



Franklin Templeton Investments
(Asia) Limited
富蘭克林鄧普頓投資(亞洲)有限公司
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This circular is important and requires your immediate attention.

If you are in doubt as to the action you should take, please consult your legal, financial or professional advisers.

If you have sold or transferred all of your shares in Franklin Floating Rate Fund plc, please pass this circular and the accompanying letter of directions at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee as soon as possible.

Hong Kong, 13 June 2014

To: Participants in the Franklin Floating Rate Fund plc (the "Company")

Circular on Extraordinary General Meeting

Enclosed with this letter, you will find the notice of the Company's Extraordinary General Meeting to be held at 3 p.m. (Irish time) on 9 July 2014 at JPMorgan House, International Financial Services Centre, Dublin 1, Ireland. The purpose of the Extraordinary General Meeting is to seek approval by way of special resolution for certain amendments to be made to the articles of association of the Company (the "Articles").

We are writing to you as an investor of the Company to seek your approval of the proposed amendments to the Articles as set out in detail in Appendix I below. The directors of the Company consider the proposed changes to the Articles to be in the best interests of the Company and the shareholders as a whole and recommend that you approve the proposals described above by completing the attached Letter of Directions to Participants. A blackline of the proposed amended Articles of the Company, for which we are seeking your approval, is attached at Appendix II hereof.

Subject to your approval, the effective date of the changes to the Articles is 17 July 2014.

As an investor in the Company, you will be aware that, for administrative purposes, your shareholding is registered in the name of Templeton Global Advisors Limited (the "Nominee"). As the beneficial owner of the shares in the Company, you can, by completing the Letter of Directions to Participants attached, instruct the Nominee to exercise your votes in a particular fashion.

In order to be effective, the completed Letter of Directions to Participants must be received by the Hong Kong Representative (Franklin Templeton Investments (Asia) Limited) at its office at 17/F, Chater House, 8 Connaught Road Central, Hong Kong, no later than 5:00 p.m. (Hong Kong time) on Friday, 4 July 2014.

The audited annual report of the Company for the accounting year ended 31 July 2013 and the unaudited semi-annual report of the Company for the half-year period ended 31 January 2014 are available (in English only) on the website of the Hong Kong Representative at www.franklintempleton.com.hk. You may also obtain a hard copy of the audited annual report or the unaudited semi-annual report free of charge at the office of the Hong Kong Representative.

If you have any questions, please do not hesitate to contact your investment consultant or call our Investor Hotline at +852 2805 0111.

Thank you for your continuing support of Franklin Floating Rate Fund plc.

Yours faithfully,

For and on behalf of

Franklin Templeton Investments (Asia) Limited (富蘭克林鄧普頓投資(亞洲)有限公司)


David Chang
Director

FRANKLIN FLOATING RATE FUND PUBLIC LIMITED COMPANY
(the “Company”)

REGISTERED OFFICE
JPMorgan House
International Financial Services Centre
Dublin 1
Ireland

NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE COMPANY

NOTICE is hereby given that the EGM of the Shareholders of the Company will be held in the offices of J.P. Morgan House, International Financial Services Centre, Dublin 1 Ireland on the 9th day of July 2014 at 3 p.m. (Irish time) to consider and if thought fit pass the resolution listed below:-

Special Business

- 1 “To approve that the Articles of the Company be amended as more particularly set out in the Circular to Shareholders dated 13 June 2014, subject to the incorporation of any further amendments as may be required by the Central Bank, the Irish Stock Exchange and/or any Director of the Company.”

Any Other Business

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his place. A proxy need not be a member.

Dated the 13th day of June 2014

For and on behalf of

J.P. Morgan Administration Services (Ireland) Limited

Company Secretary

**EXTRAORDINARY GENERAL MEETING OF
FRANKLIN FLOATING RATE FUND PLC
LETTER OF DIRECTIONS TO PARTICIPANTS**

To: Templeton Global Advisors Limited (the Nominee”)

With reference to the Extraordinary General Meeting (“EGM”) of Franklin Floating Rate Fund plc to be held on 9 July 2014 at 3 p.m. (Irish time) at JP Morgan House, International Financial Services Centre, Dublin 1, Ireland and at any adjournments thereof, I hereby advise you that as a participant in the Franklin Floating Rate Fund plc, I wish the votes attaching to the Shares owned by me to be exercised on the resolution to be put to the meeting as indicated by a cross in the appropriate box below either for or against the resolution.

| Resolution | For | Against |
|---|------------|----------------|
| To approve that the Articles of the Company be amended as more particularly set out in the Circular to Shareholders dated 13 June 2014, subject to the incorporation of any further amendments as may be required by the Central Bank, the Irish Stock Exchange and/or any Director of the Company. | | |

Name and Address (*joint participants please see Note 1*)

Signed.....

Dated (*see Note 2*).....

Notes:

- In the case of joint participants, this Letter of Directions must be signed by them all although only the name standing first in the Nominee’s records should be stated in block capitals.*
- To be effective, this Letter of Directions must reach the offices of Franklin Templeton Investments (Asia) Limited (富蘭克林鄧普頓投資(亞洲)有限公司), 17/F Chater House, 8 Connaught Road Central, Hong Kong, no later than at 5.00 pm (Hong Kong time), on Friday, 4 July 2014. This Letter of Directions may also be returned by fax (fax no. +353 1 845 8634) for the attention of Ms. Louise McKenna not less than 48 hours before the commencement of the EGM or any adjourned EGM thereof.*
- If you do not complete and return this Letter of Directions, the votes attaching to your Shares will not be exercised.*

APPENDIX I

The below is a summary only of the main changes that are proposed to be made to the Articles of Association. The changes in full are highlighted in the enclosed blacklined Articles of Association, attached at Appendix II hereof.

1. Reference to the “Custodian” is to be amended to “Depositary” and “Investment Manager” to “AIFM” throughout.
2. Updates to Article 1 (“Interpretation”) to provide for the following new definitions in accordance with the Alternative Investment Fund Managers Directive (“AIFMD”):
 - (a) “AIF”
 - (b) “AIF Rulebook”
 - (c) “AIFM”
 - (d) “AIFM Agreement”
 - (e) “AIFMD”
 - (f) “AIFMD Regulations”
 - (g) “Depositary”
 - (h) “Depositary Agreement”
 - (i) “Financial Instruments”
3. Updates to Article 1 (“Interpretation”) to amend the definition of “Recognised Market”.
4. Updates to Article 3 (“Administrator, Depositary and Investment Manager”) to clarify that the depositary holds the assets of the Company for and on behalf of the Company and that the depositary will register cash and registrable assets in the name of the depositary.
5. Updates to Article 3 (“Administrator, Depositary and Investment Manager”) to provide that any sub-delegation must be with prior consent of the depositary and that the depositary will exercise skill, care and diligence in the selection and appointment of a subcustodian.
6. Updates to Article 3 (“Administrator, Depositary and Investment Manager”) to provide flexibility to the depositary of the Company should it seek to avail of a contractual discharge of liability as set out in the AIFMD.
7. Article 3 (“Administrator, Depositary and Investment Manager”) has also been updated to provide that the Central Bank may, at its discretion, replace the depositary and that the Central Bank’s approval is required for the appointment of a new depositary.
8. Introduction of provisions in Article 4 (“Share Capital”) to enable the Company to provide Shareholders in certain classes with different treatment in line with the conditions set out in the AIFMD.
9. Introduction of provisions to Article 6 (“Allotment and Issue of Shares”) to provide that all information required under the AIFMD Regulations as specified in the prospectus of the Company will be made available to prospective investors prior to subscriptions being accepted.
10. Updates to Article 8 (“Qualified Holders”) to provide that any indemnity imposed on the shareholders who are or become U.S. persons as defined in the prospectus or Irish resident or is holding shares in breach of any laws shall indemnify the Company for any claims, damages and losses. The indemnity will only be exercised by the AIFM in good faith and on reasonable grounds and that such indemnity is permitted by all applicable laws and regulations.

11. Updates to Article 9 (“Redemption of Shares”) to replace reference to “the Act” with reference to the “AIFMD Regulations”.
12. Updates to Article 10 (“Total Redemption”) to provide that the Company may redeem all its shares on the resignation or termination of the Alternative Investment Fund Manager (“AIFM”).
13. Updates to Article 12 (“Valuation of Assets”) to provide for a more detailed valuation policy with respect to the assets of the Company, to replace reference to the “Investment Manager” with the “AIFM” and to include reference to an external valuer in line with AIFMD.
14. Updates to Article 14 (“Investment and Hedging Techniques”) to replace reference to “the Act” with reference to the “AIFMD Regulations”.
15. Updates to Article 15 (“General Meetings”) to replace reference to “the Act” with reference to the “AIFMD Regulations”.
16. Updates to Article 20 (“Transactions with Directors”) to replace reference to “the Act” with reference to the “AIFMD Regulations”.
17. Updates to Article 21 (“Powers of Directors”) to replace reference to “the Act” with reference to the “AIFMD Regulations”.
18. Amendment to Article 23 (“Proceedings of Directors”) to provide that the Company shall be managed and controlled in Ireland and so far as practicable, all board meetings of the Company shall be held in Ireland.
19. Updates to Article 27 (“Dividends”) to provide that the directors of the Company may from time to time and in their sole discretion, determine that the Company shall apply an equalisation formula in respect of any relevant class of shares for any period in which it is expected that significant subscriptions or redemptions of shares during that period might have a significant impact on the net income received in respect of the net investment income which would otherwise be available for distribution on the relevant dividend declaration date.
20. Updates to Article 30 (“Accounts”) to replace reference to “the Act” with reference to the “AIFMD Regulations”.
21. Updates to Article 32 (“Notices”) to provide that documents required to be served on Shareholders may be served by electronic communication.
22. Updates to Article 34 (“Indemnity”) to provide that the Articles of Association shall not exempt the Company, the AIFM, the Administrator or the Depositary from liability imposed under AIFMD or Hong Kong law or Irish law or breaches of trust through fraud or negligence, nor may such persons be indemnified against such liability by Shareholders or at Shareholders’ expense.
23. Updates to Article 39 (“Restriction on Modification to Articles”) to provide that the permission of the Central Bank must be received for all modifications to the Articles.
24. Updates to Article 40 (“Irish Taxation”) to provide that in the event of any payment, cancellation, redemption, repurchase, transfer, deemed chargeable event in respect of Shares held by a Shareholder who is resident (or ordinarily resident) in Ireland for Irish tax purposes and not exempt under section 739(6) Taxes Consolidation Act of Ireland or any Shareholder whether an Irish tax resident or not in respect of which a valid Declaration is not in place, the Company shall be entitled to deduct from any payment an amount equal to the tax chargeable pursuant to Section 739E of the Irish Taxes Consolidation Act 1997 or any other provision of Irish tax law applicable to the Company or the Shareholders (hereinafter the “appropriate tax”) or redeem, appropriate or cancel such number of Shares as are required to meet the appropriate tax of such Shareholder and to account for such appropriate tax to the Irish tax authorities.
25. Other general updates to the Articles of Association.

APPENDIX II

Proposed amendments to the Articles of Association of the Company

ARTICLES OF ASSOCIATION

OF

FRANKLIN FLOATING RATE FUND PLC

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COMPANIES ACTS 1963 TO 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

FRANKLIN FLOATING RATE FUND PUBLIC LIMITED COMPANY

| | |
|-----------------------|---|
| <u>Acts</u> | The Companies Acts 1963 to 20 <u>13</u> and every modification, consolidation, re-enactment or amendment thereof for the time being in force and every regulation made thereunder including, without limitation, every regulation made by the Central Bank under Part XIII of the Companies Act 1990 and for the time being in force; |
| <u>AIF</u> | <u>Means an alternative investment fund as defined in the AIFMD Regulations;</u> |
| <u>AIF Rulebook</u> | <u>Means the rulebook issued by the Central Bank as may be amended from time to time which sets out the Central Bank's regulatory regime for AIFs and other the relevant entities that fall to be regulated under the AIFMD Regulations;</u> |
| <u>AIFM</u> | <u>Means Franklin Templeton International Services S.à r.l. or such other entity as may for the time being be appointed as the alternative investment fund manager under AIFMD in relation to the Company;</u> |
| <u>AIFM Agreement</u> | <u>Any agreement for the time being subsisting between the Company and the AIFM and in relation to the appointment and duties of the AIFM;</u> |
| <u>AIFMD</u> | <u>Means the Alternative Investment Fund Managers Directive</u> |

(Directive 2011/61/EU) as amended;

AIEMD Regulations

Means the European Communities (Alternative Investment Fund Managers Directive) Regulations (SI No 257 of 2013);

~~Custodian~~ Depository

~~Any corporation~~ Means J.P Morgan Bank (Ireland) plc or such other company in Ireland as may from time to time be appointed ~~and for the time being acting as custodian of all of~~ as depository of all the assets of the Company with the prior approval of the Central Bank;

~~Custodian~~ Depository
Agreement

Any agreement for the time being subsisting between the Company and the ~~Custodian~~ Depository and relating to the appointment and duties of the ~~Custodian~~ Depository;

Financial Instruments

means financial instruments that can be held in custody in accordance with the definition in the AIEMD;

~~Investment Management~~
~~Agreement~~

~~Any agreement for the time being subsisting between the Company and the Investment Manager and in relation to the appointment and duties of the Investment Manager;~~

~~Investment Manager~~

~~Franklin Advisers Inc. or such affiliate thereof appointed by the Company from time to time to provide trading and investment advice to the Company in relation to the acquisition, management and disposal of Investments;~~

Recognised Market

with the exception of permitted investments in unlisted securities the Company will only invest in securities traded on a stock exchange or market which meets ~~with~~ the regulatory criteria (regulated, operate regularly, be recognised and open to the public) and which is listed in the Prospectus. ~~The stock exchanges and/or markets listed in the prospectus will be drawn from the following list:-~~

DEVELOPED FUTURES AND OPTIONS MARKETS

~~(i) Any stock exchange in any EU Member State or in any of the following member countries of the OECD:~~

~~Australia, Canada, Japan, New Zealand, Norway, Switzerland and the United States of America.~~

~~(ii) Any of the following stock exchanges:~~

~~Argentina — Buenos Aires Stock Exchange
— Cordoba Stock Exchange
— La Plata Stock Exchange
— Mendoza Stock Exchange
— Rosario Stock Exchange
Brazil — Bahia Sergipe Alagoas Stock Exchange
— Extremo Sul Stock Exchange, Porto Allegre
— Minas Esperito Santo Brasilia Stock Exchange
— Parana Stock Exchange, Curitiba
— Pernambuco e Paraiba Stock Exchange
— Regional Stock Exchange, Fortaleza
— Rio de Janeiro Stock Exchange
— Santos Stock Exchange
— Sao Paulo Stock Exchange~~

| | |
|--------------|---|
| China | Shanghai Securities Exchange |
| | Shenzhen Stock Exchange |
| Hong Kong | Hong Kong Stock Exchange |
| Hungary | Budapest Stock Exchange |
| India | The National Stock Exchange of India |
| | Bombay Stock Exchange |
| | Madras Stock Exchange |
| | Delhi Stock Exchange |
| | Ahmedabad Stock Exchange |
| | Bangalore Stock Exchange |
| | Cochin Stock Exchange |
| | Gauhati Stock Exchange |
| | Magadh Stock Exchange |
| | Pune Stock Exchange |
| | Hyderabad Stock Exchange |
| | Ludhiana Stock Exchange |
| | Uttar Pradesh Stock Exchange |
| | Calcutta Stock Exchange |
| Indonesia | Jakarta Stock Exchange |
| | Surabaya Stock Exchange |
| Israel | Tel Aviv Stock Exchange |
| Korea | Korea Stock Exchange |
| Malaysia | Kuala Lumpur Stock Exchange |
| Mexico | Mexico Stock Exchange |
| Philippines | Philippines Stock Exchange |
| Poland | Warsaw Stock Exchange |
| Singapore | Singapore Stock Exchange |
| South Africa | Johannesburg Stock Exchange |
| South Korea | Korea Stock Exchange |
| Taiwan | Taiwan Stock Exchange Corporation, Taipei |
| Thailand | Stock Exchange of Thailand, Bangkok |
| Turkey | Istanbul Stock Exchange |

(iii) The following markets:

- the market organised by the International Securities Market Association;
- the market conducted by “listed money market institutions” as described in the Bank of England publication “The Regulations of the Wholesale Cash and OTC Derivatives Markets in Sterling, Foreign Exchange and Bullion” dated April, 1988, (as amended from time to time);
- (a) NASDAQ in the United States, (b) the market in the US government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; and (c) the over the counter market in the United States conducted by primary dealers and secondary dealers regulated by the Securities and Exchange Commission and the National Association of Securities Dealers and by banking institutions regulated by the US Comptroller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- the over the counter market in Japan regulated by the Securities Dealers Association of Japan;
- the alternative investment market in the United Kingdom regulated and operated by the London Stock Exchange;

- ~~the French market for Titres de Crance Negotiable (over the counter market in negotiable debt instruments);~~
- ~~EASDAQ (European Association of Securities Dealers Automated Quotation); and~~
- ~~the over the counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.~~

EMERGING MARKETS

| | |
|--------------------------------|---|
| Algeria | Algiers Stock Exchange |
| Bangladesh | Dhaka Stock Exchange |
| Bolivia | Bolsa de Bolivia de Valores |
| Botswana | Botswana Stock Exchange |
| Bulgaria | The Stock Exchange of Bulgaria—Sofia |
| Chile | Santiago Stock Exchange |
| | Valparaiso Stock Exchange |
| Colombia | Bogota Stock Exchange |
| | Medellin Stock Exchange |
| Costa Rica | Costa Rica Stock Exchange |
| | Bolsa Nacional De Valores |
| Croatia | Zagreb Stock Exchange |
| Cyprus | Cyprus Stock Exchange |
| Czech Republic | Prague Stock Exchange |
| Ecuador | Quito Stock Exchange |
| Egypt | Cairo Stock Exchange |
| | Alexandria Stock Exchange |
| Estonia | Tallinn Stock Exchange |
| Ghana | Ghana Stock Exchange |
| Iceland | Iceland Stock Exchange |
| Iran | Tehran Stock Exchange |
| Ivory Coast | Bourse des Valeurs Abidjan |
| Jamaica | Jamaica Stock Exchange |
| Jordan | Amman Stock Exchange |
| Kenya | Nairobi Stock Exchange |
| Kuwait | Kuwait Stock Exchange |
| Latvia | Riga Stock Exchange |
| Lebanon | Beirut Stock Exchange |
| Lithuania | National Stock Exchange of Lithuania |
| Mauritius | Stock Exchange of Mauritius |
| Moldova | Moldova Stock Exchange |
| Morocco | Casablanca Stock Exchange |
| Namibia | Namibian Stock Exchange |
| Nigeria | Nigerian Stock Exchange |
| Pakistan | Karachi Stock Exchange |
| | Lahore Stock Exchange |
| Peru | Lima Stock Exchange |
| Romania | Bucharest Stock Exchange |
| Saudi Arabia | Riyadh Stock Exchange |
| Slovak Republic | Bratislava Stock Exchange |
| Slovenia | Ljudljana Stock Exchange |
| Sri Lanka | Colombo Stock Exchange |
| Swaziland | Swaziland Stock Exchange |
| Trinidad and Tobago | Trinidad and Tobago Stock Exchange |
| Tobago | |
| Uruguay | Montevideo Stock Exchange |
| Venezuela | Caracas Stock Exchange |

~~_____ Maracaibo Stock Exchange
Zambia _____ Lusaka Stock Exchange
Zimbabwe _____ Zimbabwe Stock Exchange~~

~~These exchanges and markets are listed above in accordance with the requirements of the Central Bank which does not issue a list of approved markets.~~

~~With the exception of permitted investments in unlisted securities or in open ended collective investment schemes the Company will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operated regularly, recognised and open to the public) and which is listed in the Prospectus. The stock exchanges and/or markets listed in the Prospectus will be drawn from the preceding lists.~~

~~The Company will only invest in those Recognised Markets in which the Custodian currently provides custodial services whether through itself, the sub-custodian or safekeeping agents.~~

FUTURES AND OPTIONS MARKETS

For the purpose of valuing the assets of a Fund in accordance with the Article 12.00 the term “Recognised Market” also includes, in relation to any futures or options contract invested in by the Fund for the purposes of efficient portfolio management, any organised exchange or market on which such futures or options contract is regularly traded.

2.00 PRELIMINARY

2.04 The Company shall also bear the following expenses:-

- (i) all taxes and expenses which may be incurred in connection with the acquisition and disposal of Investments and all other assets of the Company;
- (ii) all taxes which may be payable on the assets, income and expenses chargeable to the Company;
- (iii) all brokerage, bank and other charges incurred by the Company in relation to its business transactions;
- (iv) all remuneration, fees, costs and expenses due to the **Custodian**Depository, the Administrator, the **Investment Manager**AIEM, the Auditors and the legal advisers to the Company and any other person, firm or corporation providing services to the Company;

3.00 ADMINISTRATOR, CUSTODIANDEPOSITORY AND INVESTMENT MANAGERAIEM

~~3.02 Without prejudice to the generality of Article 21, the Company shall forthwith after its incorporation and before the issue of any Shares and in accordance with the requirements of the Central Bank notices appoint a person, firm or corporation to act as Investment Manager and the Directors may entrust to and confer upon the Investment Manager so appointed any of the powers, duties, discretions and/or functions exercisable by them as Directors, upon such terms and conditions including the right to remuneration payable by the Company and with such powers of delegation and such restriction as they think fit and either collaterally with or to the exclusion of their own powers PROVIDED THAT in the event that the Investment Manager shall resign or its appointment shall otherwise terminate under the terms of the Investment Management Agreement the Directors shall use their best endeavours to appoint some other person, firm or corporation to act as Investment Manager in accordance with the requirements of the Central Bank notices. The exercise by the Investment Manager of any or all of the powers from time to time entrusted to or conferred upon the Investment Manager in~~

~~accordance with this Article 3.02 shall at all times remain subject to the supervision of the Directors and the Directors shall at all times retain the right to issue directions to the Investment Manager regarding the exercise by the Investment Manager of the said powers.~~

~~3.02~~ 3.03—The Company shall forthwith after its incorporation and before the issue of any Shares and subject to the prior approval of the Central Bank appoint a Custodian Depository with responsibility for the safe custody of all of the assets of the Company, to hold the assets of the Company for and on behalf of the Company, to register cash and registrable assets in the name of or to the order of the Depository (provided that where borrowing is undertaken for the account of the Company, such assets may be registered in the lender's name or in that of a nominee appointed by the lender) and to perform such other duties upon such terms as the Directors may from time to time determine pursuant to the provisions of the Custodian Depository Agreement.

~~3.03~~ 3.04—Any contract or agreement entered into by the Company with any Custodian Depository (other than the initial Custodian Depository Agreement entered into by the Company in accordance with the provisions of Article 3.03~~2~~) and any variation to any such contract or agreement then in force made after the issue of Shares shall be subject to prior approval by the Central Bank.

~~3.04~~ 3.05—The terms of appointment of any Custodian Depository shall include the right to remuneration payable by the Company and may authorise such Custodian Depository to appoint (with powers of sub-delegation) sub-custodians, nominees, agents or delegates at the expense of the Company or otherwise, provided that any such appointment shall terminate forthwith on termination of the appointment of the Custodian Depository and any sub-delegation must be (i) with the prior written consent of the Depository; (ii) with the agreement in writing of the Depository; or (iii) with no objection in writing from the Depository. The terms of appointment of any Depository may authorise such Depository to avail of a contractual discharge of liability under the conditions set out in the AIFMD Regulations.

The Depository shall in accordance with applicable law:

- (a) exercise all due skill, care and diligence in the selection and appointment of a subcustodian or other custodial delegate;
- (b) continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of each subcustodian and each other custodial delegate to whom it has entrusted assets of the Company for safekeeping; and
- (c) ensure that the subcustodian or other custodial delegate (A) has structures and expertise that are adequate and proportionate to the nature and complexity of the Financial Instruments of the Company; (B) is subject to effective prudential regulation, including minimum capital requirements, and supervision in the jurisdiction where it offers its service to the Depository; (C) is subject to an external periodic audit to ensure the Financial Instruments are in its possession (D) segregates Financial Instruments of the Depository's clients (including the Company) from its own assets and the assets of the Depository in such a way that the Company's Financial Instruments] can at any time be clearly identified as belonging to a client of the Depository (E) cannot make use of the assets without the prior consent of the Company and prior notice to the Depository; and [(F) performs its duties to the Depository in a manner consistent with the provisions of the Depository Agreement and Article 21(8) and Article 21(10) of the AIFMD.

~~3.05~~ 3.06—The terms of appointment of any Administrator may authorise such Administrator to appoint (with powers of sub-delegation) one or more sub-managers, administrators, distributors or other agents at the expense of the Administrator and to delegate any of its functions and duties to any person or persons so appointed, provided that such appointment or appointments shall first have been in accordance with the requirements of the Central Bank notices and provided further that any such appointment shall terminate forthwith on termination of the appointment of the Administrator.

~~3.07~~—~~The terms of appointment of any Investment Manager may authorise such Investment Manager to appoint (with powers of sub-delegation) one or more trading or investment managers or other agents and to delegate any of its~~

~~functions and duties to any person or persons so appointed, provided that such appointment or appointments shall in accordance with the requirements of the Central Bank notices and provided further that any such appointment shall terminate forthwith on termination of the appointment of the Investment Manager.~~

3.06 ~~3.08~~ In the event of the Custodian Depositary for the time being (the “Current Custodian Depositary”) desiring to retire or the Company desiring to remove the Current Custodian Depositary from office the Directors shall use their best endeavours to find a corporation willing to act as Custodian Depositary and having the qualifications to act as Custodian Depositary under the ~~Act~~ AIF Rulebook and being approved by the Central Bank and upon so doing the Directors shall appoint such corporation to be Custodian Depositary in place of the Current Custodian Depositary. Save as provided in Article 3.09~~7~~ hereof, always that the Current Custodian’s Depositary’s appointment shall not terminate until the appointment of the new Custodian Depositary with the approval of the Central Bank. The Central Bank may also in its discretion replace the Current Depositary with another corporation willing to act as Depositary where the Central Bank deems it necessary to do so.

3.07 ~~3.09~~ If within a period of ~~three months~~ 90 days from the date on which the Current Custodian Depositary shall have given the Company notice of its desire to retire from its appointment or its appointment is terminated under the Custodian Depositary Agreement and no successor Custodian Depositary shall have been appointed the Company shall redeem all Shares in issue in accordance with the provisions of Article 10 hereof, procure that a liquidator be appointed or an application be made ~~to the Registrar of Companies~~ to strike the Company from the Companies’ Register so that the Company should be wound up and apply to the Central Bank for revocation of its authorisation under the Act provided that in each case the Custodian’s Depositary’s appointment shall not terminate earlier than the date on which the Central Bank has revoked its authorisation of the Company under the Act.

3.08 The Company may appoint an entity to act as alternative investment fund manager and the Directors may entrust to and confer upon the entity so appointed any of the powers, duties, discretions and/or functions exercisable by them as Directors, upon such terms and conditions (including the right to remuneration payable by the Company) and with such powers of delegation and such restrictions as they think fit. The appointment of the AIFM (and of any replacement AIFM) shall be subject to the prior approval of the Central Bank. The Central Bank may in its discretion replace the AIFM with another entity willing to act as alternative investment fund manager where the Central Bank deems it necessary to do so. In all other cases, the termination of the appointment of the AIFM shall be subject, and shall not take effect, until another entity has been appointed in its place or the Company’s authorisation has been revoked by the Central Bank.

4.00 SHARE CAPITAL

4.03 The unclassified Shares are available for issue as Shares of any class. The Directors may designate the Shares into such classes as they may from time to time determine with such rights or restrictions attaching thereto as they may from time to time determine. On or before the issue of any Shares the Directors shall determine the currency in which such Shares shall be designated, and the Shares shall be divided into one or more classes and may be designated in the same currency or other currencies. All money payable on or in respect of a Share (including without limitation the subscription and repurchase money in respect thereof) shall be paid in the currency in which such Share is designated or in such other currency as the Directors shall determine either generally or in relation to a particular class of Shares or in any specific case. Foreign exchange hedging may be utilised for the benefit of a particular share class within the Company; each such transaction must be clearly attributable to a specific share class and its costs and related liabilities and/or benefits shall be for the account of that share class only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Share for shares of any such class. ~~A class may not be leveraged as a result of the use of such techniques and instruments, the value of which should in no case exceed 100% of the Net Asset Value per class.~~

4.04 Subject to the requirements of the Central Bank and the provisions of the AIFMD Regulations, the Directors may from time to time determine to provide Shareholders in certain classes with different treatment (including but not limited to, in relation to information disclosed to such Shareholders and redemption and dealing terms for such classes). Any such treatment will be set out in the Prospectus (so as to ensure the fair treatment of all Shareholders) which shall describe any instance where a class receives such treatment, a description of the treatment and the types of Shareholders who will be permitted to subscribe for such classes and, where relevant, their legal or economic links to the Company

(or its AIFM). For the avoidance of doubt, any such treatment will only be introduced after (i) the Depository has been consulted and given its consent to ensure that all Shareholders will be treated fairly, and (ii) the Directors have obtained all regulatory approvals where applicable.

4.05 ~~4.04~~ The Directors are hereby authorised from time to time to re-designate any existing class of Shares in the Company and merge such class of Shares with any other class of Shares in the Company, provided that Shareholders in such classes are first notified by the Company and given the opportunity to have the Shares redeemed.

4.06 ~~4.05~~ For the purpose of enabling Shares of one class to be re-designated or converted into Shares of another class, the Company (with the consent of the shareholders of the particular class) may take such action as may be necessary to vary or abrogate the rights attached to Shares of one class to be converted so that such rights are replaced by the rights attached to the other class into which the Shares of the original class are to be converted.

4.07 ~~4.06~~ The Directors are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities within the meaning of Section 20 of the Companies (Amendment) Act 1983.

4.08 ~~4.07~~ All monies payable in respect of a Share (including without limitation, the subscription and redemption monies and dividends in respect thereof) shall be paid in the Base Currency or in such other currency or currencies as the Directors may determine.

4.09 ~~4.08~~ The Directors may delegate to any duly authorised Director or officer of the Company, or to any duly authorised person including, without limitation, the Administrator, the duties of accepting the subscription for, receiving payment for, and allotting, issuing and delivering new Shares.

4.10 ~~4.09~~ The Directors may in their absolute discretion refuse to accept any application for Shares or accept any application in whole or in part.

4.11 ~~4.10~~ The Company may pay any brokerage or commission in connection with the allotment or issue of Shares.

4.12 ~~4.11~~ No person shall be recognised by the Company as holding any Shares on trust and the Company shall not be bound by or recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Shares or (except only as these Articles otherwise provide or as by law required) any other right in respect of any Share, except an absolute right of title thereto in the registered holder.

5.00 SHARE CERTIFICATES

5.03 The share certificates, if any, issued pursuant to Article 5.02 shall be in such form as the Directors and the ~~Custodian~~Depository shall agree from time to time.

5.09 Share Certificates may be issued under the seal of the Company or under hand by a Director of the Company (whose signature may be reproduced mechanically) and a duly authorised signatory of the ~~Custodian~~Depository (whose signature may be reproduced mechanically).

6.00 ALLOTMENT AND ISSUE OF SHARES

6.08 Subject to the provisions of the Acts and the AIF Rulebook, the Directors may in their absolute discretion allot and issue Shares in consideration for, or on terms providing for settlement to be made by, the vesting in the Company of any Investments provided that:-

- (i) the Directors shall be satisfied that the terms of any such exchange shall not be such as are likely to result in any material prejudice to the Shareholders;
- (ii) the number of Shares to be issued shall be not more than the number which would have been issued for settlement in cash as hereinafter provided on the basis that the amount of such cash was an amount equal to the value of the Investments to be so vested in the Company as determined by the Directors in accordance with the valuation provisions contained in Article 12.01 on the relevant Dealing Day;

- (iii) no Shares shall be issued until the Investments shall have been vested in the ~~Custodian~~Depository or its sub-custodian;

6.12 All information required under the AIFMD Regulations as specified in the Prospectus will be made available upon request to prospective investors prior to subscriptions being accepted.

8.00 QUALIFIED HOLDERS

- 8.07 ~~Any~~In the event that the Company is required by any applicable laws, regulations or by any agreement with any tax or fiscal authority to deduct, withhold or account for tax on a disposal of Shares or in any other circumstances in which a taxation liability arises in connection with a Shareholder's holding of Shares by any person or persons to whom Article 8.01, 8.01A, 8.03 and 8.04 shall apply shall (each an "Indemnifying Party" and collectively the "Indemnifying Parties"), the Indemnifying Parties indemnify the Company, the Directors, the ~~Custodian~~Depository, the Administrator, the ~~Investment Manager~~AIFM and the Shareholders (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to this Article 8.00 (the "Indemnity"). The AIFM will only exercise the Indemnity in good faith and on reasonable grounds and whereby such Indemnity is permitted by all applicable laws and regulations.

9.00 REDEMPTION OF SHARES

- 9.01 Subject to the provisions of the ~~Act~~AIFMD Regulations and as hereinafter provided, the Company may redeem its own outstanding fully paid Shares at any time in accordance with the rules and procedures set out herein.

- 9.02 Subject to the provisions of the ~~Act~~AIFMD Regulations and as hereinafter provided, a Shareholder may at any time irrevocably request the Company to redeem all or any part of his Shares at the Redemption Price for each such Share as hereinafter determined and the Company shall on receipt by it or by its authorised agent of such request redeem or procure the redemption of such Shares at not less than the Redemption Price provided always that any such redemption shall be effected on the following terms and conditions:-

- (i) a request for redemption of Shares shall be in such form as the Company shall prescribe and shall be delivered by the Shareholder to the Office or to such office of such person from time to time designated by the Company as its agent for the redemption of shares on or before such time as shall from time to time be designated by the Board whether on or prior to the relevant Redemption Day and shall be accompanied by the share certificate (if any) duly endorsed by the Shareholder in relation to such Shares or by such proper evidence as the Directors may at their absolute discretion require in relation to succession or assignment, if applicable;
- (ii) subject as hereinafter provided the Shareholder shall not be entitled to revoke or withdraw a request for redemption of his Shares duly given in accordance with this Article 9.02;
- (iii) the redemption of Shares pursuant to this Article 9.02 shall be effected on the Redemption Day on which the redemption request is delivered in accordance with (i) above or on such other day as the Directors at the request of such Shareholder may in their absolute discretion agree provided that the redemption of Shares shall not be effected unless the period designated by the Directors for the delivery of the redemption request pursuant to Article 9.02 (i) shall have expired and the certificate or certificates (if any) in respect of such Shares and in proper form has or have been returned to the Company and duly endorsed by the Shareholder subject always to the power of the Directors at their absolute discretion to dispense with the production of any certificate which shall become lost or destroyed on compliance with such conditions as to evidence and indemnity and the payment of the expenses of the Company in connection therewith as the Directors think fit;
- (iv) the Redemption Price (less any fees and expenses due and owing by the Company in respect of the Shares being redeemed) shall be despatched to the Shareholder by the Company or its duly authorised agent within such number of Business Days after the later of:-

- (a) the date of receipt by the Company or its duly authorised agent of the relevant certificates (if any) for the Shares to be redeemed and of the properly completed original redemption request form; or
- (b) the Redemption Day

as the Directors may determine and specify in the Prospectus, provided that it shall not exceed seven days;

- (v) any amount payable to a Shareholder in connection with the redemption of Shares under this Article 9.00 shall be paid in the currency designated for the Shares or in such other currency as the Directors shall have determined as appropriate at the rate of exchange for conversion on the date of payment provided that the certificate of the Directors as to the conversion rate applicable and as to the cost of conversion shall be conclusive and binding on all persons and provided further that the cost of conversion, if any, shall be debited from the converted payment and any such amount shall unless otherwise agreed with the Company or its duly authorised agent be paid by electronic bank transfer to the account designated by the relevant Shareholder;
- (vi) if the determination of the Net Asset Value per Share is suspended on any Redemption Day by reason of a declaration or notice by the Directors pursuant to Article 11.03 hereof the right of the applicant Shareholder to have his Shares redeemed pursuant to this Article 9.02 shall be similarly suspended and during the period of suspension he may withdraw the request for redemption of his Shares (if any). Any withdrawal of a request for redemption under the provisions of this Article 9.02 shall be made in writing and shall only be effective if actually received by the Company or its duly authorised agent before termination of the suspension. If the request is not withdrawn the redemption of the Shares shall be made on the Redemption Day next following the end of the suspension or on such other Business Day following the end of the suspension as the Directors at the request of the applicant may agree;
- (vii) on a redemption of Shares, the Company shall be entitled to charge a contingent deferred sales charge in an amount to be determined by the Directors with the approval of the [Custodian Depository](#) but not to exceed such amount as the Directors may determine in respect of any class of Shares and disclosed in the Prospectus such amount to decrease depending on the period of ownership of the Shares and shall not in any case exceed an amount equal to 5% of the Net Asset Value of the Shares to be redeemed at the time of redemption; and

9.10 If a redemption of Shares by the Company would result in the number of Shareholders falling below two or such other number stipulated by any applicable statute or regulation from time to time to be the minimum number of Shareholders in the Company or where a redemption of Shares by the Company would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged from time to time to maintain pursuant to any applicable statute or law the Company shall be entitled to defer the redemption of the minimum number of Shares sufficient to ensure compliance by the Company with the applicable statute or law. Redemption of such Shares may be deferred until such time as the Company is being wound up, or until the Company procures the issue of sufficient Shares to ensure that the redemption can be effected. The Directors shall be entitled to select the Shares in respect of which redemption is to be deferred in accordance with this Article 9.10 in such manner as shall appear to the Directors, with the approval of the [Custodian Depository](#), to be fair and reasonable.

10.00 TOTAL REDEMPTION

10.01 The Company may redeem all (but not some) of the Shares then in issue if:-

- (i) the Shareholders shall have passed a Special Resolution providing for such redemption at a general meeting of the Company or all of the Shareholders have by written resolution in accordance with Article 17.13 approved the redemption;
- (ii) the Net Asset Value of the Company on any Redemption Day is less than such amount as shall be determined by the Directors and notified to the Shareholders in the Prospectus (after adding back all prior distributions, if any);

- (iii) on the resignation or termination of the ~~Investment Manager~~AIFM; ~~or~~
- (iv) the Company shall have exercised its right to request such a redemption in accordance with Article 3.097 hereof; ~~or~~;
- (v) the ~~Custodian~~Depository has served notice of its intention to retire under the terms of the ~~Custodian~~Depository Agreement (and has not revoked such notice) and no new ~~Custodian~~Depository has been appointed by the Company with the approval of the Central Bank within six months of the date of service of such notice; ~~or~~
- (vi) the AIFM has served notice of its intention to retire under the terms of the AIFM Agreement (and has not revoked such notice) and no new AIFM has been appointed by the Company with the approval of the Central Bank within 90 days of the date of service of such notice.

11.00 DETERMINATION OF NET ASSET VALUE

11.01 The Net Asset Value of the Company and Net Asset Value per Share in the Company shall be calculated by the Administrator to the nearest two decimal places in the base currency of the Company. To the extent specified in the Prospectus, the Net Asset Value of the Company, and the Net Asset Value per Share in the Company, shall be calculated by the Administrator as of the Valuation Point on each Business Day in accordance with the valuation provisions summarised below:

- (i) The Net Asset Value of the Company shall be calculated by ascertaining the value of the assets of the Company and deducting from such amount the liabilities of the Company, which shall include all fees and expenses payable, accrued and estimated to be payable out of the assets of the Company;
- (ii) The Net Asset Value per Share in respect of any class will be calculated by dividing the Net Asset Value of the Company by the number of Shares of the relevant class in issue as of the relevant Valuation Point and making such adjustments thereto as are necessary to allocate the relevant fees, charges and expenses to such class, and to take account of any distribution made out of such class. Where foreign exchange hedging is utilised for the benefit of a particular share class within the Company, its cost and related liabilities and/or benefits shall be for the account of that share class only. Accordingly such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Share for shares of any such class;
- (iii) The Net Asset Value per Share will be published on each Business Day and ~~in the Financial Times and in such other newspapers and in such~~may be published in such publication(s) or such electronic media, as the Directors may from time to time determine ~~and as shall be notified to the Irish Stock Exchange without delay.~~

11.02 The Directors may at any time, with the prior approval of the ~~Custodian~~Depository suspend the issue, valuation, purchase or redemption of Shares during :-

11.03 Notice of any such suspension shall be published by the Company in ~~the European edition of the Financial Times and/or such other newspapers~~such publication(s) or such electronic media as the Directors may from time to time determine, if in the opinion of the Directors, it is likely to exceed fourteen days, and shall be notified within the same Business Day to the Central Bank and without delay to the Shareholders and the Irish Stock Exchange.

12.00 VALUATION OF ASSETS

12.01 The value of the assets of the Company shall be determined as follows or according to such alternative method of valuation in relation to any particular asset as the Directors, on the advice of the ~~Investment Manager~~AIFM or an external valuer and with the prior consent of the ~~Custodian~~Depository, consider appropriate if the Directors consider that the method of valuation herein provided for does not provide a fair or appropriate valuation of the asset:

- (i) Each asset which is quoted, listed or traded on or under the rules of any Recognised Market shall be valued at the latest available traded price or, if unavailable or if bid and offer quotations are made, the

latest available middle market quotation (i.e. the mean of the bid and offer price quoted) on the relevant Recognised Market at the Valuation Point. If the investment is normally quoted, listed or traded on or under the rules of more than one Recognised Market, the relevant Recognised Market shall be that which the ~~Investment Manager~~AIEM or its delegates, determine provides the fairest criterion of value for the investment. If prices for an asset quoted, listed or traded on the relevant Recognised Market are not available at the relevant time, or are unrepresentative in the opinion of the ~~Investment Manager~~AIEM, such investment shall be valued at such value as shall be estimated with care and in good faith as the probable realisation value of the investment by a competent professional person, firm or corporation appointed for such purpose by the Administrator and approved for the purpose by the ~~Investment Manager~~AIEM and by the ~~Custodian~~Depository. Neither the ~~Investment Manager~~AIEM nor the Administrator nor the ~~Custodian~~Depository shall be under any liability if a price reasonably believed by them to be the latest available dealing price or, as the case may be, middle market quotation for the time being, may be found not to be such;

- (ii) Debt Obligations traded on a Recognised Market may be valued on the basis of valuations provided by a pricing service which utilises data processing techniques to determine valuations for normal institutional trading units without exclusive reliance upon quoted prices;
- (iii) The value of any asset which is not normally quoted, listed or traded on or under the rules of a Recognised Market, will be valued at its probable realisation value estimated with care and in good faith by the ~~Investment Manager~~AIEM or an external valuer in consultation with the Administrator or by a competent person, firm or corporation appointed for such purpose by the Administrator and approved for such purpose by the ~~Investment Manager~~AIEM and the ~~Custodian~~Depository;
- (iv) Shares in collective investment schemes which are not valued in accordance with the above provisions shall be valued on the basis of the latest available redemption price of such Shares after deduction of any redemption charges. If such prices are unavailable the Shares will be valued at their probable realisation value estimated with care and good faith by the Directors in consultation with the Administrator or by a competent person, firm or corporation appointed for such purpose by the Administrator and approved for such purpose by the Directors and the ~~Custodian~~Depository;
- (v) Cash deposits and similar assets shall be valued at their face value together with accrued interest unless in the opinion of the ~~Investment Manager~~AIEM (in consultation with the Administrator and the ~~Custodian~~Depository) any adjustment should be made to reflect the fair value thereof;
- (vi) Derivative instruments including swaps, interest rate futures contracts and other financial futures contracts which are traded on a Recognised Market shall be valued at the settlement price at the Valuation Point as determined by the relevant Recognised Market, provided that where it is not the practice of the relevant Recognised Market to quote a settlement price, or if a settlement price is not available for any reason, such instruments shall be valued at their probable realisation value estimated with care and in good faith by the ~~Investment Manager~~AIEM or an external valuer (who shall be approved for such purpose by the ~~Custodian~~Depository) in consultation with the Administrator. The value of forward foreign exchange contracts which are dealt in on a Recognised Market shall be calculated by reference to the price appearing to the ~~Investment Manager~~AIEM to be the price at which a new forward contract of the same size, currency and maturity as determined by the relevant Recognised Market could be effected, as at the Valuation Point, provided that if such market price is not available for any reason, such value shall be calculated in such manner as the ~~Investment Manager~~AIEM or an external valuer shall, in consultation with the Administrator, determine with the approval of the ~~Custodian~~Depository;
- (vii) Derivative instruments not traded on a Recognised Market shall be valued at least weekly at the latest valuation obtained from the counterparty provided that the valuation provided by the counterparty is approved or verified by a party independent of the counterparty at least monthly, which party is approved for the purpose by the ~~Custodian~~Depository;
- (viii) Notwithstanding the above provisions the ~~Investment Manager~~AIEM or an external valuer may, with prior notification to the ~~Custodian~~Depository (a) adjust the valuation of any listed investment; or (b) permit some other method of valuation approved by the ~~Custodian~~Depository to be used if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations

as they deem relevant, they consider that such adjustment or alternative method of valuation is required to reflect more fairly the value thereof; and

- (ix) In determining the Company's Net Asset Value per Share, all assets and liabilities initially expressed in foreign currencies will be converted into the base currency of the Company using the latest available exchange rates at the Valuation Point. If quotations are not available, the rate of exchange will be determined in accordance with policies established in good faith by the ~~Investment Manager~~AIEM or an external valuer.

12.02 The liabilities of the Company shall be deemed to include any and all actual or estimated liabilities of whatsoever nature of the Company (except liabilities taken into account in determining the value of the assets of the Company under Article 12.01 above) including, without limitation to the generality of the foregoing:

- (i) all administrative and professional fees and expenses payable and/or accrued including, without limitation to the generality of the foregoing, all remuneration, fees, costs and expenses payable by the Company and/or accrued and/or estimated to be payable by the Company to the ~~Custodian~~AIEM, the ~~Investment Manager~~Depositary, the Administrator and the legal advisers of the Company and to any other person, firm or corporation providing services to the Company and all other projected expenses as the Directors consider fair and reasonable and properly payable out of the assets of the Company and all value added tax chargeable, if any, in respect of the provision of any of the foregoing services to the Company;

14.00 INVESTMENT AND HEDGING TECHNIQUES

14.02 Without limitation to the generality of Article 14.01, the Directors, on behalf of the Company, may, subject to the provisions of the ~~Act~~AIEMD Regulations, employ techniques and instruments intended to provide protection against exchange or interest rate risks in the context of the management of its assets and liabilities.

15.00 GENERAL MEETINGS

15.04 The Directors may call an extraordinary general meeting whenever they think fit and extraordinary general meetings shall be convened on such requisition, or in default may be convened by such requisitionists, and in such manner as provided by the ~~Act~~AIEMD Regulations.

16.00 NOTICE OF GENERAL MEETINGS

16.02 The Directors, the Administrator, the ~~Investment Manager~~AIEM, the Auditors and the ~~Custodian~~Depositary shall be entitled to receive notice of and attend and speak at any general meeting of the Company.

20.00 TRANSACTIONS WITH DIRECTORS

20.02 Subject to the provisions of the ~~Act~~AIEMD Regulations, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:

21.00 POWERS OF DIRECTORS

21.01 The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the ~~Act~~AIEMD Regulations or by these Articles required to be exercised by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by this or any other Article.

23.00 PROCEEDINGS OF DIRECTORS

23.01 ~~All~~The Company shall be managed and controlled in Ireland and, so far as practicable, all Board Meetings of the Company shall be held ~~or convened~~ in Ireland.

23.11 The Directors may delegate their powers relating to the management of the Company's assets to the **Investment Manager** AIFM or to any duly authorised Officer or other person subject to such terms and conditions as the Directors in their absolute discretion may resolve.

27.00 DIVIDENDS

27.03 Subject to Article 27.01 the amount available for distribution in respect of any Accounting Period shall be a sum equal to the net investment income received by the Company in respect of Investments (whether in the form of dividends, interest or otherwise) and the net realised capital gains and the net unrealised capital gains of the Company during the Accounting Period, subject to such adjustments as may be appropriate under the following headings:-

- (a) addition or deduction of a sum by way of adjustment to allow for the effect of sales or purchases, cum or ex-dividend;
- (b) addition of a sum representing any interest or dividend or other income accrued but not received by the Company at the end of the Accounting Period and deduction of a sum representing (to the extent that an adjustment by way of addition has been made in respect of any previous Accounting Period) interest or dividends or other income accrued at the end of the previous Accounting Period;
- (c) addition of the amount (if any) available for distribution in respect of the last preceding Accounting Period but not distributed in respect thereof;
- (d) addition of a sum representing the estimated or actual repayment of tax resulting from any claims in respect of corporation tax relief or double taxation relief or otherwise;
- (e) deduction of the amount of any tax or other estimated or actual liability properly payable out of the income of the Company;
- (f) deduction of a sum representing participation in income paid upon the cancellation of Shares during the Accounting Period;
- (g) deduction of such sum as the Company with the approval of the Auditors may think appropriate in respect of the Preliminary Expenses and Duties and Charges, including, without limitation, all fees and expenses payable to the Administrator, the **Custodian** Depository and the **Investment Manager** AIFM and all expenses of and incidental to any amendments to the Memorandum and Articles of Association for the purpose of securing that the Company conforms to legislation coming into force after the date of incorporation hereof and any other amendments made pursuant to a resolution of the Company, expenses comprising all costs, charges, professional fees and disbursements bona fide incurred in respect of the computation, claiming or reclaiming of all taxation reliefs and payments, and any interest paid or payable on borrowings PROVIDED ALWAYS that the Company shall not be responsible for any error in any estimates of corporation tax repayments or double taxation relief expected to be obtained or of any sums payable by way of taxation or of income receivable, and if the same shall not prove in all respects correct, the Directors shall ensure that any consequent deficiency or surplus shall be adjusted in the Accounting Period in which a further or final settlement is made of such tax repayment or liability or claim to relief or in the amount of any such estimated income receivable, and no adjustment shall be made to any dividend previously declared.
- (h) deduction of any amounts declared as a distribution but not yet distributed;
- (i) deduction of any amounts which the Directors in their sole and absolute discretion determine to be re-invested in Investments for the benefit of the Company.

Notwithstanding the foregoing, the Directors may from time to time, and in their sole discretion, determine that the Company shall apply an equalisation formula in respect of any relevant class of Shares for any period in which it is expected that significant subscriptions or redemptions of Shares during that period might have a significant impact on the net income received in respect of the net investment income which would otherwise be available for distribution on the relevant dividend declaration date. In such circumstances, the subscription price per Share of the relevant class will be

deemed to include an equalisation amount which represents a portion of the accrued income of the relevant class up to the point of subscription, and the first distribution in respect of such class following any subscription deemed to include such an equalisation amount will include a payment of capital usually equal to the amount of such equalisation payment. The redemption price of each Share in the relevant class will also include an equalisation payment in respect of the accrued income up to the Dealing Day on which the relevant Shares are redeemed.

30.00 ACCOUNTS

- 30.01 The Directors shall cause to be kept such books of account as are necessary in relation to the conduct of its business or as are required by the ~~Act~~AIEMD Regulations so as to enable the accounts of the Company to be prepared.
- 30.02 The books of account shall be kept at the Office, or at such other place or places as the Directors shall think fit, and shall at all times be open to the inspection of the Directors, but no person, other than a Director or Auditor shall be entitled to inspect the books, accounts, documents or writings of the Company, except as provided by the ~~Act~~AIEMD Regulations or authorised by the Directors or by the Company in general meeting.

32.00 NOTICES

- 32.01 Any notice or other document required to be served upon or sent to a Shareholder may be served by the Company on a Shareholder either personally or by sending it through the post in a pre-paid letter addressed to such Shareholder at his address as appearing in the Register or by electronic communication. In the case of joint holders of a Share, all notices shall be given to that one of the joint holders whose name stands first in the Register in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders. Any notice or other document, served by post, shall be deemed to have been served 24 hours after the time that the letter containing the same is posted and in proving such service, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly posted. Any notice or other document, served by delivery, shall be deemed to have been served at the time of delivery and in proving such service, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and duly delivered. Any notice or document sent by email or other electronic means shall be deemed to have been served at the time of despatch, and it shall be sufficient to prove that the communication was properly despatched. Notice may also be given by way of advertisement containing the full text of the notice in at least one leading international newspaper and one daily newspaper in Dublin or such other publication as the Directors may from time to time determine circulating in any country where the Shares of the Company are being issued and such notice shall be deemed to have been served at noon on the day on which such advertisement appears.

33.00 WINDING UP

- 33.01 If the Company shall be wound up or dissolved the liquidator shall subject to the provisions of the Acts apply the assets of the Company in satisfaction of creditors' claims in such manner and order as he thinks fit.
- 33.03 If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may, with the authority of a special resolution and any other sanction required by the ~~Companies-Acts 1963 to 2001~~, divide among the Shareholders in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders provided always that each Shareholder agrees to accept such division and can request the ~~Custodian~~Depositary to liquidate the assets to cash if they are not in agreement with the distribution in specie. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders 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 Shareholder shall be compelled to accept any assets in respect of which there is a liability.

34.00 INDEMNITY

- 34.01 The Directors, Secretary and other officers or servants for the time being of the Company, for the time being acting in relation to any of the affairs of the Company and each of them, and each of their heirs, administrators

and executors, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses, which they or any of them, their or any of their heirs, administrators or executors shall or may incur or sustain by reason of any contract entered into or any act done, concurred in, or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own negligence, default, breach of duty or breach of trust, respectively, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all other claims. None of the foregoing shall be answerable for ~~the~~ acts, receipts, neglects, or defaults of the other or others of them, or for joining in any receipt for sake of conformity, or for any bankers, brokers, or other person into whose hands any money or assets of the Company may come, or for any defects of title of the Company to any property purchased, or for insufficiency or deficiency of or defect of title of the Company to any security upon which any moneys of or belonging to the Company shall be placed out or invested, or for any loss, misfortune or damage resulting from any such cause as aforesaid, or which may happen in the execution of their respective offices or trusts, or in relation thereto, unless the same shall happen by or through their own wilful act, neglect or default respectively. For the avoidance of doubt, for so long as the Company is registered for sale in Hong Kong, nothing in this Article provides that the Company, the Directors, or the Secretary can be exempted from any liability to Shareholders imposed under the laws of the Hong Kong Special Administrative Region or under Irish law or breaches of trust through fraud or negligence, nor may such persons be indemnified against such liability by Shareholders or at Shareholders' expense.

- 34.02 The Administrator, the ~~Custodian~~Depository and the ~~Investment Manager~~AIEM shall be entitled to such indemnity from the Company, upon such terms and subject to such conditions and exceptions and with such entitlement to have recourse to the assets of the Company with a view to meeting and discharging the cost thereof as shall be provided under the Administration Agreement, the ~~Custodian~~Depository Agreement and the ~~Investment Advisory~~AIEM Agreement (as applicable) provided that ~~no such indemnity shall extend to any matters arising from their own neglect, wilful default or fraud in the case of the Administrator and Investment Manager and arising from its own negligence, fraud, bad faith, wilful default or recklessness in the case of the Custodian in the performance of its duties.~~ for so long as the Company is registered for sale in Hong Kong, the Depository, the AIEM or the Directors cannot be exempted from liability to Shareholders imposed under the laws of the Hong Kong Special Administrative Region or under Irish law or breaches of trust through fraud or negligence, nor may they be indemnified against such liability by Shareholders or at Shareholders' expense.
- 34.03 The Company, the Directors, the AIEM, the Administrator, ~~the Custodian~~ and the ~~Investment Manager~~Depository shall be entitled to rely absolutely on any declaration received from a Shareholder as to residence or otherwise of such Shareholder and shall not incur any liability in respect of any action taken or thing suffered by any of them in good faith in reliance upon any paper or document believed to be genuine and to have been sealed or signed by the proper parties nor be in any way liable for any forged or unauthorised signature on or any common seal affixed to any such document or for acting on or giving effect to any such forged or unauthorised signature or common seal but shall be entitled though not bound to require the signature of any person to be verified by a banker, broker or other responsible person or otherwise authenticated to its or their satisfaction.
- 34.04 The Company, the Directors, the ~~Administrator~~AIEM, the ~~Custodian~~Administrator and the ~~Investment Manager~~Depository shall incur no liability to the Shareholders for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) either they or any of them shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of these Articles neither the Company nor the Director nor the Administrator nor the ~~Custodian~~Depository nor the ~~Investment Manager~~AIEM shall be under any liability therefore or thereby.
- 34.05 This Article shall not, however, exempt the Company, the Directors, the AIEM, the Administrator, ~~the Custodian~~ or the ~~Investment Manager~~Depository respectively, from any liability they may incur as a result of a failure to adhere to their obligations as set out in the ~~Act or any liability incurred as a result of any fraud or negligence on the part of the Company, the Administrator, or the Investment Manager of any negligence, fraud, bad faith, wilful default on the part of the Custodian or recklessness in the performance of its duties.~~ AIEMD

Regulations or the Acts or for as long as the Company is registered for sale in Hong Kong, or from any liability imposed under the laws of the Hong Kong Special Administrative Region or under Irish law or breaches of trust through fraud or negligence, nor may such persons be indemnified against such liability by Shareholders or at Shareholders' expense.

38.00 DEALINGS BY ~~CUSTODIAN INVESTMENT MANAGER~~ DEPOSITORY AIFM AND ADMINISTRATOR

Any person being the ~~Custodian~~ Depository, the ~~Investment Manager~~ AIFM, the Administrator and any associate of the ~~Custodian~~ Depository, the ~~Investment Manager~~ AIFM or the Administrator may:-

- (i) become the owner of Shares and hold, dispose or otherwise deal with Shares as if that person were not such persons;
- (ii) deal in property of any description on that person's individual account notwithstanding the fact that property of that description is included in the property of the Company; or
- (iii) act as principal or agent in the sale or purchase of property to or from the ~~Custodian~~ Depository for the account of the Company without the person's having to account to any other such person, to the Shareholders or to any of them for any profits or benefits made by or derived from or in connection with any such transaction, provided that such transaction is carried out as if effected on normal commercial terms negotiated at arms length, in the best interests of Shareholders and:-
 - (a) a certified valuation of such transaction by a person approved by the ~~Custodian~~ Depository as independent and competent has been obtained; or
 - (b) such transaction has been executed on best terms on an organised investment exchange under their rules; or
 - (c) where (a) and (b) are not practical, such transaction has been executed on terms which the ~~Custodian~~ Depository is satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arms length and made in the best interests of Shareholders.

39.00 RESTRICTION ON MODIFICATION TO ARTICLES

No modification shall be made to the Memorandum or Articles of Association of the Company which would result in the Company ceasing to ~~be authorised under~~ comply with the terms of the Acts. In any case, no modification ~~shall~~ can be made to the ~~m~~ Memorandum and ~~a~~ Articles of ~~a~~ Association of the Company ~~in accordance with~~ without the ~~requirements~~ prior approval of the Central Bank ~~notices~~.

40.00 IRISH TAXATION

In the event of any payment, cancellation, redemption, repurchase, transfer, deemed chargeable event ~~on 31 December 2000 or other chargeable event,~~ in respect of Shares held by a Shareholder who is resident (or ordinarily resident) in Ireland for Irish tax purposes and not exempt under section 739(6) Taxes Consolidation Act of Ireland or any Shareholder whether an Irish ~~tax R~~ tax Rresident or not in respect of which a valid Declaration is not in place, the Company shall be entitled to deduct from any payment an amount equal to the tax chargeable pursuant to Section 739E of the Irish Taxes Consolidation Act 1997 or any other provision of Irish tax law applicable to the Company or the Shareholders (hereinafter the "appropriate tax") or redeem, appropriate or cancel such number of Shares as are required to meet the appropriate tax of such Shareholder and to account for such appropriate tax to the Irish tax authorities. In the event that the Company is not required to pay such appropriate tax to the Irish tax authorities immediately the Company shall arrange for the appropriate tax to be lodged to an account in the name of the ~~Custodian~~ Depository for the account of the Company pending payment to the Irish tax authorities.