

ARTICLES OF ASSOCIATION

*Société d'Investissement à Capital Variable* (Open-ended Investment Company)

**PROTEA FUND**

Luxembourg – B 80.092

***Société d'Investissement à Capital Variable*** (Open-ended  
Investment Company)

**PROTEA FUND**

**L u x e m b o u r g**

**R.C. Luxembourg – B 80.092**

**ARTICLES OF ASSOCIATION**

**10 March 2005**

as recorded herewith and received by:

Mr Frank Baden, notary residing in Luxembourg:

10 January 2001 (Creation), published in the *Mémorial, Recueil  
des Sociétés et Associations*, number 138 of  
22 February 2001.

30 December 2004 (Amendment of Articles), not yet published.

10 March 2005 (Amendment of Articles), not yet published.

#### **ARTICLE 1:**

There exists, between the subscribers and all those who shall become shareholders, a company created in the form of an open-ended investment company under the name of **PROTEA FUND**.

#### **ARTICLE 2:**

The company is established for an indefinite length of time. It may be dissolved by decision of the General Meeting as an amendment to the Articles of Association.

#### **ARTICLE 3:**

The Company's sole purpose is to invest the funds at its disposal in any kind of transferable securities and other authorised assets in order to spread investment risks and enable its shareholders to benefit from earnings generated through the management of its portfolios.

The Company may take any measures and carry out any transactions that it deems necessary to accomplish and develop its purpose in the broadest sense, as allowed by Part I of the law of 20 December 2002 governing undertakings for collective investment (hereinafter the "Law of 20 December 2002").

#### **ARTICLE 4:**

The registered office is located in Luxembourg, Grand Duchy of Luxembourg. Further to a decision by the Board of Directors, offices or branches may be created in the Grand Duchy of Luxembourg and abroad.

If the Board of Directors deems that extraordinary political, economic or social events have occurred or are imminent, that would compromise the normal activities of the Company at its registered office or ease of communications with this office or from this office to parties abroad, the registered office may be temporarily transferred abroad until the complete cessation of these abnormal circumstances. Such temporary measures will have no effect on the nationality of the Company, which, notwithstanding the temporary transfer of the registered office, will remain a Luxembourg company.

#### **ARTICLE 5:**

The Company's capital is at all times equal to the Company's total net assets as defined in Article 23 of these Articles of Association.

The minimum capital of the Company cannot be less than one million two hundred and fifty thousand euro (EUR 1,250,000).

The Board of Directors is authorised at any time to issue additional fully paid-up shares, at a price equal to the net value or to the respective net values per share determined in accordance with Article 23 of these Articles of Association,

without reserving any preferential subscription rights for existing shareholders. A sales commission may be added to the above-mentioned price.

The Board of Directors may at any time delegate responsibility for accepting subscriptions to pay or receive payment for the price of such new shares to any duly authorised director or any Company manager, or any other duly authorised person.

These shares may, at the discretion of the Board of Directors, belong to different share classes and the revenue from the issue of shares in each class shall be invested in accordance with Article 3 of these Articles of Association, in the transferable securities and other assets corresponding to geographic areas, industrial sectors, monetary zones or to specific kinds of shares or bonds to be determined by the Board of Directors for each class. Each class of shares represents a compartment. To determine the Company's capital, the net assets corresponding to each class of shares not expressed in euro will be converted to euro, and the capital will be equal to the total net assets of all the classes of shares.

For each class of shares, the Board of Directors may also decide to create two or more sub-classes, the assets of which will usually be invested in line with the specific investment policy for the class in question, although sub-classes may vary notably with specific subscription and/or redemption fee structures, exchange rate risk hedging policies, distribution policies and/or management or advisory fees or other specific features applicable to each sub-class.

The shareholders' meeting may, pursuant to Article 29 of these Articles of Association, reduce the Company's capital by cancelling shares in a determined share class and reimbursing the shareholders with the full value of the shares, on condition that the requirements relating to quorum and majority necessary for modifying the Articles of Association are fulfilled for this particular share class.

The shareholders' meeting may decide to close one or more compartments by merging them either with one or several compartments of the SICAV, or with one or several compartments of another Luxembourg UCI as defined in Part I of the Law of 30 March 1988 or of the Law of 20 December 2002.

For a period of at least one month, the shareholders of the compartment(s) in question may ask to redeem their shares free of charge.

Once this deadline has passed, the decision on the merger will be binding for all shareholders who have decided not to exit the fund, with the understanding however that when the UCI receiving the shares is an *FCP* (mutual fund), the decision will only be binding for those shareholders who have supported the merger.

A compartment can only merge with a foreign UCI following unanimous approval of the merger by the shareholders of the compartment in question, or on condition that only shareholders who have approved the transaction are actually transferred to the foreign UCI.

Any shareholder decision as described above is subject to the vote of the shareholders of the compartment to be closed due to the merger and requires the quorum and majority rules as required for statutory amendments.

If the net assets of a class drop below 2,000,000 EUR or the equivalent in the base currency of the class in question, or if justified by a change in the economic or political situation concerning a class, the Board of Directors may decide at any time to liquidate the class in question. The assets that have not been able to be distributed to the beneficiaries on closing of the liquidation of a class will be deposited at the custodian bank for a period of six months starting from the closing of the liquidation. After this period, the assets will be deposited at the *Caisse de Consignation* on behalf of the beneficiaries.

If the net assets of a class drop below 2,000,000 EUR or the equivalent in the base currency of the class in question, or if justified by a change in the economic or political situation concerning the class, the Board of Directors may decide at any time to close a class by merging it with another class (the "new class"). Furthermore, the Board of Directors may decide to conduct such a merger if it is in the best interests of shareholders in the classes in question. The decision to proceed with the merger will be published and communicated to the shareholders concerned before the merger takes effect, indicating the underlying reasons and the procedure to be applied for the merger, in addition to information on the new class. This publication or notification will be made at least one month prior to the date on which the merger is to become effective so as to offer shareholders the option to request the redemption of their shares, free of charge, before the merger is carried out.

In the event that two or more sub-classes are created within a class of shares, in conformity with Article 5 above, the rules determined above apply to each sub-class with any necessary modifications.

#### **ARTICLE 6:**

The Board members shall issue only registered shares. Shareholders will receive a confirmation of their shareholding, unless the company only decides to issue registered certificates. If registered shareholders wish to receive more than one certificate for their shares, the cost of the additional certificates may be charged to the shareholder in question. Certificates will be signed by two directors. Both signatures may be handwritten, printed, or stamped. However,

one of the signatures may be affixed by a person designated by the Board of Directors for this purpose; in this case it must be handwritten. The Company may issue temporary certificates in the forms determined by the Board of Directors.

The shares are only issued on acceptance of the subscription and receipt of the purchase price as specified in Article 24 hereinafter.

Payment of dividends to registered shareholders will be made to the address appearing in the shareholders' register.

All registered shares issued by the Company will be recorded in the shareholders' register to be held by the Company or by one or more persons duly appointed by the Company for this purpose. This register must indicate the names of all registered owners of shares, their place of residence or elected domicile, the number of shares held and the amount paid on each share. All transfers of shares will be recorded in the share register.

Registered shares will be transferred as follows: (a) if certificates have been issued, the certificates representing these shares and any other transfer documents required by the Company must be returned to the Company, and (b) if certificates have not been issued, a written transfer statement must be recorded in the share register, dated and signed by the assignor and assignee, or by their representatives upon justification of the necessary powers.

All owners of registered shares must provide the Company with an address to which all communications and information may be sent. This address will also be recorded in the share register.

If a named shareholder fails to provide the Company with an address, this may be reported in the share register, and the shareholder's address will be presumed to be at the Company's registered office or at any other address defined by the Company, until another address has been provided by the shareholder. Shareholders may, at any time, request that their address recorded in the share register be changed by sending a written statement to the Company at its registered office, or any other address periodically indicated by the Company.

The issue of fractions of shares of a maximum of five decimal places is allowed but fractions hold no voting rights. Certificates confirming the possession of fractions of shares shall not be issued.

#### **ARTICLE 7:**

If a shareholder can provide the Company with proof that his or her share certificate has been misplaced or destroyed, a duplicate may be issued on request, in accordance with the conditions and guarantees defined by the Company, in particular, in the form of an assurance, without adversely affecting any other form of guarantee as chosen by the Company. Once a new certificate,

duly identified as a duplicate, is issued, the original certificate will be null and void.

Damaged share certificates may be exchanged on the order of the Company. Such damaged certificates must be delivered to the Company and immediately cancelled.

The Company may, at its discretion, charge the shareholder for the cost of the duplicate or new certificate as well as for any other justified costs incurred by the Company in connection with the issue, inclusion in the register or destruction of the old certificate.

#### **ARTICLE 8:**

The Company may restrict or oppose the ownership of the Company's shares by any individual or corporate person.

In particular, the Company may prohibit the ownership of shares by any "United States person" as defined hereinafter, and to this effect, the Company may:

a) reject the issue of shares and the recording of share transfers, when it appears that this issue or transfer could result in a United States person being granted share ownership;

b) request that any party included in the shareholders' register, or any other person that requests a share transfer to be recorded, provide the Company with all the information and certificates that it deems relevant, where necessary accompanied by a sworn statement, in order to determine whether, to what extent and under what circumstances, these shares are actually owned by, or are going to be owned by, United States persons, and;

c) force redemption of all or part of the shares should it appear that a United States person, either alone or together with other persons, is the owner of shares in the Company, or has provided false certificates and guarantees or has failed to provide certificates and guarantees as determined by the Board of Directors. In the latter case, the following procedures shall be applied:

1) The Company will send a notice (hereinafter the "redemption notice") to the shareholder indicated in the register as the owner of the shares in question. The redemption notice will specify the securities to be redeemed, the redemption price to be paid and the location where this price is to be paid. The redemption notice may be sent by registered letter to the shareholder at his or her last known address or the address recorded in the share register. The shareholder in question will be required to immediately return the certificate(s) for the shares specified in the redemption notice. At close of business on the day indicated in the redemption notice, the shareholder in question will cease to be the owner of the

shares specified in the redemption notice and his or her name will be removed from the register.

2) The redemption price for the shares indicated in the redemption notice (the "redemption price") will be equal to the net value of the Company's shares determined in accordance with Article 23 of these Articles of Association.

3) Payment will be made to the owner of the shares in the currency of the class in question except during periods of exchange restriction, and the amount will be deposited to a bank, in Luxembourg or elsewhere as specified in the redemption notice, that will transfer it to the shareholder in question in exchange for the return of the certificate or certificates, as indicated in the redemption notice. As soon as the price has been paid under these conditions, none of the stakeholders in the shares mentioned in the redemption notice will have any right over these shares or will be able to take any action against the Company or its assets, with the exception of the shareholder's right, as the owner of the shares, to receive the amount deposited at the bank (without interest) upon delivery of the certificates.

4) The Company's use of the powers conferred in this article may not be called into question or invalidated under any circumstances on the grounds that there is insufficient proof of the ownership of such shares by any person or on the grounds that a share belonged to another individual or corporate person that the Company had not recognised when sending out the redemption notice, on the sole condition that the Company acts in good faith.

d) reject the voting rights of any United States person at any shareholders' meeting.

The term "United States person", as used in these Articles of Association shall refer to any person, citizen or resident of the United States of America or of one of its territories or possessions under its jurisdiction, or persons usually residing there (including the succession or "trust" of any such persons, other than a succession or "trust" whose revenues originating from sources located outside of the United States (that is, not actually related to a commercial activity or business in the United States) are not included in the gross revenue for the purposes of determining the U.S. federal tax on corporate or association revenues incorporated or organized therein).

#### **ARTICLE 9:**

Any properly constituted meeting of shareholders of the Company will represent the entire body of shareholders. It has the broadest authority to order, carry out or ratify all acts relating to corporate actions.



**ARTICLE 10:**

The annual general shareholders' meeting will be held in accordance with Luxembourg law at the Company's registered office or at any other location in Luxembourg, as may be specified in the notice of meeting at 11:00 am on the second Thursday in June. The annual general meeting may be held abroad should the Board of Directors so decide, at its sole discretion, when required in exceptional circumstances.

Other general shareholders' meetings may be held, at the times and places specified in the notices of meeting.

**ARTICLE 11:**

Quorums and deadlines required by law shall govern the meeting notices and the conduct of Company shareholders' meetings unless otherwise provided in these Articles of Association.

Any share from any class, irrespective of the net value per share for each class, gives the right to one vote. Every shareholder has the right to be represented at shareholders' meetings by proxy by sending a letter, telex, telegram or fax identifying his or her representative.

Unless otherwise provided for by law, the general shareholders' meeting's decisions will be taken by a simple majority of shareholders present and voting.

The Board of Directors may define any other conditions that must be fulfilled by shareholders in order to participate in a general meeting.

**ARTICLE 12:**

At least eight days prior to meetings, the Board of Directors will send a notice of meeting by letter, indicating the agenda for the meeting, to all shareholders at the address indicated in the shareholders' register.

**ARTICLE 13:**

The Company will be managed by a Board of Directors comprising at least three members; members of the Board of Directors do not need to be shareholders of the Company.

Directors will be elected at the annual general meeting for a term of office ending at the next annual general meeting and when their successors have been elected. However, a director may be asked to resign with or without cause, and/or may be replaced at any time pursuant to a resolution by the shareholders.

Should a director position become vacant on decease, resignation, dismissal or for another reason, the remaining directors may meet and elect a

new director subject to a majority vote, to temporarily perform the functions associated with the vacant position until the next shareholders' meeting.

**ARTICLE 14:**

The Board of Directors will select a Chairman from among the board members, and may elect one or more Vice-chairmen. It may also appoint a secretary, who does not need to be a director, in order to take the minutes of board meetings and shareholders' meetings. Meetings of the Board of Directors will be convened by the Chairman or by two directors, at the location indicated in the notice of meeting.

The Chairman of the Board of Directors will preside over general meetings of shareholders and of meetings of the Board of Directors, but in his absence, the general meeting or meeting of the Board of Directors shall appoint another director, and for a general meeting, another person, to chair these meetings, subject to a majority of votes.

The Board of Directors, when necessary, will appoint the executive officers and legal agents of the Company, including a chief executive officer, a managing officer, one or more secretaries, and when necessary, deputy chief executive officers, deputy secretaries and other officers and legal agents whose functions are deemed necessary to conduct the Company's business. These appointments may also be cancelled by the Board of Directors at any time. The officers and legal agents do not need to be members of the Board of Directors or shareholders. Unless otherwise indicated in the Articles of Association, the officers and legal agents will have the authority and responsibilities attributed to them by the Board of Directors.

All directors will be given at least twenty-four hours prior written notice of board meetings, unless in the event of an emergency, in which case the reasons and the nature of this emergency will be mentioned in the notice of meeting. This notice may be waived subject to the consent of each director in writing or by cable, telegram, telex or fax. No special notice is required for board meetings held at a given location and time as indicated in a resolution adopted beforehand by the Board of Directors.

Directors may appoint another director to represent them at board meetings, indicating their representative in writing or by cable, telegram, telex, or fax.

Directors may only act within the framework of properly convened board meetings. The directors will not be able to enter the Company into any binding agreement through their individual signature, unless specifically authorised to do so by a resolution of the Board of Directors.

The Board of Directors may only deliberate and act when a majority of the directors are present or represented. Decisions will be subject to a majority vote by the directors present or represented at the relevant meeting. In the event of a tie vote in decisions at a board meeting, the Chairman will cast the deciding vote.

The Board of Directors may delegate its authority over the execution of daily management decisions and the performance of operations in pursuit of Company objectives and the general management strategy to corporate officers and legal agents or any other person designated by the Board of Directors.

The decisions may also be taken by written resolutions signed by all Board members.

#### **ARTICLE 15:**

The minutes of board meetings will be signed by the Chairman or the director presiding over the meeting in the absence of the Chairman.

Copies or extracts of the minutes intended for use in judicial proceedings or elsewhere will be signed by the Chairman or by the Secretary or by two directors.

#### **ARTICLE 16:**

The Board of Directors, applying the principle of risk spreading, has the power to determine: (i) the investment policies to follow for each Compartment; (ii) the risk hedging techniques to use for a specific class of shares within a Compartment, and; (iii) the guidelines to follow in respect of corporate administration and actions, notwithstanding the investment restrictions adopted by the Board of Directors pursuant to applicable laws and regulations.

In conformity with the requirements stipulated by the Law of 20 December 2002, particularly regarding the type of markets in which the assets may be acquired or the status of the issuer or of the counterparty, each Compartment may invest:

- (i) in transferable securities or money market instruments;
- (ii) in units of undertakings for collective investment (UCI);
- (iii) in deposits with credit institutions that are reimbursable on request or that may be withdrawn and have a maturity of less than or equal to twelve months;
- (iv) in derivative financial instruments.

The Company's investment policy is to reproduce the composition of a specific index of equities or bonds that is recognized by the Luxembourg supervisory authority.

The Company in particular may acquire the securities mentioned above in any regulated market that operates regularly, is recognized and is open to the public or in a securities market located in a Member State of the European Union, in Europe, America, Africa, Asia, Australia or Oceania.

The Company may also invest in transferable securities or newly-issued money market instruments, provided that the conditions of issue include the commitment that the request for listing on a securities market or regulated market as mentioned above has been made and that the admittance is obtained at the latest before the end of the period of one year from the issue.

The Company's Board of Directors may decide to invest up to 100% of the net assets of each Compartment of the Company in various issues of transferable securities or money market instruments issued or guaranteed by a Member State of the European Union, its local governments, another OECD Member State or international public bodies of which one or more Member States of the European Union are members, provided that, should the Company decide to take advantage of this option, it will hold securities from at least six different issues, and the securities of one issue may not constitute more than 30% of the net assets of the compartment in question.

The Company may utilise techniques and instruments relating to transferable securities and money market instruments for effective portfolio management and for hedging purposes.

#### **ARTICLE 17:**

No contract or other transaction between the Company and any other company or firm may be affected or invalidated by the fact that one or more of the directors, officers or legal agents of the Company has an interest of any kind in, or is a director, associate, officer, legal agent or employee of such other company or firm. Any director, officer or legal agent of the Company who serves as a director, officer, legal agent or employee of any company or firm with which the Company has a contract or is otherwise engaged in business will not, as a result of such affiliation with another company or firm, be prevented from deliberating, voting and acting upon any matters with respect to such contracts or similar business.

In the event that any director, officer or legal agent may have a personal interest in any business of the Company, they must inform the Board of Directors of such personal interest and will not deliberate or vote on any such business. This business and personal interest will be reported at the next general shareholders' meeting.

The term "personal interest" as used above, will not apply to any relations or interests of any kind whatsoever that may exist in relation to Pictet & Cie (Europe) S.A., or its subsidiaries or affiliated companies, or to any other company or legal entity as determined by the Board of Directors.

**ARTICLE 18:**

The Company may indemnify any director, officer or legal agent, their successors, executors or directors of wills, for expenses that have been reasonably incurred by any actions or procedures to which they may have been party as Company director, officer or legal agent or for having been, at the Company's request, the director, officer or legal agent of any company in which the Company is shareholder or creditor and by which he or she would not be indemnified, unless in such cases or in such actions or procedures they are eventually sentenced for grave negligence or mismanagement.

**ARTICLE 19:**

The Company shall be bound by joint signature of two directors, by the individual signature of an authorized executive officer or legal agent, or by the individual signature of any person who has specially delegated powers from the Board of Directors.

**ARTICLE 20:**

The Company's operations and its financial position, in particular including its accountancy, shall be monitored by one or more auditors that shall meet all the requirements of Luxembourg law concerning honorability and professional experience, and who work in accordance with the functions prescribed by the Law of 20 December 2002. The auditors shall be appointed by the annual shareholders' meeting for a period ending on the day of the subsequent annual shareholders' meeting and when their successors have been selected. The incumbent auditors may be dismissed with or without cause at any time pursuant to a resolution by the general shareholders' meeting.

**ARTICLE 21:**

1. In conformity with the terms and conditions defined hereafter, the Company has the power to redeem its own shares at any time, within the legally defined limits.

2. The price thus obtained may, if necessary, be rounded to the second decimal in the currency in which the shares of the class or sub-class are denominated.

3. Any request for redemption must be presented by the shareholder in writing to the registered offices of the Company in Luxembourg or to any other

legal person designated by the Company as proxy for the redemption of shares and the request must be accompanied by the share certificate(s) in correct and due form and by adequate proof of any transfer, if necessary.

4. Any request for redemption made cannot be withdrawn unless the redemption is suspended by virtue of Article 22 of these Articles of Association. Unless a redemption request has been withdrawn, the redemption will be conducted on the first valuation date following the suspension.

5. The shares in the capital redeemed by the Company will be cancelled.

6. Any shareholder may request the conversion of all or part of the shares into shares in another class at a price equal to the respective net asset values of the different share class plus the transaction fees and, if necessary, rounded up or down to the nearest monetary unit depending on the decision of the Directors, with the understanding that the Board of Directors may impose restrictions concerning, among others, the frequency of conversions, and these may be subjected to payment of fees in the amounts it shall determine in the best interests of the Company and the shareholders.

Within the access limits defined for each sub-class of shares, all shareholders may request the conversion of all or part of their shares into shares in another sub-class of shares determined on the basis of the net asset values on the applicable calculation days for the sub-classes concerned adjusted by the various fees that may apply.

If at a given moment the net value of the assets of a class of shares drops below 2,000,000 euro or the equivalent in the base currency of the class in question, the Board of Directors may decide to redeem all the shares in the class at their net value on the day on which all the assets of the class have been consolidated.

If, due to applications for redemption or conversion, it is necessary on a given valuation day to redeem or convert more than 10% of the shares issued in a specific class, the Board of Directors may decide that such redemptions or conversions will be postponed until the next valuation day for the net asset value of the relevant class. When the net asset value is calculated again, redemption or conversion applications that have been deferred (and not withdrawn) will have priority over applications received for that particular net asset valuation day (and which have not been deferred).

#### **ARTICLE 22:**

For the purposes of determining the issue, redemption and conversion prices, the net value of the Company's shares shall be calculated, for the shares in each class of shares, periodically, but never less than twice a month, as

determined by the Board of Directors (the day on which the net asset value is calculated is referred to hereinafter as the "valuation day"), with the understanding that if a valuation day falls on a public holiday for the banks in Luxembourg, such valuation day will be moved forward to the next banking day following the holiday.

The Company may suspend the calculation of the net asset value of shares in any class of shares, the issue and redemption of shares in the class, as well as conversion from and to these shares:

a) if one or more stock exchanges or markets on which a significant percentage of the Company's assets are valued or one or more foreign exchange markets in the currencies in which the net asset value of shares is expressed or in which a substantial portion of the Company's assets is held, are closed, other than for ordinary holidays, or if dealings therein are suspended, restricted or subject to major fluctuations in the short term;

b) if, as a result of political, economic, military, monetary or social events, strikes or any other event of *force majeure* beyond the responsibility and control of the Board of Directors, the disposal of the Company's assets is not reasonably or normally practicable without being seriously detrimental to shareholders' interests;

c) if there is an interruption in the normal means of communication used to calculate the value of an asset of the Company or if, for whatever reason, the value of an asset of the Company cannot be calculated as promptly or as accurately as required;

d) when, as a result of foreign-exchange restrictions or restrictions on the movement of capital, corporate actions are rendered impracticable, or purchases or sales of the Company's assets cannot be carried out at normal rates of exchange;

e) should an event arise that brings about the liquidation of the Company or of one of its compartments;

f) in the event of suspension of the calculation of the net asset value of one or more funds in which the Fund has invested a substantial portion of its assets.

Such a suspension may be published, if necessary, by the Company and shareholders requesting redemption of shares by the Company will be notified at the time they make the final request for redemption, pursuant to the provisions in Article 21 above.

Such a suspension, in regard to a class of shares, will not impact the calculation of the net asset value for the issue, redemption and conversion of shares of other classes of shares.

**ARTICLE 23:**

The net asset value of the shares, for each class of shares in the Company, will be expressed by an amount per share in the currency of the share class concerned and shall be determined for each valuation date, by dividing the net assets of the Company, corresponding to each class of shares, constituted by Company assets corresponding to the class of shares less the liabilities attributable to the share class when the offices are closed on that date, by the number of outstanding shares in that class of shares.

If various sub-classes of shares are issued in a given class, the net asset value of each sub-class of shares in this class will be calculated by dividing the total net asset value, calculated for the class in question and attributable to this sub-class of shares, by the percentage of the total net asset value of the class in question attributable to each sub-class of shares. The valuation of classes of shares and when necessary of sub-classes of shares will be made as follows:

A. The Company's assets will comprise:

- a) all cash on hand and on deposit, including any interest accrued;
- b) all bills and demand notes and accounts receivable, including proceeds from securities sold but not delivered;
- c) all securities, units, shares, bonds, warrants, options and other investments and securities owned by the Company;
- d) all stock and cash dividends and distributions receivable by the Company (the Company may however make adjustments with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);
- e) all interest accrued on securities owned by the Company unless such interest is included in the principal amount of such securities;
- f) the initial expenses of the Company to the extent that they have not been depreciated;
- g) all other assets of any kind, including prepaid expenses.

The valuation of assets will be carried out as follows:

- a) Securities admitted to official listing on a stock exchange or traded on another regulated market that is operating normally, is recognized and open to the public, are valued at their last available price, unless this price is deemed not to be representative.



b) Securities not listed on a stock exchange or traded on a regulated market, as well as securities that are listed but for which the last available price is not representative, will be valued, prudently and in good faith, on the basis of their estimated sale price.

c) Liquid assets will be valued at their face value, plus accrued interest.

d) The units of open-ended undertakings for collective investment will be valued on the basis of the last known net asset value or, if the price determined is not representative of the real value of the assets, the price will be determined by the Board of Directors in a fair and equitable manner. The units/shares of closed-ended UCIs will be valued on the basis of their last known market value available.

e) The money market instruments that are not listed or traded on a regulated market that operates regularly, is recognized and open to the public, or a securities market located in a member State of the European Union, in Europe, America, Africa, Asia, Australia or Oceania and whose residual maturity does not exceed twelve months, will be valued at their nominal value plus any interest due; the total value is amortized using the linear amortisation method.

f) Futures and options contracts that are not traded on a regulated market or a securities market as specified in (e) above will be valued at their liquidation value calculated in accordance with rules determined in good faith by the Board of Directors, using uniform criteria for each kind of contract. The value of futures and options contracts traded on a regulated market or a securities market as specified in (e) above will be based on the closing or settlement rate published by the regulated market or securities market on which the contracts in question are primarily traded. If it has not been possible to liquidate a forward contract or option contract on the valuation day of the net assets in question, the criteria for calculating the liquidation value of such a forward contract or option contract will be fairly and equitably established by the Board of Directors.

g) Swaps are valued at their fair value on the basis of the value of the underlying financial assets (at closing and intraday) as well as on the characteristics of the underlying commitments.

h) For each class, securities whose value is expressed in a currency other than the currency of that class will be converted into the currency at the average price between the last available buy/sell price in Luxembourg or, failing that, on the market that is most representative for those securities.

The Board of Directors is authorised to adopt any other appropriate principles for valuing the Company's assets if extraordinary circumstances make

it impossible or inappropriate to calculate the values based on the aforementioned criteria.

In the event of substantial subscription or redemption applications, the Board of Directors may assess the value of the shares on the basis of prices in the course of the trading session on the stock exchanges or markets during which it was able to carry out necessary purchases or sales of securities for the Company. In such cases, a single method of calculation will be applied to all subscription or redemption applications received at the same time.

B. The Company's liabilities will comprise:

- a) all borrowings, bills and accounts payable;
- b) all accrued or payable administrative expenses (including payments to investment advisors, custodians and corporate agents of the Company);
- c) all known liabilities, matured and unmatured, including all matured contractual debts for payments in cash or in assets, including the amount of any unpaid dividends announced by the Company, when the valuation date falls on the date on which the Company determines which person is entitled to such dividends;
- d) an appropriate provision for taxes on capital and income accrued up to the calculation date, as determined by the Board of Directors, and other provisions as authorised and approved by the Board of Directors;
- e) all other Company liabilities of any kind, with the exception of commitments represented by the shares of the Company. In determining the amount of such commitments, the Company will take into account all expenses payable by the Company, comprising start-up expenses, fees and expenses payable to its investment advisors or investment managers, fees and expenses payable to accountants, custodians, correspondents, paying agents and permanent representatives in places of registration, and any other Company representatives, fees for legal and auditing services, advertising expenses, promotional and printing expenses, including the cost of advertising and preparing and printing prospectuses, explanatory memoranda, registration statements, or annual and semi-annual reports, stock exchange listing costs, government taxes or duties and all other operating expenses including the cost of buying and selling assets, interest, banking and brokerage, postage, telephone and telex costs. In determining the amount of such commitments, the Company may also take into account administrative and other expenses of a regular or recurring nature and an estimated figure for the year or for other periods, by spreading the amount over this period on a pro rata basis.

C. For each class of shares a pool of assets will be established as follows:

a) The proceeds resulting from the issue of shares in each class of shares will be allocated, in the Company's books, to the pool of assets established for the class of shares, and the assets, liabilities, revenues, and expenses relating to the class of shares shall be allocated to the pool of assets in conformity with the provisions in this article.

b) If an asset is derived from another asset, this derivative asset will be allocated in the Company's books to the same pool to which the asset from which it is derived belongs and, each time an asset is revalued, the increase or decrease in value will be allocated to the corresponding pool to which the asset belongs.

c) When the Company has a liability that relates to an asset in a determined pool or in relation to a transaction conducted on an asset in a determined pool, this liability shall be allocated to the pool in question and the Company as a whole shall not be made liable.

d) In the case that an asset or commitment of the Company cannot be allocated to a determined pool, this asset or commitment will be distributed in equal portions between all pools and, to the extent justified by the amount, will be allocated to all the pools on a pro rate basis of the net asset values of the different classes of shares.

e) On the date of determination of a announced dividend for a class of shares, the net asset value will be deducted from the amount of the dividends.

f) In the event that two or more sub-classes were created within a class of shares, in conformity with Article 5 above, the allocation rules determined above apply to each sub-class with any necessary modifications.

D. For the purposes of this article:

a) each share in the Company to be redeemed under Article 21 above will be treated as issued and existing until after the close of business on the applicable valuation date for the redemption of that share, and from such date and until the price has been paid, will be deemed to be a liability of the Company;

b) all investments, cash balances or other Company assets that are not expressed in the currency in which the net asset values of the various classes of shares are expressed shall be valued after taking into account the exchange rates applicable on the day and at the time when the net asset value of the shares is calculated; and

c) insofar as possible, any acquisitions or sales of transferable securities contracted by the Company on the valuation date will be effective on the valuation date in question.

**ARTICLE 24:**

When the Company offers shares for subscription, the price per share at which such shares will be offered and issued shall be equal to the net value as defined in these Articles of Association for the class or sub-class of shares in question, plus an amount that the directors deem appropriate to cover taxes and fees (including all stamp duties or other taxes, government taxes, bank and broker fees, transfer and registration fees and other fees on taxes) ("transaction fees") which would be payable if all the assets of the Company considered together for valuation of the assets would be acquired and still taking into consideration all other factors, that in the opinion of the directors acting prudently and in good faith should be considered; the price thus obtained may be rounded to the second decimal in the currency in which the class or sub-class of shares is denominated, and this rounding will be used by the Company, plus any commissions that will be specified in the sales documentation, the price thus obtained may be rounded to the second decimal. Any fees paid to agents involved in the placement of shares will be paid using this commission. The price thus determined shall be payable at the latest 5 banking days after the date on which the net asset value was applied or in a shorter time that the Board of Directors may decide from time to time. Under the conditions determined by the Board of Directors and in accordance with the law, the subscription price may be settled by in-kind contributions, and such contributions shall be evaluated in the auditors' report.

**ARTICLE 25:**

The Company's financial year shall begin on 1 January and end on 31 December of the same year.

The Company's financial statements shall be expressed in euros. In the event that there are different classes or sub-classes of shares, as provided in Article 5 of these Articles of Association, and if the financial statements of these classes or sub-classes are expressed in different currencies, these statements shall be converted into euros and used in preparing the Company's accounts.

**ARTICLE 26:**

The general shareholders' meeting will decide, for each class or sub-class of shares and as recommended by the Board of Directors, on the allocation of annual earnings, and will determine to what extent other distributions may be made.

Any resolution of the general shareholders' meeting deciding on distributions of dividends for shares in a given class or sub-class must first be

approved by a majority of the voting shareholders of the class of shares in question.

Pursuant to applicable laws, interim dividends may be paid for the shares of a given class or sub-class of shares based on the assets allocated to the class or sub-class on decision of the Board of Directors.

No distribution may be made if, as a consequence of this distribution, the Company's capital should drop below the minimum capital required by law.

The dividends announced shall be paid in the currency, and at the time and place determined by the Board of Directors.

Moreover, for each class or sub-class of shares, the dividends may include a withdrawal from an equalization account that may be created for each class or sub-class thus determined and which, in this case, shall be credited following the issue of shares and debited following the redemption of shares, and for an amount that shall be calculated on the basis of the portion of the accumulated revenues corresponding to the shares.

#### **ARTICLE 27:**

The Company will enter contracts with a custodian bank for deposits and services that must meet the requirements of the law governing undertakings for collective investment (the "Custodian Bank"). All transferable securities, liquid assets and other Company assets shall be held by or on order of the Custodian Bank, which shall be responsible on behalf of the Company and its shareholders in conformity with the law. The remuneration payable to the Custodian Bank shall be determined in the depository agreement.

In the event that the Custodian Bank wishes to resign from its duties, the Board of Directors shall take any necessary measures to find a company to act as custodian and the directors shall designate that company to be the Custodian Bank in the place of the resigning Custodian Bank. The directors shall not remove the Custodian Bank until a successor has been appointed, in conformity with this provision, and acts in its place.

#### **ARTICLE 28:**

In the event that the Company is dissolved, the liquidation will be carried out by one or more liquidators that may be either individuals or corporate persons appointed at the general shareholders' meeting, which will also determine their powers and fees. The Company may be dissolved when the Company's assets are less than an amount to be determined in the sales documentation. The net proceeds from the liquidation of each class or sub-class will be distributed by the liquidators to holders of shares in the class in question in proportion to the number of shares held in that class or sub-class.

**ARTICLE 29:**

These Articles of Association may be amended from to time at a general shareholders' meeting, subject to the quorum and voting conditions required under Luxembourg law.

Any amendment affecting the rights of shareholders of a class of shares in relation to those of other classes of shares shall be subject to the same quorum and majority requirements in these classes of shares.

**ARTICLE 30:**

All Company securities and cash instruments shall be held by and on behalf of the Custodian Bank that shall assume its responsibilities as defined by the Law of 20 December 2002.

- FOR ARTICLES OF ASSOCIATION -