

## SCHRODER GAIA

*Société d'Investissement à Capital Variable*

5, rue Höhenhof

L-1736 Senningerberg

Grand-Duchy of Luxembourg

R.C.S. Luxembourg: B148818

### **Article one - Name:**

There exists among the ~~subscriber~~subscribers and all those who may become holders of shares a company in the form of a "société anonyme" in the meaning of the law of August tenth, one thousand nine hundred and fifteen on commercial companies, as amended (the "1915 Law") and qualifying as a "société d'investissement à capital variable" in the meaning of Part I of the law of seventeenth December two thousand and ten regarding collective investment undertakings, as may be amended from time to time (the "2010 Law") under the name of **SCHRODER GAIA** (the "Company").

### **Article two - Duration:**

The Company is established for an unlimited period. The Company may be dissolved by a resolution of the shareholders adopted in the manner required for amendment of these articles of incorporation (the "Articles").

The Board (as defined in Article four) is entitled to determine the period for which the classes of shares (as defined in Article five) of the Company are established.

### **Article three - Object:**

The exclusive object of the Company is to place the funds available to it in transferable securities of any kind and other permitted assets with the purpose of spreading investment risks and affording its shareholders the results of the management of its portfolio.

The Company may take any measures and carry out any operation which it may deem useful in the accomplishment and development of its purpose to the full extent permitted by ~~Part I of the law of seventeenth December two thousand and ten regarding collective investment undertakings, as may be amended from time to time (the "Law")~~the 2010 Law.

### **Article four - Registered Office:**

The registered office of the Company is established in Senningerberg in the commune of Niederanven, in the Grand-Duchy of Luxembourg. Wholly-owned subsidiaries, branches or other offices may be established either in the Grand-Duchy of Luxembourg or abroad by resolution of the board of directors of the Company (the "Board"). The Board may decide to transfer the registered office of the Company within the same commune, or from a commune to another commune within the Grand-Duchy of Luxembourg, and, if necessary, subsequently, amend these Articles to reflect such change of registered office.

In the event that the Board determines that extraordinary political, economical, social or military developments have occurred or are imminent that would interfere with the normal activities of the Company at its registered office, or with the communication between such office and persons abroad, the registered office may be temporarily transferred abroad until the complete cessation of these abnormal circumstances; such temporary measures shall have no effect on the nationality of the Company which, notwithstanding the temporary transfer of its registered office, will remain a Luxembourg corporation.

#### **Article five – Capital and Shares:**

The capital of the Company shall be represented by shares of no par value and shall at any time be equal to the total net assets of the Company as defined in Article twenty-three hereof.

The minimum capital of the Company shall be one million two hundred and fifty thousand Euro (1,250,000 EUR).

The Board is authorized without limitation to issue fully paid shares at any time for cash or, subject to the conditions of the 2010 Law and the prospectus of the Company ("Prospectus"), contribution in kind of securities and other assets in accordance with Article twenty-four hereof at the applicable net asset value (the "Net Asset Value") determined in accordance with Article twenty-three hereof without reserving to the existing shareholders a preferential right to subscription of the shares to be issued. The Board may delegate to any duly authorized director of the Company (the "Director") or officer of the Company or to any other duly authorized person, the duty of accepting subscriptions and/or delivering and receiving payment for such new shares, remaining always within the limits imposed by the 2010 Law.

Such shares may, as the Board shall determine, be of different classes and the proceeds of the issue of each class of shares shall be invested pursuant to Article three hereof in transferable securities or other permitted assets corresponding to such geographical areas, industrial sectors or monetary zones, or to such specific types of securities or other assets, or with such other specific features as the Board shall from time to time determine in respect of each class of shares.

For the avoidance of doubt, the references to "class of shares" in the preceding paragraph are to be understood as references to "sub-funds" or "compartments" within the meaning of article 181 of the 2010 Law.

Within each such class of shares (having a specific investment policy), further sub-classes having specific sale, redemption or distribution charges (a "sales charge system") and specific income distribution policies or any other features may be created as the Board may from time to time determine and as disclosed in the offering documents of the Company Prospectus. The Board may, at any time, create different sub-classes of shares in each class of shares and shall, in such event, assign a particular name to them.–

The different classes of shares and sub-classes may be denominated in different currencies to be determined by the Board provided that for the purpose of determining the capital of the Company, the net assets attributable to each class shall, if not expressed in Euro, be converted into Euro and the capital shall be the total of the net assets of all the classes.

The Board may, subject to regulatory approval, decide to proceed with the compulsory redemption of a class of shares or sub-class, or its liquidation, if the Net Asset Value of the shares of such class falls below the amount of Euro 50 million or its equivalent in another currency, or in the case of a sub-class of shares such sub-class falls below the amount of Euro 10 million or its equivalent in another currency, or such other amount, for both a class of shares and a sub-class of shares, as may be determined by the Board from time to time to be the minimum level for assets of such class to be operated in an economically efficient manner and as disclosed in the offering document of the Company Prospectus, or if any economic or political situation would constitute a compelling reason for such operations, or if required by the interests of the shareholders of the relevant class.

The liquidation of a class of shares has no implication on the remaining classes or the Company as a whole. Only the liquidation of the last remaining class of shares will result in the liquidation of the Company itself, which will be carried out pursuant to article 28 and the 2010 Law.

The decision of the compulsory redemption or liquidation will be published (or notified as the case may be) by the Company in accordance with applicable laws and regulations. Unless the Board otherwise decides in the interests of, or to keep equal

treatment between the shareholders, the shareholders of the class or sub-class concerned may continue to request redemption or conversion of their shares subject to the charges as provided for in the prospectus of the Company.

Assets which may not be distributed to their beneficiaries upon the close of the liquidation of the class or sub-class will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto.

The Board may also, under the same circumstances as provided above and subject to regulatory approval, decide the reorganization of one class or sub-class of shares, by means of a division into two or more classes or sub-classes in the Company or in another undertaking for collective investment in transferable securities ("UCITS"). Such decision will be published (or notified as the case may be) in the same manner as described above and the publication or notification will contain information in relation to the two or more new classes or sub-classes.

The Board may decide to proceed with a merger (within the meaning of the [2010 Law](#)) of the Company with one or several other Luxembourg or foreign UCITS, or compartment(s) thereof.

The Board may also decide to proceed with a merger (within the meaning of the [2010 Law](#)) of one or several classes of shares with one or several other classes of shares within the Company, or with one or several other Luxembourg or foreign UCITS or compartment(s) thereof. Such mergers shall be subject to the conditions and procedures imposed by the [2010 Law](#), in particular concerning the common draft terms of the merger to be established by the Board and the information to be provided to the shareholders. Such a merger does not require the prior consent of the shareholders except where the Company is the absorbed entity which, thus, ceases to exist as a result of the merger; in such case, the general meeting of shareholders of the Company must decide on the merger and its effective date. Such general meeting will decide by resolution taken with no quorum requirement and adopted by a simple majority of the votes validly cast. [Insofar as a merger requires the approval of the shareholders pursuant to this paragraph and the provisions of the 2010 Law, only the approval of the shareholders of the class concerned by the decision shall be required.](#)

To the extent permitted under the local law(s), the Board may decide to proceed with a merger of the Company or one or several classes of shares with (i) one or several compartment(s) of another Luxembourg or a foreign UCI, irrespective of their form, or (ii) any Luxembourg or foreign UCI irrespective of their form in accordance with the relevant laws and/or regulations. The exchange ratio between the relevant shares of the Company and the shares or units of the absorbed UCI or of the relevant sub-fund thereof will be calculated on the basis of the relevant net asset value per share or unit as of the effective date of the absorption. In the event that for any reason the net asset value of a sub-class has decreased to, or has not reached an amount determined by the Board (in the interests of shareholders) to be the minimum level for such sub-class to be operated in an efficient manner or for any other reason disclosed in the [offering documents of the Company Prospectus](#), the Board may decide to re-allocate the assets and liabilities of that sub-class to those of one or several other sub-classes within the Company and to re-designate the shares of the sub-class(es) concerned as shares of such other sub-class or sub-classes (following a split or consolidation, if necessary, and the payment to shareholders of the amount corresponding to any fractional entitlement). The shareholder of the sub-classes concerned will be informed of the reorganisation by way of a notice and/or in any other way as required or permitted by applicable laws and regulations.

#### **Article six - Shares:**

The Board may issue shares in registered form.— If and to the extent permitted by law, the Board may at its discretion decide to issue, in addition to shares in registered form, shares in dematerialised form or global share certificates taking the form of global bearer certificates deposited with a securities settlement system ("Global Shares Certificates"). In particular, under the conditions provided

for in the Luxembourg law of April sixth, two thousand and thirteen relating to dematerialised securities, the Board may at its discretion decide to issue shares in dematerialised form. Dematerialised shares are generally shares exclusively issued by book entry in an issue account (*compte d'émission*, the "Issue Account") held by a central account holder (the "Central Account Holder") designated by the Company and disclosed in the [~~sales documents of the Company~~Prospectus](#). Under the same conditions, holders of registered shares may also request the conversion of their shares into dematerialised shares. The registered shares will be converted into dematerialised shares by means of a book entry in a security account (*compte titres*, the "Security Account") in the name of their holders. In order for the shares to be credited on the Security Account, the relevant shareholder will have to provide to the Company any necessary details of his/her/its account holder as well as the information regarding his/her/its Security Account. This information data will be transmitted by the Company to the Central Account Holder who will in turn adjust the Issue Account and transfer the shares to the relevant account holder. The Company will adapt, if need be, the Register. The costs resulting from the conversion of registered shares at the request of their holders will be borne by the latter unless the Board decides at its discretion that all or part of these costs must be borne by the Company. For the avoidance of doubt, shares still can be dematerialised de facto. The Company shall consider the person in whose name the shares are registered in the register of shareholders of the Company (the "Register of Shareholders"), as full owner of the shares. The Company shall be entitled to consider any right, interest or claim of any other person in or upon such shares to be non-existing, provided that the foregoing shall deprive no person of any right which she might properly have to request a change in the registration of his shares. A registered shareholder will receive a confirmation of his shareholding unless he elects to receive a share certificate instead. If a shareholder desires that more than one share certificate be issued for his shares, customary cost may be charged to him. No charge may be made on the issue of a certificate for the balance of a shareholding following a transfer, redemption or conversion of shares. Share certificates shall be signed by two Directors and an official duly authorized by the Board for such purpose. Signatures of the Directors may be either manual, or printed, or by facsimile. The signature of the authorized official shall be manual. The Company may issue temporary share certificates in such form as the Board may from time to time determine.

Ownership of shares issued in dematerialised form or taking the form of Global Share Certificates shall be evidenced in accordance with applicable laws and/or the provisions set forth in the [~~sales documents of the Company~~Prospectus](#), as the case may be.

Shares shall be issued only upon acceptance of the subscription and subject to payment of the price as set forth in Article twenty-four hereof. The subscriber will, without undue delay, obtain delivery of definitive share certificates or, subject as aforesaid, a confirmation of his shareholding.

Payments of dividends will be made to shareholders in respect of registered shares, by bank transfer or by cheque mailed at their mandated addresses in the Register of Shareholders or to such other address as given to the Board in writing. In respect of dematerialised shares, payment of dividends will be made in the manner determined by the Board from time to time in accordance with applicable laws and/or the provisions set forth in the [~~sales documents of the Company~~Prospectus](#), as the case may be.

A dividend declared but not claimed on a share within a period of five years from the payment notice given thereof, cannot thereafter be claimed by the holder of such share and shall be forfeited and revert to the Company. No interest will be paid on dividends declared pending their collection.

All issued shares of the Company shall be inscribed in the Register of Shareholders, which shall be kept by the Company or by one or more persons designated therefore by the Company and such Register of Shareholders shall

contain the name of each holder of shares, his residence or elected domicile so far as notified to the Company and the number and class of shares held by him. Every transfer of a share shall be entered in the Register of Shareholders upon payment of such customary fee as shall have been approved by the Board for registering any other document relating to or affecting the title to any share.

Transfer of registered shares shall be effected (a) by inscription of the transfer to be made by the Company upon delivery of the certificate or certificates, if any, representing such shares, to the Company along with other instruments of transfer satisfactory to the Company and (b), if no share certificates have been issued, by written declaration of transfer to be inscribed in the Register of Shareholders, dated and signed by the transferor and transferee, or by persons holding suitable powers of attorney to act therefor.

The transfer of dematerialised shares or shares taking the form of Global Share Certificates, if issued, shall be made in accordance with applicable laws or the provisions set forth in ~~the sales documents of the Company~~[Prospectus](#), as the case may be.

Every registered shareholder must provide the Company with an address that will be entered in the Register of Shareholders and for shareholders that have individually accepted being notified via ~~email~~[e-mail](#), an ~~email~~[e-mail](#) address to which all notices and announcements from the Company may be sent. Such address will be entered in the Register of Shareholders. In the event of joint holders of shares, only one address will be inserted and any notices will be sent to that address only. The shareholder may, at any time, change his address and/or ~~email~~[e-mail](#) address as entered in the Register of Shareholders by means of a written notification to the Company at its registered office, or at such other address as may be set by the Company from time to time.

The shareholder shall be responsible for ensuring that his details including his address, for the Register of Shareholders are kept up to date and shall bear any and all responsibility should any details be incorrect or invalid. Except for those shareholders who have individually accepted that all notices and announcements are sent to them by e-mail, all notices and announcements of the Company given to shareholders shall be validly made at such address.

Notices and announcements from the Company to holders of dematerialised shares or shares taking the form of Global Share Certificates, if issued, shall be made in accordance with applicable laws or the provisions set forth in the ~~sales documents of the Company~~[Prospectus](#), as the case may be.

If payment made by any subscriber results in the issue of a share fraction, such fraction shall be entered into the Register of Shareholders. It shall not be entitled to vote but shall, to the extent the Company shall determine, be entitled to a corresponding fraction of the dividend or other distributions.

The Company will recognise only one holder in respect of a share in the Company. In the event of joint ownership the Company may suspend the exercise of any right deriving from the relevant share or shares until one person shall have been designated to represent the joint owners vis-à-vis the Company.

In the case of joint shareholders, the Company reserves the right to pay any redemption proceeds, distributions or other payments to the first registered holder only, whom the Company may consider to be the representative of all joint holders, or to all joint shareholders together, at its absolute discretion.

#### **Article seven – Share certificates:**

If any shareholder can prove to the satisfaction of the Company that his share certificate has been mislaid, mutilated or destroyed, then, at his request, a duplicate share certificate may be issued under such conditions and guarantees, including a bond delivered by an insurance company but without restriction thereto, as the Company may determine. At the issuance of the new share certificate, on which it shall be recorded that it is a duplicate, the original share certificate in place of which the new one has been issued shall become void.



The Company may, at its election, charge the shareholder for the costs of a duplicate or of a new share certificate and all reasonable expenses undergone by the Company in connection with the issuance and registration thereof, or in connection with the annulment of the original share certificate.

**Article eight – Restriction of Ownership:**

The Board shall have power to impose such restrictions (other than any restrictions on transfer of shares) as it may think necessary for the purpose of ensuring that no shares in the Company are acquired or held by (a) any person in breach of the law or requirement of any country or governmental authority ~~or~~ (b) any person in circumstances which in the opinion of the Board might result in the Company incurring any liability to taxation or suffering any pecuniary disadvantage which the Company might not otherwise have incurred or suffered or (c) any person whose ownership may otherwise be detrimental to the Company.

More specifically, the Company may restrict or prevent the ownership of shares in the Company by any person, firm or corporate body, and without limitation, by any "U.S. person", as defined in the ~~offering documents of the Company~~ Prospectus.

For such purposes the Company may:

a) decline to issue any share or to register any transfer of any share where it appears to it that such registry would or might result in such share being directly or beneficially owned by a person, who is precluded from holding shares in the Company;

b) at any time require any person whose name is entered in the Register of Shareholders to furnish it with any information, supported by affidavit, which it may consider necessary for the purpose of determining whether or not beneficial ownership of such shareholder's share rests or will rest in a person who is precluded from holding shares in the Company ~~and~~;

c) where it appears to the Company that any person, who is precluded from holding shares or a certain proportion of the shares in the Company, either alone or in conjunction with any other person is beneficial owner of shares, compulsorily redeem from any such shareholder all or part of shares held by such shareholder in compliance with the procedure set forth in the offering documents of the Company.

d) decline to accept the vote of any person who is precluded from holding shares in the Company at any meeting of shareholders of the Company.

The exercise by the Company of the powers conferred by this Article shall not be questioned or invalidated in any case, on the ground that there was insufficient evidence of ownership of shares by any person or that the true ownership of any shares was otherwise than appeared to the Company at the date of any redemption notice, provided that in such case the said powers were exercised by the Company in good faith; and

In addition to the foregoing, the Board may restrict the issue and transfer of shares of a class or a sub-class to institutional investors within the meaning of the 2010 Law ("Institutional Investor(s)"). The Board may, at its discretion, delay the acceptance of any subscription application for shares of a class or a sub-class reserved for Institutional Investors until such time as the Company has received sufficient evidence that the applicant qualifies as an Institutional Investor. If it appears at any time that a holder of shares of a class or a sub-class reserved to Institutional Investors is not an Institutional Investor, the Board will convert the relevant shares into shares of a class or a sub-class which is not restricted to Institutional Investors (provided that there exists such a class or a sub-class with similar characteristics) and which is essentially identical to the restricted class in terms of its investment object (but, for avoidance of doubt, not necessarily in terms of the fees and expenses payable by such class), unless such holding is the result of an error of the Company or its agents, or compulsorily redeem the relevant

shares in accordance with the provisions set forth above in this Article. The Board will refuse to give effect to any transfer of shares and consequently refuse for any transfer of shares to be entered into the Register of Shareholders in circumstances where such transfer would result in a situation where shares of a class or a sub-class restricted to Institutional Investors would, upon such transfer, be held by a person not qualifying as an Institutional Investor.

In addition to any liability under applicable law, each shareholder who does not qualify as an Institutional Investor, and who holds shares in a class or sub-class restricted to Institutional Investors, shall hold harmless and indemnify the Company, the Board, the other shareholders of the relevant class or sub-class and the Company's agents for any damages, losses and expenses resulting from or connected to such holding circumstances where the relevant shareholder had furnished misleading or untrue documentation or had made misleading or untrue representations to wrongfully establish its status as an Institutional Investor or has failed to notify the Company of its loss of such status.

**Article nine – Powers of Shareholders Meetings:**

Any regularly constituted meeting of the shareholders of the Company shall represent the entire body of shareholders of the Company. Its resolutions shall be binding upon all shareholders of the Company regardless of the class of shares held by them. It shall have the broadest powers to order, carry out or ratify acts relating to the operations of the Company.

**Article ten – Shareholders Meetings:**

The annual general meeting of shareholders shall be held, in accordance with Luxembourg law, within six months of the end of each financial year, at the registered office of the Company, or at such other place in the Grand Duchy of Luxembourg as may be specified in the convening notice of such meeting. [A participation at any meeting of shareholders by videoconference or any other means of telecommunication can be allowed, in which case the meeting shall be deemed to be held at the registered office of the Company. Such video or other electronic means must allow to identify such shareholder, allow to effectively act at such meeting of shareholders and the proceedings of such meeting must be retransmitted continuously to such shareholder.](#) The annual general meeting may be held abroad if, in the absolute and final judgment of the Board, exceptional circumstances so require.

Other meetings of shareholders or of holders of shares of any specific class may be held at such place and time as may be specified in the respective notices of meeting. The shareholders of any class of shares may hold or be convened to, at any time, general meetings to decide on any matters which relate exclusively to such class of shares.

Two or more classes of shares may be treated as a single class if such classes would be affected in the same way by the proposals requiring the approval of holders of shares relating to the separate classes.

**Article eleven – Quorum and Resolutions:**

The quorum and notice periods required by ~~law~~[the 1915 Law](#) shall govern the conduct of the meetings of shareholders of the Company, unless otherwise provided herein.

Each share of whatever class and regardless of the Net Asset Value per share within the class is entitled to one vote, subject to the limitations imposed by these Articles. A shareholder may act at any meeting of shareholders by appointing another person as his proxy in writing ~~or, by e-mail~~, by telefax message or any other electronic means capable of evidencing such proxy. Such proxy shall be deemed valid, provided that it is not revoked, for any reconvened shareholders' meeting.

Shareholders may vote through voting forms sent by post ~~or, by~~ [facsimile, by e-mail or any other electronic means capable of evidencing such voting forms](#) to the Company's registered office or to the [address or e-mail](#) address specified in the convening notice, provided that the convening notice to the relevant meeting

of shareholders expressly permits such mean of vote. The vote through voting forms sent by post or facsimile is subject to the discretion of the Board as long as shareholders entitled to vote by ballot voting form sent by post or facsimile are equally treated. The shareholders entitled to vote by ballot voting forms sent by post or facsimile may only use voting forms provided by the Company in the convening notice sent for the relevant general meeting and which contain at least the place, date and time of the meeting, the agenda of the meeting, the proposal submitted to the decision of the meeting, as well as for each proposal, three boxes allowing the relevant shareholder to vote in favour of, against, or abstain from voting on each proposed resolution by ticking the appropriate box. - Voting forms which show neither a vote in favour, nor against the proposed resolution, nor an abstention, are void. The Company will only take into account voting forms received prior to the general meeting which they are related to.

Except as otherwise required by law or as otherwise provided herein, resolutions at a meeting of shareholders duly convened will be passed by a simple majority of the votes cast. Votes cast shall not include votes attaching to shares in respect of which the shareholders have not taken part in the vote or have abstained or have returned a blank or invalid vote. A corporation may execute a proxy under the hand of a duly authorized officer.

Where there is more than one class of shares and the resolution of the general meeting is such as to change the respective rights thereof, such resolution must, in order to be valid, also be approved by shareholders of such class of shares in accordance with the quorum and majority requirements provided for by this Article.

The Board may determine all other conditions that must be fulfilled by shareholders for them to take part in any meeting of shareholders. [An attendance list shall be maintained for each general meeting of the shareholders.](#)

The Board may suspend the voting rights of any shareholder in breach of his obligations as described by these Articles or any relevant contractual arrangement entered into by such shareholder. A shareholder may individually decide not to exercise, temporarily or permanently, all or part of his voting rights. The waiving shareholder is bound by such waiver and the waiver is mandatory for the Company upon notification of the latter.

In case the voting rights of one or several shareholders are suspended in accordance or the exercise of the voting rights has been waived by one or several shareholders, such shareholders may attend any general meeting of the Company but the shares they hold will not be taken into account for the determination of the conditions of quorum and majority to be complied with at the general meetings of the Company.

#### **Article twelve – Notice to General Meetings of Shareholders:**

Shareholders will meet upon call by the Board. Meetings of shareholders must be convened by the Board upon the written request of shareholders representing at least 10% of the share capital of the Company. In such case, the general meeting of shareholders shall be held within a period of one month from the receipt of such request.

The convening notice for every general meeting of shareholders shall contain the date, time, place, and agenda of the meeting and may be made through announcements filed with the Luxembourg Trade and Companies Register and published at least fifteen days before the meeting, on the *Recueil électronique des sociétés et associations*, and in a Luxembourg newspaper. In such case, notices by mail shall be sent at least eight days before the meeting to the registered shareholders by ordinary mail (*lettre missive*). Alternatively, where all the shares are in registered form, the convening notices may be exclusively made by registered mail, or if the addressees have individually agreed to receive the convening notices by another means of communication ensuring access to the information, by such means of communication.



Documentation regarding the general meeting of shareholders will be made available at least eight days prior to the general meeting of shareholders at the registered office. In addition, the Board may in its discretion decide to make such documentation available by means of a website or via electronic storage service accessible via the internet.

Whenever all the shareholders are present or represented and when they declare that they deem themselves to have been duly convened and to have had prior knowledge of the agenda submitted to them for deliberation, the general meeting may be held without prior notice or publication.

The Board is free to determine the most appropriate means for convening shareholders to a general meeting of shareholders, and may decide on a case by case basis. The Board may, for the same general meeting, convene registered shareholders to the general meeting by [email](#) as regards those shareholders that have provided their [email](#) address in time and the other registered shareholders by letter or courier service.

At the conditions set forth in Luxembourg laws and regulations, the notice of any general meeting of shareholders may specify that the quorum and the majority applicable for this general meeting will be determined by reference to the shares issued and in circulation at a certain date and time preceding the general meeting (the "Record Date"), whereas the right of a shareholder to participate at a general meeting of shareholders and to exercise the voting right attached to his/its/her shares will be determined by reference to the shares held by this shareholder as at the Record Date.

In case of dematerialised shares, if issued, the right of a holder of such shares to attend a general meeting and to exercise the voting rights attached to such shares will be determined by reference to the shares held by this holder as at the time and date provided for in the convening notices and/or by Luxembourg laws and regulations. The holders of dematerialised shares are obliged, in order to be admitted to the general meetings, to provide a certificate issued by the institution with which their security account is maintained at least five business days prior to the date of the meeting.

#### **Article thirteen – Board:**

The Company shall be managed by a board composed of not less than three members; members of the Board need not be shareholders of the Company.

A majority of the Board shall at all times comprise a majority of persons not resident for tax purposes in the United Kingdom. The Directors shall be elected for a term not exceeding six years.

The Directors shall be elected by the shareholders at a general meeting which shall further determine the number of Directors, their remuneration and the term of their office. Any Director may be removed with or without cause and/or replaced at any time by resolution adopted by the shareholders.

In the event of a vacancy in the office of Director because of death, retirement or otherwise, the remaining Directors may elect, by majority vote, a Director to fill such vacancy until the next general meeting of shareholders.

#### **Article fourteen – Procedures of Board meeting:**

The Board may choose from among its members a ~~chairman~~[chairperson](#), and may choose from among its members one or more vice-~~chairmen~~[chairpersons](#). It may also choose a secretary, who need not be a Director, who shall be responsible for keeping the minutes of the meetings of the Board and of the shareholders. The Board shall meet upon call by [the chairperson \(if any\), or](#) any two Directors, at the place indicated in the notice of meeting but so that no meetings may take place in the United Kingdom.

The ~~chairman~~[chairperson](#), if any, shall preside at all meetings of shareholders and of the Board, but in his absence or inability to act the shareholders or the Board may appoint another Director and, in respect of shareholders' meetings, any other person as ~~chairman~~[chairperson](#) pro tempore by

vote of the majority present at any such meeting.

Written notice of any meeting of the Board shall be given to all Directors in writing or by telefax, e-mail or any similar means of communication at least 24 hours in advance of the hour set for such meeting, except in circumstances of emergency, in which case the nature of such circumstances shall be set forth in the notice of meeting. This notice may be waived by the consent in writing or by telefax message, e-mail or any other electronic means capable of evidencing such waiver of each Director. Separate notice shall not be required for individual meetings held at times and places prescribed in a schedule previously adopted by resolution of the Board.

Any Director may act at any meeting of the Board by appointing in writing or by telefax message, e-mail or any electronic means capable of evidencing such appointment, another Director as his proxy. One Director may represent one or more Directors. Directors may also cast their vote in writing ~~or~~, by telefax message, by e-mail or any other electronic means capable of evidencing such vote.

The Directors may only act at duly convened meetings of the Board. Directors may not bind the Company by their individual acts, except as specifically permitted by resolution of the Board.

The Board can deliberate or act validly only if at least two of the members of the Board are present or represented by another Director as proxy at a meeting of the Board and only if the majority of the Directors so present or represented are persons not resident in the United Kingdom. For the calculation of quorum and majority, the Directors participating at the Board by video conference or by telecommunication means permitting their identification may be deemed to be present. Such means shall satisfy technical characteristics which ensure an effective participation at the meeting of the Board whose deliberations should be online without interruption. Such a Board meeting held at distance by way of such communication means shall be deemed to have taken place at the registered office of the Company. Decisions shall be taken by a majority of the votes of the Directors present or represented at such meeting. In the event that in any meeting the number of votes for and against a resolution shall be equal, the ~~chairman~~chairperson of the meeting, if any, shall have a casting vote.

Resolutions of the Board may also be passed in the form of written resolution in identical terms in the form of one or several documents in writing signed by all the Directors and circulated in original ~~or~~, by telefax message, by e-mail or other electronic means. The entirety will form the minutes giving evidence of the resolutions.

The Board from time to time may appoint the officers of the Company, including a general manager, a secretary, and any assistant general managers, assistant secretaries or other officers considered necessary for the operations and management of the Company. Any such appointment may be revoked at any time by the Board. Officers need not be Directors or shareholders of the Company. The officers appointed, unless otherwise stipulated in these Articles, shall have the powers and duties given to them by the Board.

The Board may also create one or several committees. The composition and the powers of such committee(s), the terms of the appointment, removal, remuneration and duration of the mandate of its/their members, as well as its/their rules of procedure are determined by the Board. The Board shall be in charge of the supervision of the activities of the committee(s).

The Board may delegate its powers to conduct the daily management and affairs of the Company and its powers to carry out acts in furtherance of the corporate policy and purpose, to physical persons or corporate entities which need not be members of the Board. The Board may also delegate any of its powers, authorities and discretions to any committee, consisting of such person or persons (whether a member or members of the Board or not) as it thinks fit, provided that the majority of the members of the committee are Directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers,

authorities or discretions unless a majority of those present are Directors of the Company, provided further that no delegations may be made to a committee of the Board, the majority of which consists of Directors who are resident in the United Kingdom. No meeting of any committee of the Board may take place in the United Kingdom and no such meeting will be validly held if the majority of the Directors present or represented at that meeting are persons resident in the United Kingdom.

The Board may also confer special powers of attorney by notarial or private proxy.

**Article fifteen – Minutes of the Board meeting:**

The minutes of any meeting of the Board shall be signed by the ~~chairman~~chairperson (if any) or, in his/her absence, by the chairperson pro tempore, if any, who presided at such meeting, or by any two Directors.

Copies or extracts of such minutes which may be produced in judicial proceedings or otherwise shall be signed by such ~~chairman~~chairperson, if any, ~~or by the secretary, or by two Directors.~~

chairperson pro tempore, or by the secretary, or by two Directors.

**Article sixteen – Powers of the Board:**

The Board is vested with the broadest powers to perform all acts of disposition, management and administration within the limits of the Company's object and in compliance with the investment policy as set out in the Prospectus. All powers not expressly reserved by law or these Articles to the general meeting of the shareholders fall within the competence of the Board.

The Board shall, based upon the principle of spreading of risks, have power to determine the corporate and investment policy and the course of conduct of management and business affairs of the Company.

The Board shall also determine any restrictions which shall from time to time be applicable to the investments of the Company, in accordance with Part I of the 2010 Law including, without limitation, restrictions in respect of:

- a) the borrowings of the Company and the pledging of its assets;
- b) the maximum percentage of its assets which it may invest in any form or class of security and the maximum percentage of any form or class of security which it may acquire.

The Board may decide that investments of the Company be made (i) in transferable securities and money market instruments admitted to or dealt in on a regulated market as defined by the 2010 Law, (ii) in transferable securities and money market instruments dealt in on another market in any Member State of the European Union, which is regulated, operates regularly and is recognised and open to the public, (iii) in transferable securities and money market instruments admitted to official listing on a stock exchange in any other country in Europe, Asia, Oceania, the American continents and Africa, or dealt in on another regulated market of countries referred to above, provided that such market operates regularly, is regulated and is recognized and open to the public, (iv) in recently issued transferable securities and money market instruments provided the terms of the issue provide that application be made for admission to official listing in any of the stock exchanges or other regulated markets referred to above and provided that such listing is secured within one year of the issue, as well as (v) in any other transferable securities, instruments or other assets within the restrictions as shall be set forth by the Board in compliance with applicable laws and regulations and disclosed in the ~~offering documents of the Company~~Prospectus.

The Board may decide to invest, under the principle of risk-spreading, up to one hundred per cent of the net assets of the Company in different transferable securities and money market instruments issued or guaranteed by any Member State of the European Union, its local authorities, a non-Member State of the European Union, a Member State of the OECD or the Group of twenty (G20), by the Republic of Singapore, by the Hong Kong Special Administrative Region of the People's Republic of China, as acceptable by the supervisory authority and disclosed in the ~~offering documents of the Company~~Prospectus or public

international bodies of which one or more of such Member States are members, provided that in the case where the Company decides to make use of this provision it must hold securities from at least six different issues and securities from any one issue may not account for more than thirty per cent of the ~~Company's~~Company's total net assets.

The Board may decide that investments of the Company be made in financial derivative instruments, including equivalent cash settled instruments, dealt in on a regulated market as referred to in the 2010 Law and/or financial derivative instruments dealt in over-the-counter provided that, among others, the underlying consists of instruments considered as eligible assets by the 2010 Law, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives as disclosed in the ~~offering documents of the Company~~Prospectus.

The Board may decide that investments of the Company be made so as to replicate stock indices and/or debt securities indices to the extent permitted by the 2010 Law provided that the relevant index is recognised as having a sufficiently diversified composition, is an adequate benchmark and is published in an appropriate manner.

Under the conditions set forth in Luxembourg laws and regulations, the Board may, at any time it deems appropriate and to the widest extent permitted by applicable Luxembourg laws and regulations, but in accordance with the provisions set forth in the ~~offering documents of the Company~~Prospectus, (i) create any class qualifying either as a feeder UCITS or as a master UCITS, (ii) convert any existing class into a feeder UCITS class or (iii) change the master UCITS of any of its feeder UCITS classes.

Any class may, to the widest extent permitted by and under the conditions set forth in applicable Luxembourg laws and regulations, but in accordance with the provisions set forth in the ~~offering documents of the Company~~Prospectus, subscribe, acquire and/or hold shares to be issued or issued by one or more classes. In such case and subject to conditions set forth in applicable Luxembourg laws and regulations, the voting rights, if any, attaching to these shares are suspended for as long as they are held by the class concerned. In addition and for as long as these shares are held by a class, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

A "connected" person may not purchase, sell or loan securities (excluding the shares of the Company) as principal, or grant or receive loans, to or from the Company for its own account, unless the transaction is made within the restrictions set forth in these Articles or other regulations adopted by the Company, and either (i) in the case of securities, the price is determined by current publicly available quotations on internationally recognised securities markets or on an ~~arms'~~arms' length basis determined from time to time by the Board, or (ii) in the case of loans, the interest rates are competitive in the light of those prevailing from time to time on internationally recognised money markets. For this purpose a ~~"connected person"~~ means any investment manager, any investment adviser, any custodian, any domiciliary agent, any transfer agent, any registrar and any authorised agents and any of their directors, officers or employees or any of their major shareholders (meaning a shareholder who, to the knowledge of the Board holds in his own or any other name, including a ~~nominee's~~nominee's name, more than 10 per cent of the total issued and outstanding shares or stock of such company).

The Board may invest and manage all or any part of the pools of assets established for two or more classes of shares on a pooled basis, as described in the ~~offering documents of the Company~~Prospectus, where it is appropriate with regard to their respective investment sectors to do so.

In order to reduce the operational and administrative charges of the Company while permitting a larger diversification of the investments, the Board



may resolve that all or part of the assets of the Company shall be co-managed with the assets of other Luxembourg collective investment undertakings.

Investments of the Company may be made either directly or indirectly through wholly-owned subsidiaries incorporated in any suitable jurisdiction and carrying on management activities exclusively for the Company, and this primarily, but not solely, for the purposes of greater tax efficiency. When investments of the Company are made in the capital of subsidiary companies which, exclusively on its behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, with regard to the redemption of units at the request of unitholders, paragraphs (1) and (2) of Article 48 of the [2010 Law](#) do not apply. Any reference in these Articles to "investments" and "assets" shall mean, as appropriate, either investments made and assets beneficially held directly or investments made and assets beneficially held indirectly through the aforesaid subsidiaries.

**Article seventeen – Conflicts of Interest:**

No contract or other transaction between the Company and any other company or firm shall be affected or invalidated by the fact that any one or more of the Directors or officers of the Company is interested in, or is a director, associate, officer or employee of such other company or firm. Any Director or officer of the Company who serves as a director, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business, shall not, by reason of such connection and/or relationship with such other company or firm, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

In the event that any Director or officer of the Company may have, directly or indirectly, any financial interest conflicting with the interest of the Company in connection with a transaction falling within the competence of the Board, any Director or officer of the Company, such Director or officer shall make known to the Board such conflict of interest and shall not consider or vote on any such transaction, and must have his declaration recorded in the minutes of the Board meeting. The relevant Director or officer may not take part in the discussions relating to such transaction or vote on such transaction. Any such conflict of interest must be reported to the next general meeting of shareholders prior to such meeting taking any resolution on any other item

The term "financial interest" as used in the preceding sentence, shall not include any relationship with or interest in any matter, position or transaction involving the Company or any subsidiary thereof, or such other company or entity as may from time to time be determined by the Board at its discretion.

Where, by reason of a conflicting interest, the number of Directors required in order to validly deliberate is not met, the Board may decide to submit the decision on this specific item to the general meeting of shareholders. Where one or several members of the Board (but not all of them) have an interest conflicting with that to the Company, such Director(s) is/are not taken into account for the determination of the conditions of presence and majority to be complied with at the meeting of the Board in accordance with article fifteen of these Articles.

This Article shall not apply where the decision of the Board relates to current operations entered into under normal conditions.

**Article eighteen – Indemnity:**

The Company may indemnify any Director or officer, and his heirs, executors and administrators, against expenses reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the company or, at its request, of any other corporation of which the Company is a shareholder or creditor and from which he is not entitled to be indemnified. Such person shall be indemnified in all circumstances except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or misconduct; in the event of a settlement, any indemnity shall be



provided only in connection with such matters covered by the settlement as to which the Company is advised by its counsel that the person to be indemnified did not commit such a breach of duty. The foregoing right of indemnity shall not exclude other rights to which he may be entitled.

**Article nineteen – Signatory Powers:**

The Company will be bound by the joint signature of any two Directors or by the joint or single signature(s) of any other person(s) to whom such authority has been delegated by the Board.

**Article twenty – Statutory Auditor:**

The Company shall appoint a ~~“réviseur d’entreprises d’entreprises agréé”~~ who shall carry out the duties prescribed by the 2010 Law. The auditor shall be elected by the shareholders at a general meeting for a period ending at the next annual general meeting and until its successor is elected.

**Article twenty-one – Redemption of Shares:**

As is more specifically prescribed herein below the Company has the power to redeem its own shares at any time within the sole limitations set forth by law.

Any shareholder may at any time request the redemption of all or part of his shares by the Company. Any redemption request must be filed by such shareholder in irrevocable written form (or a request evidenced by any other electronic mean deemed acceptable by the Company), subject to the conditions set out in the ~~offering documents of the Company~~Prospectus, at the registered office of the Company or with any other person or entity appointed by the Company as its agent for redemption of shares, together with the delivery of the certificate(s) for such shares in proper form (if issued) and accompanied by proper evidence of transfer or assignment.

The redemption price shall normally be paid within a period as provided by the ~~offering documents of the Company~~Prospectus as from receipt of correct renunciation documentation as requested by the Company and shall be equal to the Net Asset Value for the relevant class of shares as determined in accordance with the provisions of Article twenty-three hereof less a redemption charge, if any, as the ~~offering documents of the Company may~~Prospectus may provide, such price being rounded down to the nearest decimal and such rounding to accrue to the benefit of the Company. From the redemption price there may further be deducted any deferred sales charge if such shares form part of a class in respect of which a deferred sales charge has been contemplated in the ~~offering documents of the Company~~Prospectus.

In addition a dilution levy may be imposed on deals as specified in the ~~offering documents of the Company~~Prospectus. Such dilution levy should not exceed a certain percentage of the Net Asset Value determined from time to time by the Board and disclosed in the ~~offering documents of the Company~~Prospectus. This dilution levy will be calculated taking into account the estimated costs, expenses and potential impact on security prices that may be incurred to meet redemption and conversion requests.

If the requests for redemption and/or conversion received for any class of shares for any specific Valuation Day (as defined below) exceed a certain amount or percentage of the Net Asset Value of such class, such amount and percentage being fixed by the Board from time to time and disclosed in the ~~offering documents of the Company~~Prospectus, the Board may defer part or all of such redemption and/or conversion requests to be dealt with to a subsequent Valuation Day in accordance with the terms of the ~~offering documents of the Company~~Prospectus. On the next Valuation Day, deferred requests will be dealt in priority to later requests.

The Board may extend the period for payment of redemption proceeds to such period, not exceeding thirty bank business days, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the markets in which a substantial part of the assets of a class are invested or in exceptional circumstances where the liquidity of a class is not sufficient to meet the redemption requests.

Payment of the redemption proceeds will be effected in the reference currency of the relevant class of shares or in such other freely convertible currency as disclosed in the [offering documents of the CompanyProspectus](#).

The Board may also determine the notice period, if any, required for lodging any redemption request of any specific class or classes. The specific period for payment of the redemption proceeds of any class of shares of the Company and any applicable notice period as well as the circumstances of its application will be publicised in the [offering documents of the CompanyProspectus](#) relating to the sale of such shares.

The Board may delegate to any duly authorised director or officer of the Company or to any other duly authorised person, the duty of accepting requests for redemption and effecting payment in relation thereto.

With the consent of the shareholder(s) concerned, the Board may (subject to the principle of equal treatment of shareholders) satisfy redemption requests in whole or in part in kind by allocating to the redeeming shareholders investments from the portfolio in value equal to the Net Asset Value attributable to the shares to be redeemed as described in the [offering documents of the CompanyProspectus](#).

To the extent required by law, such redemption will be subject to a special audit report by the auditor of the Company confirming the number, the denomination and the value of the assets which the Board will have determined to be contributed in counterpart of the redeemed shares. This audit report, if issued, will also confirm the way of determining the value of the assets which will have to be identical to the procedure of determining the Net Asset Value of the shares.

The specific costs for such redemptions in kind, in particular the costs of the special audit report, if issued, will have to be borne by the shareholder requesting the redemption in kind or by a third party, but will not be borne by the Company unless the Board considers that the redemption in kind is in the interest of the Company or made to protect the interests of the Company.

Any request for redemption shall be irrevocable except in the event of suspension of redemption pursuant to Article twenty-two hereof. In the absence of revocation, redemption will occur as of the first Valuation Day after the end of the suspension.

Any shareholder may request conversion of whole or part of his shares of one class into shares of another class at the respective Net Asset Values of the shares of the relevant class, provided that the Board may impose such restrictions between classes of shares as disclosed in the [offering documents of the CompanyProspectus](#) as to, inter alia, frequency of conversion, and may make conversions subject to payment of a charge as specified in the [offering documents of the CompanyProspectus](#).

The conversion request may not be accepted unless any previous transaction involving the shares to be converted has been fully settled by such shareholder.

No redemption or conversion by a single shareholder may, unless otherwise decided by the Board, be for an amount of less than that of the minimum holding amount as determined from time to time by the Board.

If a redemption or conversion or sale of shares would reduce the value of the holdings of a single shareholder of shares of one class below the minimum holding amount as the Board shall determine from time to time, then such shareholder shall be deemed to have requested the redemption or conversion, as the case may be, of all his shares of such class.

Notwithstanding the foregoing, in the event of impediments due to exchange control regulations or similar constraints in the markets in which a substantial part of the assets of the Company are invested or if in exceptional circumstances the liquidity of the Company is not sufficient to enable payment of redemption proceeds or conversions to be made within a period as provided in the [offering documents of the CompanyProspectus](#), such payment (without interest), or conversion, will be made as soon as reasonably practicable thereafter, and in any event no later than thirty

days, if and as long as the Company is authorised with the Hong Kong Securities and Futures Commission.

The Board may in its absolute discretion compulsorily redeem or convert any holding with a value of less than the minimum holding amount to be determined from time to time by the Board and to be published in the ~~offering documents of the Company~~ Prospectus.

Shares of the Company redeemed by the Company shall be cancelled.

Shares of a class having a specific sales charge system and a specific distributions policy, as provided in Article five above, may be converted to shares of a class of shares having the same sales charge system and having the same or a different distribution policy.

**Article twenty-two – Net Asset Value:**

The Net Asset Value, the subscription price (the “Subscription Price”) and redemption price of each class of shares in the Company shall be determined as to the shares of each class of shares by the Company from time to time, but in no instance less than twice monthly, as the Board may decide from time to time and as disclosed in the ~~offering documents of the Company~~ Prospectus (every such day or time determination thereof being referred to herein as the “Valuation Day”).

The Company may temporarily suspend the determination of the Net Asset Value, the Subscription Price and redemption price of shares of any particular class and the issue and redemption of the shares in such class from its shareholder(s) as well as conversion from and to shares of such class:

(a) during any period when any of the principal stock exchanges or any other regulated market on which any substantial portion of the Company's investments of the relevant class for the time being are quoted, is closed or during which dealings are restricted or suspended; or

(b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant class by the Company is impracticable; or

(c) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange; or

~~(d) if for any reason the prices of any investment owned by a class cannot be reasonably, promptly or accurately determined; or~~

~~(e) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such shares cannot in the opinion of the Board be effected at normal rates of exchange; or~~

~~(f) if the Company or a class is being or may be wound-up on or following the date on which notice is given of the meeting of shareholders at which a resolution to wind up the Company or the relevant class is proposed; or~~

~~(g) if the Board has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular class of shares in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; or~~

~~(h) during any other circumstance or circumstances where a failure to do so might result in the Company or its shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment; or~~

~~(i) during any period when the determination of the net asset value per share of and/or the redemptions in the underlying investment funds representing a material part of the assets of the relevant class is suspended; or~~

~~(k) during any period where circumstances exist that would justify the suspension for the protection of shareholders in accordance with the 2010 Law.~~

Any such suspension shall be published by the Company in newspapers determined by the Board, if appropriate, and shall be promptly notified to shareholders requesting redemption or conversion of their shares by the Company

at the time of the filing of the written request (or a request evidenced by any other electronic mean deemed acceptable by the Company) for such redemption or conversion as specified in Article twenty-one hereof.

Such suspension as to any class will have no effect on the calculation of the Net Asset Value, Subscription Price or redemption price, the issue, redemption and conversion of the shares of any other class.

Moreover, in accordance with the provisions on mergers of the [2010 Law](#), the Company may temporarily suspend the subscription, the redemption or the conversion of its shares, provided that any such suspension is justified for the protection of the shareholders.

**Article twenty-three – Calculation of the Net Asset Value:**

The Net Asset Value of shares of each class of shares in the Company shall be expressed in the reference currency of the relevant class (and/or in such other currencies as the Board shall from time to time determine) as a per share figure and shall be determined in respect of any Valuation Day by dividing the net assets of the Company corresponding to each class of shares, being the value of the assets of the Company corresponding to such class less the liabilities attributable to such class, by the number of shares of the relevant class outstanding.

The subscription and redemption price of a share of each class shall be expressed in the reference currency of the relevant class (and/or in such other currencies as the Board shall from time to time determine) as a per share figure and shall be determined in respect of any Valuation Day as the Net Asset Value per share of that class calculated in respect of such Valuation Day adjusted by a sales commission, redemption charge, if any, fixed by the Board in accordance with all applicable law and regulations. The subscription and redemption price shall be rounded upwards and downwards respectively to the number of decimals as shall be determined from time to time by the Board.

If an equalisation account is being operated an equalisation amount is payable.

The valuation of the Net Asset Value of the different classes of shares shall be made in the following manner:

A. The assets of the Company shall be deemed to include:

(a) all cash in hand or receivable or on deposit, including accrued interest;

(b) all bills and notes payable on demand and any amounts due (including the proceeds of securities sold but not collected);

(c) all securities, shares, bonds, debentures, options or subscription rights and other derivative instruments, warrants, units or shares of undertakings for collective investments and other investments and securities belonging to the Company;

(d) all dividends and distributions due to the Company in cash or in kind to the extent known to the Company (the Company may however adjust the valuation to fluctuations in the market value of securities due to trading practices such as trading ex-dividends or ex-rights);

(e) all accrued interest on any securities held by the Company except to the extent such interest is comprised in the principal thereof;

(f) the preliminary expenses of the Company insofar as the same have not been written off, provided that such preliminary expenses may be written off directly from the capital of the Company; and

(g) all other assets of every kind and nature, including prepaid expenses.

The value of such assets shall be determined as follows:

(1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.

(2) The value of such securities, financial derivative instruments and assets will be determined on the basis of the prices at the close of market on the dealing day as provided in the [offering documents of the Company Prospectus](#), on the stock exchange or any other regulated market on which these securities or assets are traded or admitted for trading. Where such securities or other assets are quoted or dealt in one or by more than one stock exchange or any other regulated market, the Board shall make regulations for the order of priority in which stock exchanges or other regulated markets shall be used for the provisions of prices of securities or assets.

(3) If a security is not traded or admitted on any official stock exchange or any regulated market, or in the case of securities so traded or admitted the last available price of which does not reflect their true value, the Board is required to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.

(4) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction. The reference to reliable and verifiable valuation shall be understood as a reference to a valuation, which does not rely only on market quotations of the counterparty and which fulfils the following criteria:

- (a) The basis of the valuation is either a reliable up-to-market value of the instrument, or, if such value is not available, a pricing model using an adequate recognised methodology.
- (b) Verification of the valuation is carried out by one of the following:
  - (i) an appropriate third party which is independent from the counterparty of the over-the-counter ("OTC") derivative, at an adequate frequency and in such a way that the Company is able to check it;
  - (ii) a unit within the Company which is independent from the department in charge of managing the assets and which is adequately equipped for such purpose.

(5) Units or shares in open-ended undertakings for collective investment shall be valued on the basis of their last available net asset value as reported by such undertakings.

(6) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.

(7) If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Board may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.

(8) Any assets or liabilities in currencies other than the base currency of the classes of shares will be converted using the relevant spot rate quoted by a bank or other recognised financial institution.

(9) The swaps are valued at their fair value based on the underlying securities (at close of business or intraday) as well as on the characteristics of the underlying commitments.

B. The liabilities of the Company shall be deemed to include:

- (a) all borrowings, bills and other amounts due;
- (b) all administrative and other operative expenses due or accrued including all fees payable to the investment manager, the custodian and any other representatives and agents of the Company;



(c) all known liabilities due or not yet due, including the amount of dividends declared but unpaid;

(d) an appropriate amount set aside for taxes due on the date of valuation and other provisions or reserves authorised and approved by the Board covering among others liquidation expenses; and

(e) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by shares in the Company. In determining the amount of such liabilities, the Board shall take into account all expenses payable by the Company which shall comprise, as applicable, formation expenses, fees and expenses payable to its management company, investment advisers or investment managers, director's fees and reasonable out-of-pocket expenses accountants, auditors, custodian, administrative, domiciliary, registrar and transfer agents, any paying agent and permanent representatives in places of registration, any other agent employed by the Company, fees related to listing to shares of the Company on any stock exchange, fees related to the shares of the Company being quoted on another regulated market, fees for legal and auditing services, promotional, printing, reporting and publishing expenses, including the cost of advertising or preparing and printing of prospectuses the Prospectus, other sales documents, key information documents, explanatory memoranda or registration statements, financial reports, taxes or governmental charges, and all other operational expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and, telex and, other communication expenses or cash management service costs. In certain circumstances expenses payable by the Company may also comprise investment research fees. The Board may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

For the purposes of the valuation of its liabilities, the Board may duly take into account all administrative and other expenses of a regular or periodical character by valuing them for the entire year or any other period and by dividing the amount concerned proportionately for the relevant fractions of such period.

In circumstances where the interests of the Company or its shareholders so justify (for instance avoidance of market timing practices), the Board may take any appropriate measures, such as applying a fair value pricing to adjust the value of the Company's assets, as further described in the offering documents of the Company.

C. There shall be established one pool of assets for each class of shares in the following manner:

a) the proceeds from the issue of each class shall be applied in the books of the Company to the pool of assets established for that class of shares, and the assets, and liabilities and income and expenditure attributable thereto shall be applied to such pool subject to the provisions of this Article.

b) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same pool of assets from which it was derived and on each revaluation of an asset, the increase or diminution in value shall be applied to the relevant pool.

c) where the Company incurs a liability which relates to any asset of a particular pool or to any actions taken in connection with an asset of a particular pool, such liability shall be allocated to the relevant pool.

d) in the case where any asset or liability of the Company cannot be considered as being attributable to a particular pool, such asset or liability shall be allocated pro rata to all the pools on the basis of the Net Asset Value of the total number of shares of each pool outstanding provided that any amounts which are not material may be equally divided between all pools.

The Board may allocate material expenses, after consultation with the auditors of the Company, in a way considered to be fair and reasonable having regard to all relevant circumstances.

e) upon the record date for the determination of the person entitled to any dividend declared on any class of shares, the Net Asset Value of such class of shares shall be reduced or increased by the amount of such dividends depending on the distribution policy of the relevant class.

If there have been created, as more fully described in Article five hereof, within the same class of shares two or more sub-classes, the allocation rules set above shall apply, mutatis mutandis, to such sub-classes.

D. The Board may reallocate any asset or liability previously allocated by them if in their opinion circumstances so require. The Company is one single entity; however, the rights of investors and creditors regarding a class of shares or raised by the constitution, operation, or liquidation of a class of shares are limited to the assets of this class of shares and the assets of a class of shares will be answerable exclusively for the rights of the shareholders relating to this class of shares and for those of the creditors whose claim arose in relation to the constitution, operation, or liquidation of this class of shares. In relations between the Company's shareholders, each class of shares is treated as a separate entity.

E. Each pool of assets and liabilities shall consist of a portfolio of transferable securities and other assets in which the Company is authorised to invest, and the entitlement of each class of shares within the same pool will change in accordance with the rules set out below.

In addition there may be held within each pool on behalf of one specific or several specific classes of shares, assets which are class specific and kept separate from the portfolio which is common to all classes related to such pool and there may be assumed on behalf of such class or classes specific liabilities.

The proportion of the portfolio which shall be common to each of the classes related to a same pool and which shall be allocable to each class of shares shall be determined by taking into account issues, redemptions, distributions, as well as payments of class specific expenses or contributions of income or realisation proceeds derived from class specific assets, whereby the valuation rules set out below shall be applied mutatis mutandis.

The percentage of the Net Asset Value of the common portfolio of any such pool to be allocated to each class of shares shall be determined as follows:

1) initially the percentage of the net assets of the common portfolio to be allocated to each class shall be in proportion to the respective number of the shares of each class at the time of the first issuance of shares of a new class;

2) the issue price received upon the issue of shares of a specific class shall be allocated to the common portfolio and result in an increase of the proportion of the common portfolio attributable to the relevant class;

3) if in respect of one class the Company acquires specific assets or pays specific expenses (including any portion of expenses in excess of those payable by other share classes) or makes specific distributions or pays the redemption price in respect of shares of a specific class, the proportion of the common portfolio attributable to such class shall be reduced by the acquisition cost of such class specific assets, the specific expenses paid on behalf of such class, the distributions made on the shares of such class or the redemption price paid upon redemption of shares of such class;

4) the value of class specific assets and the amount of class specific liabilities are attributed only to the share class to which such assets or liabilities relate and this shall increase or decrease the Net Asset Value per share of such specific share class.

EE. For the purpose of determination of the Net Asset Value per share, the Net Asset Value attributable to each class of shares shall be divided by the number of shares of the relevant class issued and outstanding on the relevant Valuation Day. The Net Asset Value may be adjusted as the Board or its delegate may deem appropriate to reflect inter alia any dealing charges including any dealing spreads, fiscal charges and potential market impact resulting from shareholders transactions.

FG. For the purpose of valuation under this Article:

(a) shares of the Company to be redeemed under Article twenty-one hereto shall be treated as existing and taken into account until immediately after the time specified by the Board on the Valuation Day on which such valuation is made, and from such time and until paid the price therefore shall be deemed to be a liability of the Company;

(b) all investments, cash balances and other assets of the Company expressed in currencies other than the reference currency in which the Net Asset Value per share of the relevant class is calculated shall be valued after taking into account the market rate or rates of exchange in force at the date and time for determination of the Net Asset Value of the relevant class of shares; ~~and~~

(c) effect shall be given on any Valuation Day to any purchases or sales of securities contracted for the Company on such Valuation Day to the extent practicable. However, the Board reserves the right to allow the Net Asset Value per share of each class of shares to be calculated more frequently than provided by the ~~offering documents of the Company~~ Prospectus, or to otherwise alter dealing arrangements on a permanent or a temporary basis, for example, where the Board considers that a material change to the market value of the investments in one or more classes of shares so demands; ~~and~~

(d) shares in respect of which subscription has been accepted but payment has not yet been received shall be deemed to be existing as from the close of business on the Valuation Day on which they have been allotted and the price therefor, until received by the Company, shall be deemed a debt due to the Company; ~~and~~

(e) in circumstances where the interest of the Company or its shareholders so justify, the Board may take any appropriate measures as further described in the Prospectus.

#### **Article twenty-four – Subscription Price:**

Whenever the Company shall offer shares for subscription, the price per share at which such shares shall be offered and sold, shall be based on the relevant Net Asset Value as hereinabove defined less a subscription charge, if any, as the ~~offering documents of the Company~~ Prospectus may provide. The price so determined shall be payable within a period as determined by the Board which shall not exceed a period as provided in the ~~offering documents of the Company~~ Prospectus as from the date on which the applicable Subscription Price was determined.

In addition, a dilution levy may be imposed on deals as specified in the ~~offering documents of the Company~~ Prospectus. Such dilution levy should not exceed a certain percentage of the Net Asset Value determined from time to time by the Board and disclosed in the ~~offering documents of the Company~~ Prospectus. This dilution levy will be calculated taking into account the estimated costs, expenses and potential impact on security prices that may be incurred to meet purchase requests. The Subscription Price (not including the sales commission) may, upon approval of the Board and subject to all applicable laws, namely with respect to a special audit report from the auditor of the Company confirming the value of any assets contributed in kind, if issued, be paid by contributing to the Company securities acceptable to the Board consistent with the investment policy and investment restrictions of the Company.

#### **Article twenty-five – Accounting Year:**

The accounting year of the Company shall begin on the first day of October of each year and shall terminate on the last day of September of the following year. The accounts of the Company shall be expressed in Euro or such other currency or currencies, as the Board may determine pursuant to the decision of the general meeting of shareholders. Where there shall be different classes as provided for in Article five hereof, and if the accounts within such classes are expressed in different currencies, such accounts shall be converted into Euro and added together for the purpose of determination of the accounts of the Company.

#### **Article twenty-six – Dividends:**

The general meeting of shareholders shall, upon the proposal of the Board in respect of each class of shares, determine how the annual net investment income shall be disposed of.

The net assets of the Company may be distributed subject to the minimum capital of the Company as defined under Article five hereof being maintained.

Distribution of net investment income as aforesaid shall be made irrespective of any realised or unrealised capital gains or losses. In addition, dividends may include realised and unrealised capital gains after deduction of realised and unrealised capital losses.

Dividends may further, in respect of any class of shares, include an allocation from an equalisation account which may be maintained in respect of any such class and which, in such event, will, in respect of such class, be credited upon issue of shares and debited upon redemption of shares, in an amount calculated by reference to the accrued income attributable to such shares.

Any resolution of a general meeting of shareholders deciding on dividends to be distributed to the shares of any class shall, in addition, be subject to a prior vote, at the majority set forth above, of the shareholders of such class.

Interim dividends may at any time be paid on the shares of any class of shares upon decision of the Board.

The dividends declared may be paid in the reference currency of the relevant class of shares or in such other currency as selected by the Board and may be paid at such places and times as may be determined by the Board. The Board may make a final determination of the rate of exchange applicable to translate dividend funds into the currency of their payment.

Dividends may be reinvested on request of holders of shares in the subscription of further shares of the class to which such dividends relate.

The Board may decide that dividends be automatically reinvested for any class of shares unless a shareholder entitled to receive cash distribution elects to receive payment of dividends. However, no dividends will be distributed if their amount is below an amount to be decided by the Board from time to time and published in the [offering documents of the Company-Prospectus](#). Such amount will automatically be reinvested.

#### **Article twenty-seven – Agreements:**

The Company shall enter into an investment management agreement with one or more companies (hereafter collectively the "Manager"). Under such agreement, the Manager will manage the Company's portfolio investments, advise the Company on and assist it with respect to such portfolio investments.

Alternatively, the Company may enter into a management services agreement with a management company authorised under chapter 15 of the [2010 Law](#) (the "Management Company") pursuant to which it designates such Management Company to supply the Company with investment management, administration and marketing services.

In the event of non-conclusion or termination of the agreement entered into with the Management Company (to the extent it is part of the Schroders group), in any manner whatsoever, the Company will change its name forthwith upon the request of the Management Company as the case may be to a name not resembling to one specified in Article one hereof.

The Company shall appoint a custodian which shall be responsible for the safekeeping of the assets of the Company and shall hold the same itself or through its agents. The appointment of the custodian shall be on terms that:

(a) the custodian shall not terminate its appointment except upon the appointment by the Board of a new custodian; and

(b) the Company shall not terminate the appointment of the custodian except upon the appointment of a new custodian by the Company or if the custodian goes into liquidation, becomes insolvent or has a receiver of any of its

assets appointed or if the Company is of the opinion that there is a risk of loss or misappropriation of any of the assets of the Company if the appointment of the custodian is not terminated.

**Article twenty-eight – Dissolution and Liquidation of the Company:**

In the event of a dissolution of the Company liquidation shall be carried out by one or several liquidators (who may be physical persons or legal entities) named by the meeting of shareholders effecting such dissolution and which shall determine their powers and their compensation. The operations of the liquidation and dissolution will be carried out pursuant to the 2010 Law. The net proceeds of liquidation corresponding to each class of shares shall be distributed by the liquidators to the holders of shares of each class in proportion of their holding of shares in such class either in cash or, upon the prior consent of the shareholders, in kind. Any funds to which shareholders are entitled upon the liquidation of the Company and which are not claimed by those holders of shares prior to the close of the liquidation process shall be deposited for the benefit of the persons entitled thereto to the *Caisse de Consignation* in the Grand Duchy of Luxembourg in accordance with the Luxembourg law. Amounts so deposited shall be forfeited in accordance with Luxembourg laws.

**Article twenty-nine – Amendments to the Articles:**

These Articles may be amended from time to time by a general meeting of shareholders, subject to the quorum and majority requirements provided by the laws of Luxembourg, provided that for if the Company is authorised by the Securities and Futures Commission of Hong Kong, the majority requirement will be raised to seventy-five per cent of the shares present or represented. Any amendment affecting the rights of the holders of shares of any class vis-à-vis those of any other class shall be subject, further, to a vote in accordance to the said quorum and majority requirements, in respect of each such relevant class.

**Article thirty – Information means:**

Any information that the Company makes available to some or all of the investors shall be made available by information means, as decided by the Board, including: (i) the sales documents of the Company Prospectus or marketing documentation, (ii) subscription, redemption, conversion or transfer form, (iii) contract note, statement or confirmation in any other form, (iv) letter, telecopy, email or any type of notice or message (including verbal notice or message), (v) publication in the (electronic or printed) press, (vi) the Company's periodic report, (vii) the Company's, Management Company's or any third party's registered office, (viii) a third-party, (ix) internet or a website and (x) any other means or medium to be freely determined from time to time by the Board to the extent that such means or medium comply with these Articles and applicable laws and regulations.

Certain electronic information means used to make available certain information or document requires an access to internet and/or to an electronic messaging system.

By the sole fact of investing or soliciting the investment in the Company, an investor acknowledges the possible use of electronic information means to disclose certain information as set out in the sales documents Prospectus and confirms having access to internet and to an electronic messaging system allowing this investor to access the information or document made available via an electronic information means.

**Article thirty-one – Matters not governed by these Articles:**

All matters not governed by these Articles shall be determined in accordance with the law of August tenth, one thousand nine hundred and fifteen on commercial companies, as amended 1915 Law, the law of April sixth, two thousand and thirteen relating to dematerialised securities, as amended, and the 2010 Law.



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