the Company may not exceed 30 per cent. of the last published NAV as at the time of the borrowing or such greater amount as may be approved by Ordinary Resolution and, subject to compliance with the Memorandum and these Articles, the Directors may issue securities whether outright or as security for any debt, liability or obligation of the Company or of any third party. The limitation on borrowing under this Article 24 will not apply to portfolio level entities in respect of which the Company is invested or is proposing to invest.

25. OTHER POWERS AND DUTIES OF THE BOARD

- 25.1 The business of the Company shall be managed by the Board who may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting subject nevertheless to these Articles and to the Laws and to such regulations as may be prescribed by the Company in general meeting but no regulation so made shall invalidate any prior act of the Board. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- 25.2 For the avoidance of doubt, the Board may make such Tax, regulatory or other filings, and may render periodic or other reports to governmental or other agencies having jurisdiction over the business of the Company or its assets as the Board may deem necessary or appropriate.

26. POWERS OF ATTORNEY

- 26.1 A power of attorney given by the Company shall be valid if executed by the Company under the common signature of the Company.
- 26.2 The Board may at any time by power of attorney appoint any person or any fluctuating body of persons (not resident in the United Kingdom) whether nominated directly or indirectly by the Board to be the attorney of the Company for such purposes and with such powers and discretion and for such periods and subject to such conditions as the Board may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any attorney as the Board may think fit and may also authorise any attorney to sub-delegate all or any of his powers and discretion.
- 26.3 At such time and only for so long as applicable, each of the Members hereby appoints the Company (acting through the Board) as its agent and attorney with full authority to act in its sole discretion (and without any obligations on the Board to perform the same) to recover on their behalf all Tax Refunds (including tax credits and double tax treaty refunds as may be available to them) and any third party dealing with the Company in good faith may accept a written statement signed by a Director on behalf of the Company to the effect that this power of attorney has not been revoked by any such Members as conclusive evidence of that fact.

27. DIRECTORS' INTERESTS AND CONFLICTS OF INTEREST

- 27.1 Subject to, and in accordance with, the Companies Law, a Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose to the Board the nature and extent of his interest, unless the transaction or proposed transaction is between the Director and the Company, and is to be entered into in the ordinary course of the Company's business and on usual terms and conditions. A failure by a Director to comply does not affect the validity of a transaction entered into by the Company or the Director.

- 27.2 Subject to the provisions of the Companies Law, and provided that he has disclosed to the other Directors in accordance with the Companies Law the nature and extent of any interest of his, a Director notwithstanding his office:
- 27.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company, or in which the Company is otherwise interested;
 - 27.2.2 may act by himself or through his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
 - 27.2.3 may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, a shareholder of or otherwise directly or indirectly interested in, any body corporate promoted by the Company, or with which the Company has entered into any transaction, arrangement or agreement or in which the Company is otherwise interested; and
 - 27.2.4 shall not by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 27.3 For the purposes of this Article:
- 27.3.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
 - 27.3.2 an interest of which a Director is unaware shall not be treated as an interest of his.
- 27.4 A Director shall be counted in the quorum at any meeting in relation to any resolution in respect of which he has declared an interest and he may vote thereon.
- 27.5 A Director may continue to be or become a director, managing director, manager or other officer, employee or member of any company promoted by the Company or in which the Company may be interested or with which the Company has entered into any transaction, arrangement or agreement, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager, or other officer or member of any such other company. 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 the directors, managing directors, managers or other officers of such company).

- 27.6 Any Director who, by virtue of office held or employment with any other body corporate, may from time to time receive information that is confidential to that other body corporate (or in respect of which he owes duties of secrecy or confidentiality to that other body corporate) shall be under no duty to the Company by reason of his being a Director to pass such information to the Company or to use that information for the benefit of the Company, in either case where the same would amount to breach of confidence or other duty owed to that other body corporate.

28. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

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

28.1.1 if he (not being a person holding for a fixed term an executive office and subject to termination if he ceases from any cause to be a Director) resigns his office by giving one month's written notice signed by him and sent to or deposited at the Office;

28.1.2 if he dies;

28.1.3 if the Company requests that he resign his office by giving him one month's written notice;

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

28.1.5 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;

28.1.6 if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under the provisions of any law or enactment;

28.1.7 if he is requested to resign by written notice signed by not less than 75 per cent. of his co-Directors (not being less than two in number);

28.1.8 if he becomes ineligible to be a Director in accordance with the Laws;

28.1.9 if the Company by Ordinary Resolution shall declare that he shall cease to be a Director;

28.1.10 if he is not already resident and becomes resident in the United Kingdom for UK tax purposes and, as a result thereof, a majority of the Directors would, if he were to remain a Director, be resident in the United Kingdom for UK tax purposes; or

28.1.11 if he is not already resident in or a citizen of the United States and becomes resident in or a citizen of the United States and, as a result thereof, a majority of the Directors would, if he were to remain a Director, be resident in or a citizens of the United States,

provided that until an entry of his office having been so vacated be made in the minutes of the Directors his acts as a Director shall be as effectual as if his office were not vacated.

28.2 No person shall be or become incapable of being appointed a Director by reason of having attained the age of 70 or any other age and no Director shall be required to vacate his office at any time by reason of the fact that he has attained the age of 70 or any other age.

28.3 Subject to Article 21.1, if the Company by Ordinary Resolution removes any Director before the expiration of his period of office it may by an Ordinary Resolution appoint another person to be a Director in his stead who shall retain his office so long only as the Director in whose stead he is appointed would have held the same if he had not been removed. Such removal shall be without prejudice to any claims such Director may have for damages for breach of any contract of service between him and the Company.

29. **PROCEEDINGS OF DIRECTORS**

29.1 The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman at the meeting shall have a casting vote. All meetings of Directors shall take place outside the United Kingdom and the United States and any decision reached or resolution passed by the Directors at any meeting held within the United Kingdom or the United States, or at which a majority of the Directors present at the meeting are resident in the United Kingdom for United Kingdom tax purposes, shall be invalid and of no effect.

29.2 A video link or telephone conference call or other electronic or telephonic means of communication in which a quorum of Directors participates and all participants can hear and speak to each other shall be a valid meeting **PROVIDED THAT** (a) a majority of the Directors are physically present outside the United States and (b) no Directors physically present in the United Kingdom at the time of any such meeting may participate in a meeting by means of video link, telephone conference call or other electronic or telephonic means of communication and accordingly no Director physically present in the United Kingdom shall count in the quorum or be entitled to vote at any such meeting.

29.3 The Board shall also determine the notice necessary for their meetings and the persons to whom such notice shall be given.

29.4 A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretion exercisable by the Board.

- 29.5 The continuing Directors may act notwithstanding any vacancy but if and so long as their number is reduced below the minimum number fixed pursuant to these Articles the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting but for no other purpose. If there are no Directors able or willing to act then any one or more Members holding more than one-tenth of the total voting rights attaching to the Ordinary Shares at the relevant time between them may summon a general meeting for the purpose of appointing a Director.
- 29.6 The Board may elect one of its number as chairman of their meetings and determine the period for which he is to hold office. If no such chairman be elected or if at any meeting the chairman be not present within five minutes after the time appointed for holding the same the Director present may choose one of their number to be chairman of the meeting.
- 29.7 The Board may delegate any of its powers to committees consisting of two or more Directors as they think fit, provided that such delegation shall not operate to the exclusion of the powers of the Board. Such committees shall consist of a majority of Directors that are (a) not resident for United Kingdom tax purposes in the United Kingdom and (b) not citizens of or resident in the United States and shall meet only outside the United Kingdom and the United States. Any committee so formed shall be subject to the suspension of the Board and shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board. The provisions of Article 29.1 shall apply to meetings of committees as they apply to meetings of the Board.
- 29.8 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two, provided that only a meeting at which a majority of the Directors present are (a) not resident in the United Kingdom for United Kingdom tax purposes and (b) not resident in or citizens of the United States, shall be declared quorate and provided further that where any of the Directors have been nominated for appointment to the Board by the Manager under an investment management agreement with the Company, unless the Board has previously resolved otherwise, at least one such nominee Director must be present in order for the meeting to be declared quorate.
30. **EXECUTIVE DIRECTOR**
- 30.1 The Board may at any time appoint one or more of their body (other than a Director resident in the United Kingdom for United Kingdom tax purposes or a citizen or resident of the United States) to be holder of any executive office including the office of managing Director on such terms and for such periods as they may determine.
- 30.2 The appointment of any Director to any executive office shall be subject to termination if he ceases from any cause to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company. The appointment of a Director

to any executive office shall terminate automatically if he becomes resident in the United Kingdom for United Kingdom tax purposes or a citizen or resident of the United States.

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

31. SECRETARY

- 31.1 The Secretary of the Company (if any) may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by the Directors.

- 31.2 Where the Company has appointed a secretary, and without prejudice to the responsibility of any other person or to any other responsibilities he may hold, the functions and responsibilities of a Secretary are those which are set out in any agreement under which the Secretary is appointed from time to time or, failing such agreement, the Secretary shall take reasonable steps to ensure:

31.2.1 that all registers and indexes are maintained in accordance with the provisions of the Laws;

31.2.2 that all notices and documents required to be filed or served upon the Registrar or other persons are duly so filed or served;

31.2.3 that all resolutions, records and minutes of the Company are properly kept;

31.2.4 that copies of the Memorandum and Articles are kept fully up to date; and

31.2.5 that the Directors are aware of any obligations imposed by: -

(a) the Memorandum and Articles; and

(b) (if applicable) the rules of any stock exchange that the Company is listed on.

32. COMMON SIGNATURE

- 32.1 The common signature of the Company may be either:

32.1.1 **“RIVERSTONE ENERGY LIMITED”**

with the addition of the signature(s) of one or more officer(s) of the Company authorised generally or specifically by the Directors for such purpose, or such other person or persons as the Directors may from time to time appoint; or

32.1.2 if the Board resolves that the Company shall have a common seal, the common seal of the Company affixed in such manner as these Articles may from time to time provide.

33. THE SEAL

33.1 The Company may have a common seal (the “Seal”) and if the Board resolves to adopt a Seal the following provisions shall apply.

33.2 The Seal shall have the Company’s name engraved on it in legible letters.

33.3 The Board shall provide for the safe custody of the Seal outside of the United Kingdom, which shall only be used pursuant to a resolution passed at a meeting of the Board, or a committee of the Board authorised to use the Seal, and in the presence either of two Directors or of one Director and the Secretary or of such person or persons as the Board may from time to time appoint, and such person or persons, as the case may be, shall sign every instrument to which the Seal is affixed.

33.4 The Company may have for use in any territory, district or place abroad an official seal which shall bear on its face the Company’s name in legible characters with the addition of the name of the territory, district or place where it is to be used.

34. AUTHENTICATION OF DOCUMENTS

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

35. DIVIDENDS AND DISTRIBUTIONS

35.1 The Directors may from time to time authorise dividends and distributions (as those terms are defined under the Companies Law) to be paid to the Members in accordance with the procedure set out in the Laws and subject to any Member’s rights attaching to their shares and the amount of such dividends or distributions paid in respect of one class may be different from that of another class. The declaration of the Directors as to the amount of the dividend or distribution available shall be final and conclusive.

35.2 All dividends and distributions declared in respect of a class of shares shall be approved by a majority of the Board (such majority to include at least one independent Director and one Director nominated for appointment to the Board by the Manager under an investment

management agreement with the Company) and apportioned and paid among the holders of shares of such class *pro rata* to their respective holdings of shares of such class.

- 35.3 The Directors may, in relation to any dividend or distribution, direct that the dividend or distribution shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares, debentures, or other securities of any other company, and where any difficulty arises in regard to the dividend or distribution the Directors may settle it as they think expedient, and in particular may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for dividend and distribution purposes of any assets or any part thereof and may determine that cash shall be paid to any Members upon the footing of the value so fixed in order to secure equality of dividend or distribution and may vest any assets the subject of a dividend or distribution in trustees as may seem expedient to the Directors.
- 35.4 In computing amounts available for dividend or distribution, if relevant the Board may be entitled to charge up to one hundred per cent. of the fees of the Company's service providers and finance costs and other expenses to capital.
- 35.5 The Board may, subject to such terms and in such manner as they may determine, issue shares in *lieu* of dividends in accordance with section 306 of the Companies Law.
- 35.6 The Board may deduct from any dividend or distribution 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.
- 35.7 The Board may retain any dividend or distribution or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the liabilities or obligations in respect of which the lien exists.
- 35.8 The Board may retain dividends or distributions payable upon shares in respect of which any person is entitled to become a Member until such person has become a Member.
- 35.9 Any dividend or distribution or other moneys payable on or in respect of a share shall be paid to the Member or to such other person as the Member (or, in the case of joint holders of a share, all of them) may in writing direct. Such dividend or distribution or other moneys may be paid (i) by cheque sent by post to the payee or, where there is more than one payee, to any one of them, or (ii) by inter-bank transfer to such account as the payee or payees shall in writing direct, or (iii) (if so authorised by the holder of shares in Uncertificated form) using the facilities of the relevant Uncertificated System (subject to the facilities and requirements of the relevant Uncertificated System), or (iv) by such other method of payment as the Member (or in the case of joint holders of a share, all of them) may agree to. Every such cheque shall be sent at the risk of the person or persons entitled to the money represented thereby, and payment of a cheque by the banker upon whom it is drawn, and any transfer or payment within (ii), (iii) or (iv) above, shall be a good discharge to the Company.

- 35.10 No dividend or distribution or other moneys payable on or in respect of a share shall bear interest against the Company.
- 35.11 All unclaimed dividends or distributions may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted as trustee in respect thereof. All dividends unclaimed on the earlier of (a) a period of seven years after the date when it first became due for payment and (b) the date on which the Company is wound up shall be forfeited and shall revert to the Company without the necessity for any declaration or other action on the part of the Company.
- 35.12 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or distribution or other moneys payable on or in respect of a share may be paid in such currency as the Board may determine, using such exchange rate for currency conversions as the Board may select.
- 35.13 The Company may cease to send any cheque, warrant or order by intra-bank transfer for any dividend on any shares which is normally paid in that manner if in respect of at least two consecutive dividends or distributions payable on those shares the cheque, warrant or order has been returned undelivered or remains uncashed or the intra-bank transfer is rejected but, subject to the provisions of these Articles, shall recommence sending cheques, warrants, orders or intra-bank transfers in respect of the dividends or distributions payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.
- 35.14 If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, any one of them may give effectual receipts for any dividend or distribution or other moneys payable or property distributable on or in respect of the share.
- 35.15 Any resolution for the declaration or payment of a dividend or distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or distribution shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend or distribution of transferors and transferees of any such shares.
- 35.16 The waiver in whole or in part of any dividend or distribution on any share shall be effective only if such waiver is in writing signed by the Member (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

35.17 Subject to the provisions of the Companies Law and these Articles, the Directors may, in their absolute discretion, provide that Members will be entitled to elect to receive an issue of additional shares of the relevant class (the “**relevant class**”) credited as fully paid (“**bonus shares**”) in anticipation of, but in *lieu* of, any dividend being declared in respect of such electing Members in accordance with these Articles. This Article 35.17 shall apply to any Member that has elected by giving written notice to the registrar of the Company at least 15 (fifteen) Business Days prior to the payment date for any dividend, not to receive such dividend in respect of any of the shares owned of the relevant class by such Member but to receive bonus shares in *lieu*, and no Member who has so elected shall be entitled to receive such dividend in respect of any shares of the relevant class which are so elected and no such dividend shall be declared in respect of such Member. In any such case the following provisions shall (subject to such amendments as the Directors may in their absolute discretion determine from time to time) apply:

35.17.1 the shares of the relevant class held by such electing Members (the “**redesignated shares**”) shall in aggregate be redesignated into a new class of shares in the Company;

35.17.2 the number of bonus shares, including fractional entitlements, to be issued shall be determined by reference to the most recent Net Asset Value per share of the relevant class published by the Company, such number as is determined from time to time by Ordinary Resolution of the Company or such other number as the Directors may determine in their absolute discretion;

35.17.3 the bonus shares will be issued *pro rata* to holders of redesignated shares and shall be allotted and issued and distributed amongst the relevant Members and shall rank *pari passu* in all respects with the shares of the relevant class then in issue save that such bonus shares shall not be entitled to participation in the relevant dividend;

35.17.4 the redesignated shares will be redesignated into shares of the relevant class originally held by electing Members;

35.17.5 the Directors may do all acts and things considered necessary or expedient in accordance with the provisions of these Articles and the Companies Law to give effect to any such capitalisation, with full power to the Directors to make such provision as they think fit in the case of bonus shares becoming distributable in fractions so that the fractional entitlements are disregarded or rounded up or the benefit of the fractional entitlements accrues to the Company; and

35.17.6 the Directors may on any occasion determine that rights of election shall not be made available to any Members with registered addresses in any territory where in the absence of a registration statement or compliance with other special formalities the circulation of an offer of bonus shares would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.

- 35.18 Members who have made an election to receive bonus shares in *lieu* of any dividend pursuant to Article 35.17 may change their election by giving written notice to the registrar of the Company at least 15 (fifteen) Business Days prior to the payment date for any dividend in respect of which the new election is to take effect.

36. **RESERVES**

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

37. **CAPITALISATION OF RESERVES**

- 37.1 The Board in its absolute discretion may resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the retained earnings account or otherwise available for distribution, and accordingly that the sum be set free for distribution amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such Members respectively or paying up in full unissued shares of the Company to be issued and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other.
- 37.2 Whenever such a resolution as aforesaid shall have been passed the Board shall make all the appropriations and applications of the sums resolved to be capitalised thereby, and all issues of fully paid shares, if any, and generally shall do all acts and things required to give effect thereto with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares becoming distributable in fractions including by aggregating and selling them. For the purposes of effecting any such sale, the Board may arrange for the shares representing the fractions to be entered in the Register as Certificated shares. The shares representing fractions may be sold to any person, including the Company, and the Board may authorise some person to transfer or deliver the shares to, or in accordance with the directions of, the purchaser. The person to whom any shares are transferred or delivered shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in, or invalidity of the proceedings relating to the sale. The Board may also authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the issue to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon

such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits or reserves resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such Members.

38. ACCOUNTS

- 38.1 The Board shall cause proper books of account to be kept with respect to all the transactions assets and liabilities of the Company in accordance with the Laws.
- 38.2 Subject to the Laws the books of account shall be kept at the Office or at such other place outside the United Kingdom as the Board shall think fit and shall at all times be open to the inspection of the Directors and the Secretary.
- 38.3 Accounts complying with the provisions of the Companies Law (which for the avoidance of doubt include a profit and loss account and a balance sheet) shall be prepared by the Company. The accounts shall be accompanied by a report of the Directors stating the principal activities of the Company in the course of the financial year. The accounts and Directors' report shall be signed on behalf of the Directors by at least one of them.
- 38.4 Where the Company holds an annual general meeting, a copy of the accounts and Directors' report with the auditor's report (if any) attached thereto shall be laid before that meeting. Whether the Company holds an annual general meeting or is authorised not to do so, a copy of the accounts and Directors' report with the auditor's report (if any) attached thereto shall be delivered or sent in hard copy form by post to the registered address of the Members (or in electronic form to an address notified by the Member for that purpose) within 12 months of the end of the financial period to which such accounts and reports relate.

39. AUDITORS

- 39.1 A Director shall not be capable of being appointed as an Auditor.
- 39.2 A person other than a retiring Auditor shall not be capable of being appointed Auditor at an ordinary general meeting unless notice of intention to nominate that person as Auditor has been given by a Member to the Company not less than 14 days before the meeting and the Board shall send a copy of any such notice to the retiring Auditor and shall give notice to the Members not less than 7 days before the meeting provided that if after notice of the intention to nominate an Auditor has been so given a meeting is called for a date 14 days or less after such notice has been given the requirements of this provision as to time in respect of such notice shall be deemed to have been satisfied and the notice to be sent or given by the Company may instead of being sent or given within the time required by this Article be sent or given at the same time as the notice of the meeting.

- 39.3 The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor (if any) may act.
- 39.4 The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Company may determine except that the remuneration of any Auditor appointed by the Board shall be fixed by the Board.
- 39.5 Every Auditor shall have a right of access at all times to the books accounts and documents of the Company and as regards books accounts and documents of which the originals are not readily available shall be entitled to rely upon copies or extracts certified by an officer of the Company and shall be entitled to require from the Board such information and explanations as may be necessary for the performance of their duties and the Auditors shall make a report to the Members on the accounts examined by them and the report shall state whether in their opinion the accounts give a true and fair view of the state of the Company's affairs and whether they have been prepared in accordance with the Laws.
- 39.6 Any Auditor shall be eligible for re-election.
- 39.7 Notwithstanding Article 39.2, the Members may appoint an Auditor of the Company by Ordinary Resolution at any time.
- 39.8 If an Auditor is not appointed in accordance with the Companies Law for any financial year of the Company, the Court may, on the application of a Member or creditor of the Company, and subject to such terms and conditions as it thinks fit, appoint an Auditor of the Company for that financial year or for such other period as the Court may direct.

40. UNTRACEABLE MEMBERS

- 40.1 The Company shall be entitled to sell at the best price reasonably obtainable the shares of a Member or any shares to which a person is entitled by transmission on death or bankruptcy if and provided that:
- 40.1.1 for a period of 12 years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the Member or to the person so entitled to the share at his address in the Register or otherwise the last known address given by the Member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the Member or the person so entitled provided that in such period of 12 years, the Company has paid out at least three dividends whether interim or final;
- 40.1.2 the Company has at the expiration of the said period of 12 years by advertisement in a newspaper circulating in the area in which the address referred to in Article 40.1.1 above is located given notice of its intention to sell such shares;

- 40.1.3 the Company has not during the period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Member or person so entitled; and
- 40.1.4 if any part of the share capital of the Company is quoted on any stock exchange and the rules of such stock exchange so require, the Company has given notice in writing to the quotations department of such stock exchange of its intention to sell such shares.
- 40.2 To give effect to any such sale the Board may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer of the said shares shall be as effective as if it had been executed by the registered holder of, or person entitled by transmission to, such shares and the title of the purchaser or other transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former Member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former Member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company) as the Board may from time to time think fit.
41. **NOTICES**
- 41.1 A notice, document or other information may be given by the Company to any Member either:
- 41.1.1 personally; or
- 41.1.2 by sending it by prepaid post addressed to such Member at his registered address; or
- 41.1.3 where appropriate, by sending or supplying it in electronic form to a Relevant Electronic Address or another address notified by the Member for that purpose;
- 41.1.4 by publishing it in La Gazette Officielle; or
- 41.1.5 where appropriate, by publication on a website in accordance with these Articles and the Companies Law.
- 41.2 Notices to be posted to addresses outside the Channel Islands and the United Kingdom shall so far as practicable be forwarded by prepaid airmail. The Company may at any time and in its sole discretion choose to serve, send or supply notices, documents or other information in hard copy form alone to some or all Members.
- 41.3 Unless the Companies Law shall specify otherwise a notice shall, unless the contrary is shown, be deemed to have been:

41.3.1 received, in the case of a notice sent by post to an address in the United Kingdom, Channel Islands or the Isle of Man, on the second day after the day of posting;

41.3.2 received, in the case of a notice sent by post elsewhere by airmail, on the third day after posting;

41.3.3 served, in the case of a notice sent by electronic means, immediately after it was transmitted in accordance with Article 41.6,

excluding, in the first two cases, any day which is a Saturday, Sunday, Good Friday, Christmas Day, a bank holiday in Guernsey or a day appointed as a day of public thanksgiving or public mourning in Guernsey. A notice given by advertisement shall be published in at least one UK national newspaper and one daily newspaper circulated widely in each of Guernsey and Jersey and shall be deemed to have been served before noon on the day on which the advertisement appears. A notice given by publication in La Gazette Officielle shall also be deemed to have been served before noon on the day on which the notice appears in La Gazette Officielle.

41.4 Any notice, document or other information may be served, sent or supplied by the Company to the joint holders of a share by serving, sending or supplying the same to the joint holder first named in the Register in respect of the share.

41.5 Any notice, document or other information served, sent or supplied by post or in electronic form (including by publications on a website in accordance with these Articles) to, or left at the registered address of, any Member shall notwithstanding the death, disability or insolvency of such Member and whether the Company has notice thereof be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice, document or other information on all persons interested (whether jointly with or as claiming through or under him) in any such share.

41.6 Any document notice, document or other information which, in accordance with these Articles and subject to Article 41.10, may be transmitted by the Company by electronic communication shall, if so transmitted, be deemed to be regarded as served immediately after it was transmitted unless the contrary is shown. Proof (in accordance with the formal recommendations of best practice contained in the guidance issued by the Institute of Chartered Secretaries and Administrators) that an electronic communication was transmitted by the Company shall be conclusive evidence of such sending.

41.7 Any notice, document or other information made available on a website shall be deemed to have been received on the day on which the notice, document or other information was first made available on the website or, if later, when a notice of availability is received or deemed to have been received pursuant to this Article.

- 41.8 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.
- 41.9 A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law, upon supplying to the Company such evidence as the Board may reasonably require to show his title to the share, and upon supplying also a postal address, a Relevant Electronic Address or an address for the purposes of communications by electronic means for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice, document or other information to which the said Member would have been entitled or, where applicable, may be notified at that address of the availability of the notice or document on a website, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice, document or other information on all persons interested (whether jointly with or as claiming through or under him) in the share.
- 41.10 If there is a suspension or curtailment of postal services within the United Kingdom or some part of the United Kingdom, the Company need only give notice of a general meeting to those Members with whom the Company can communicate via a Relevant Electronic Address or by electronic means and who have provided the Company with an address for this purpose. The Company shall also advertise the notice in at least one newspaper with a national circulation in the United Kingdom and one daily newspaper circulated widely in each of Guernsey and Jersey, and make it available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof. If, at least six Clear Days prior to the meeting, the sending or supply of notices by post in hard copy form has again become generally possible, the Company shall send or supply confirmatory copies of the notice by post to those Members who would otherwise receive the notice in hard copy form.
- 41.11 For the purposes of this Article:
- 41.11.1 a notice, document or other information may be served, sent or supplied by the Company in electronic form to a Member who has agreed (generally or specifically) that notices, documents or information can be sent or supplied to them in that form and has not revoked such agreement;
- 41.11.2 where the notice, document or other information is served, sent or supplied by electronic means, it may only be served, sent or supplied to a Relevant Electronic Address or another address specified for that purpose by the intended recipient;
- 41.11.3 a notice, document or other information may be served, sent or supplied by the Company to a Member by being made available on a website if the Member has agreed (generally or specifically), or pursuant to Article 41.11.4 below is deemed to have agreed, that notices, document or information can be sent or supplied to the Member in that form and has not revoked such agreement;

- 41.11.4 if a Member has been asked individually by the Company to agree that the Company may serve, send or supply notices, documents or other information generally, or specific notices, documents or other information, to them by means of a website (for the avoidance of doubt, whether before or after the adoption of this Article) and the Company does not receive a response within a period of 28 days beginning with the date on which the Company's request was sent (or such longer period as the Directors may specify), such Member will be deemed to have agreed to receive such notices, documents or other information by means of a website in accordance with Article 41.11.3 above. A Member can revoke any such deemed election in accordance with Article 41.11.8 below;
- 41.11.5 a notice, document or other information served, sent or supplied by means of a website must be made available in a form, and by a means, that the Company reasonably considers will enable the recipient: (i) to read it, and (ii) to retain a copy of it. For this purpose, a notice, document or other information can be read only if: (i) it can be read with the naked eye; or (ii) to the extent that it consists of images (for example photographs) it can be seen with the naked eye;
- 41.11.6 if a notice, document or other information is served, sent or supplied by means of a website, the Company must notify the intended recipient of: (i) the presence of the notice, document or information on the website; (ii) the address of the website; (iii) the place on the website where it may be accessed; and (iv) how to access the notice, document or information;
- 41.11.7 any notice, document or other information made available on a website will be maintained on the website for the period of 28 days beginning with the date on which notification is given under Article 41.11.6 above, or such shorter period as may be decided by the Directors. A failure to make a notice, document or other information available on a website throughout the period mentioned in this Article 41.11.7 shall be disregarded if: (i) it is made available on the website for part of that period; and (ii) the failure to make it available throughout that period is wholly attributable to circumstances that it would not be reasonable for the Company to prevent or avoid;
- 41.11.8 any amendment or revocation of a notification given to the Company or agreement (or deemed agreement) under this Article shall only take effect if in writing, signed (or authenticated by electronic means) by the Member and on actual receipt by the company thereof; and
- 41.11.9 communications sent to the Company by electronic means shall not be treated as received by the Company if rejected by computer virus protection arrangements.
- 41.12 Where under these Articles a document requires to be signed by a Member or other person then, if in the form of an electronic communication, it must, to be valid, incorporate the

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

42. **WINDING UP**

42.1 Subject to the provisions of Article 49, the Company shall have an indefinite life. On a winding up the surplus assets remaining after payment of all creditors shall be divided amongst the classes of shares then in issue (if more than one) in accordance with the rights of such classes of shares as set out in these Articles.

42.2 If the Company shall be wound up the Liquidator may with the authority of a Special Resolution divide among the Members entitled to the same *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 or 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 shares or other assets in respect of which there is any outstanding liability.

42.3 Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company (“**the transferee**”) the Liquidator 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 or sale, shares policies or other like interests in the transferee for distribution among the Members or may enter into any other arrangement whereby the Members 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.

43. **INDEMNITY**

Subject to applicable law, the Company may indemnify any Director or a Director who has been appointed as a director of any Investment Undertaking (a “**Subsidiary Director**”) against any liability except such (if any) as they shall incur by or through their own default, breach of trust, breach of duty or negligence and may purchase and maintain for any Director or any Subsidiary Director insurance against any liability.

44. **INSURANCE**

Without prejudice to any other provisions of these Articles, the Board may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company or of any Investment Undertaking or otherwise associated with the Company or any Investment Undertaking or in which the Company or any such Investment Undertaking has or had any interest, whether direct or indirect, or of any predecessor in business of any of the foregoing, including (without prejudice to the generality of the foregoing) insurance against any costs, charges, expenses, losses or liabilities suffered or incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and discretion and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any Investment Undertaking.

45. **INSPECTION OF DOCUMENTS**

Subject to Article 38.2, the Board shall determine whether and to what extent and at what times and places and under what conditions the accounts books and documents of the Company shall be open to inspection and no Member shall have any right of inspecting any account or book or document except as conferred by the Laws or authorised by the Board.

46. **REPORTING AND SUSPENSION OF NET ASSET VALUE**

46.1 Subject to Article 46.2 the Company will calculate the Net Asset Value as at each NAV Calculation Date in accordance with the valuation policy adopted by the Board from time to time, for reporting to Members quarterly.

46.2 The Directors may at any time, but cannot be obliged to, temporarily suspend the calculation of the Net Asset Value and Net Asset Value per share of a class and the issuance of any shares in such class during:

46.2.1 any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the Company is not reasonably practicable without this being seriously detrimental to the interests of Members or if, in the opinion of the Directors, the Net Asset Value and/or Net Asset Value per share of the relevant class cannot be fairly calculated;

46.2.2 any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the Company or when for any other reason the current prices of any of the investments of the Company cannot be promptly and accurately ascertained;

46.2.3 any period during which any transfer of funds involved in the realisation or acquisition of investments of the Company cannot, in the opinion of the Board, be effected at normal prices or rates of exchange; or

46.2.4 any period when the Board considers it to be in the best interests of the Company.

47. RECORD DATES

47.1 Subject to any restriction thereon contained in the Laws, for the purposes of serving notices of meetings, whether under the Laws or under a provision in these Articles or any other instrument, the Directors may determine that those persons who are entered on the Register at the close of business on a day determined by the Directors shall be persons who are entitled to receive such notices provided that such day may not be more than 21 days before the day on which the notices of the meeting are sent.

47.2 For the purposes of determining which persons are entitled to attend or vote at a meeting, and how many votes they may cast, the Directors may specify in the notice of the meeting a time, being not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting.

47.3 Notwithstanding any provision to the contrary in these Articles, changes to entries on the Register after the time specified under Article 47.2 may at the discretion of the Directors be disregarded in determining the rights of any person to attend or vote at the meeting.

47.4 Subject to any restriction thereon contained in the Laws or in the terms of issue of any share in the Company, for the purposes of issuing any share, making any distribution or paying any dividend, the Directors may determine that those persons who are entered on the Register at the close of business on a day determined by the Directors shall be the persons who are entitled to receive such shares, dividends or distributions provided that such day may not be more than 6 months before or after any date on which such notice, dividend, distribution, or issuance is given, made or paid (as appropriate).

48. U.S. TAX MATTERS

48.1 Solely for United States Tax compliance and reporting purposes, the Company shall, on a notional basis in respect of Members, maintain Capital Accounts in the books of the Company in accordance with U.S. Treasury Regulation § 1.704-1(b)(2)(iv).

48.2 Solely for United States Tax compliance and reporting purposes, income, gain, loss, deduction and credit attributable to a particular class of shares shall be notionally allocated to the Capital Account of each Member or applicable Interested Party *pro rata* in accordance with its respective holdings of shares of a particular class, except as otherwise determined by the Board or its authorised delegate in its sole discretion in order to comply with the U.S. Code. For the avoidance of doubt, all allocations shall be made on a notional basis solely for United States Tax

compliance and reporting purposes and, accordingly, all such allocations shall be made in a manner so as to maintain fungibility for each class of shares.

- 48.3 The Board shall from time to time designate a Member to be the “tax matters partner” (hereinafter referred to as the “**Tax Matters Member**”) under the U.S. Code and, in such capacity, is authorised and required to represent the Company and each of the Members as their duly authorised agent (at the Company’s expense) in connection with all examinations of the Company’s affairs by United States Tax authorities, including any resulting administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith. The initial Tax Matters Member shall be the Manager and the Tax Matters Member shall be subject to removal and replacement at any time from time to time by the Board in its sole discretion. The Tax Matters Member shall have the authority to control all administrative and judicial proceedings in respect of United States Tax matters for and on behalf of the Company and each of the Members as their duly authorised agent. The Members shall be bound by the outcome of any final administrative adjustments resulting from an audit in respect of United States Tax matters, as well as by the outcome of judicial review of any such adjustments. Each Member shall cooperate with the Tax Matters Member in respect of United States Tax matters and to do or refrain from doing any or all things reasonably requested by the Tax Matters Member to conduct such proceedings.
- 48.4 The Board is hereby authorised to and shall cause the Company to execute and file (i) a U.S. Internal Revenue Service Form 8832 within 75 days of and effective from the formation of the Company electing to classify the Company as a partnership for U.S. federal income tax purposes and (ii) any comparable form or document required by any applicable United States Tax Law in order for the Company to be classified as a partnership under such United States Tax Law, and, unless the Board in its discretion determines otherwise, shall not subsequently elect to change any such classification.
- 48.5 Unless the Board in its discretion determines otherwise, the Company will use its reasonable efforts consistent with the terms of these Articles to conduct the affairs of the Company in a manner that does not generate income that is not “qualifying income” (as defined in Section 7704(d) of the U.S. Code) or that is “effectively connected with the conduct of a trade or business within the United States” for purposes of Section 871 and 882 of the U.S. Code.
- 48.6 Notwithstanding anything contained in these Articles to the contrary and unless the Board in its discretion determines otherwise, the Company will use reasonable best efforts to undertake all necessary steps to preserve its status as a partnership for U.S. federal income tax purposes and not undertake any activity or make any investment or fail to take any action that would be reasonably likely to (i) cause the Company to earn or to be allocated income other than qualifying income as defined in Section 7704(d) of the U.S. Code, except to the extent permitted under Section 7704(c) of the U.S. Code, or (ii) jeopardize its status as a partnership for U.S. federal income tax purposes. In the event the Company were to determine that it (or any Investment Undertaking) is classified as an association taxable as a corporation that is a passive

foreign investment company (“**PFIC**”) for U.S. federal income tax purposes for any taxable year, the Company will use commercially reasonable efforts to provide to its Members that are U.S. persons, without cost, a PFIC annual information statement upon any such Member’s request in order to facilitate the making of a “qualified electing fund” election by such Member with respect to the Company or such Investment Undertaking.

48.7 The Board may make or cause the Company to make any and all elections for all United States Tax matters, including any election to adjust the basis of Company property pursuant to Section 734(b) and 743(b) of the U.S. Code or comparable provisions of U.S. federal, state, local or non-U.S. Law.

48.8 Notwithstanding any other provision of these Articles, the Board is authorised to take any action that may be required to be necessary or appropriate to cause the Company to comply with any withholding, reporting and other requirements established under the U.S. Code or any other U.S. or non-U.S. federal, state or local Law, including pursuant to Sections 1441, 1442, 1445, 1446 of the U.S. Code and any Tax Information Reporting Rules. To the extent that the Company or any Investment Undertaking is required or elects to withhold and pay over to any taxing authority any amount resulting from the notional allocation or distribution of income to or otherwise in respect of any Member’s Capital Account (including by reason of Section 1446 of the U.S. Code and in all cases solely for United States Tax compliance and reporting purposes), the Board may treat the amount withheld as an offset against amounts otherwise distributable to such Member pursuant to Article 35.6.

49. **DISCONTINUATION RESOLUTION**

49.1 If, on the seventh anniversary of the first Admission, both:

- (a) the trading price for the Ordinary Shares has not met or exceeded the Target Price (as defined in Article 49.2 below) at any time following the first Admission; and
- (b) the Invested Capital Target Return (as defined in Article 49.2 below) has not been met,

then the Directors will convene a meeting of Members, to be held within 6 weeks of the seventh anniversary of the first Admission, to consider a Special Resolution on whether to liquidate the Company (the “**Discontinuation Resolution**”).

49.2 For the purposes of Article 49.1:

- (i) the “*Target Price*” is £15.00, subject to (A) downward adjustment in respect of the amount of all dividends and other distributions, stock splits and equity issuances below the prevailing NAV per Ordinary Share made following the first Admission and (B) upward adjustment to take account of any share consolidations made following the first Admission;

- (ii) the “*Invested Capital Target Return*” is the Gross IRR of 8 per cent. on the portion of the proceeds of the Issue (as such term is defined in the Company’s Prospectus) that have been invested or committed to an investment (“**Invested Capital**”) in respect of the period from the dates of investment or commitment of that Invested Capital (being the dates from which a Management Fee has been paid in respect of that Invested Capital) to the seventh anniversary of the first Admission, calculated by reference to the prevailing U.S. dollar valuations (as of the seventh anniversary of the first Admission (or earlier disposal)) of the Group’s investments acquired with that Invested Capital and sales proceeds of investments that have been disposed of prior to such seventh anniversary and taking account of any distributions made on those investments prior to the seventh anniversary of the first Admission; and
- (iii) “*Gross IRR*” means an aggregate, annual, compound, gross internal rate of return on investments. Gross IRR does not reflect expenses to be borne by the relevant investment vehicle or its investors including, without limitation, carried interest, management fees, taxes and organisational, partnership or transaction expenses.