

Certificate No. 235175

COMPANIES ACTS, 1963 TO 2012
EUROPEAN COMMUNITIES (UNDERTAKINGS FOR COLLECTIVE INVESTMENT IN
TRANSFERABLE SECURITIES) REGULATIONS, 2011 (S.I. NO. 352 OF 2011)
MEMORANDUM AND ARTICLES
OF
ASSOCIATION
OF
FIDELITY INSTITUTIONAL LIQUIDITY FUND
PUBLIC LIMITED COMPANY
AN INVESTMENT COMPANY WITH VARIABLE CAPITAL
(Amended by Special Resolutions passed on 21 December 2006, 22 June 2010 and 24 April 2013)

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COMPANIES ACTS, 1963 TO 2012
EUROPEAN COMMUNITIES (UNDERTAKINGS FOR COLLECTIVE INVESTMENT
IN TRANSFERABLE SECURITIES) REGULATIONS, 2011 (S.I. NO. 352 OF 2011)
COMPANY LIMITED BY SHARES WITH VARIABLE CAPITAL
MEMORANDUM OF ASSOCIATION
OF
FIDELITY INSTITUTIONAL LIQUIDITY FUND
PUBLIC LIMITED COMPANY

(Amended by Special Resolutions passed on 21 December 2006, 22 June 2010 and 24 April 2013)

1. The name of the Company is **FIDELITY INSTITUTIONAL LIQUIDITY FUND PUBLIC LIMITED COMPANY**.
2. The Company is a public limited company established pursuant to the Companies Acts, 1963 to 2012. The Company was authorised pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 1989 and is subject to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as same may be amended or supplemented from time to time) (the "Regulations"). The Company is an investment company the sole object of which is the collective investment in either or both transferable securities and other liquid financial assets in accordance with the Regulations of capital raised from the public and which operates on the principle of risk spreading. The Company may take any measures and carry out any operations which it may deem useful or necessary to the accomplishment and development of its purpose to the full extent permitted by applicable law. The Company may not alter its objects or powers in any way which would result in it ceasing to qualify as an undertaking for collective investment in transferable securities pursuant to the Regulations.
3. For the purposes of achieving the sole object in clause 2 above, the Company shall also have the following powers:
 - (1) To carry on the business of an investment company and for that purpose to acquire and hold either in the name of the Company, or in that of any nominee, shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business, and debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority supreme, dependent, municipal, local or otherwise in any part of the world;
 - (2) To acquire any such shares, stock, debentures, debenture stock, bonds, notes, obligations or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and whether or not payment is to be made at the time of issue or on a delayed delivery basis, and to subscribe for the same, subject to such terms and conditions (if any) as may be thought fit;
 - (3) To employ derivative instruments and techniques of all kinds for investment purposes and for the efficient management of the Company's assets as may be permitted by the Regulations and, in particular and without prejudice to the generality of the foregoing, to enter into, accept, issue and otherwise deal with sale and repurchase agreements, futures contracts, options, securities lending agreements, short sales agreements, when-issued, delayed delivery and forward commitment agreements, foreign currency spot and forward rate exchange contracts, forward rate agreements, swaps, collars, floors and caps and other foreign exchange or interest rate hedging and investment arrangements;
 - (4) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any such shares, stocks, stock obligations or other securities;
 - (5) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and, in particular, for shares, debentures, or securities of any other company;
 - (6) To carry on the business of a trust and investment company and to invest the funds of the Company in or upon or otherwise acquire, hold and deal in securities and investments of every kind;
 - (7) To make, draw, accept, endorse, issue, discount, and otherwise deal with promissory notes, bills of exchange, cheques, letters of credit, and other notes;
 - (8) To acquire by purchase, exchange, lease, fee farm grant or otherwise, either for an estate in fee simple or for any less estate or other estate or interest, whether immediate or reversionary, and whether vested or contingent, any lands, tenements or hereditaments of any tenure, whether subject or not to any charges or incumbrances;
 - (9) To undertake the office of administrator, committee, manager, secretary, registrar, attorney, delegate, substitute or treasurer and to perform and discharge the duties and functions incident thereto;
 - (10) To facilitate and encourage the creation, issue or conversion of debentures, debenture stock, bonds, obligations, shares, stocks and securities and to act as trustees in connection with any such securities and to take part in the conversion of business concerns and undertakings into companies.
 - (11) To constitute any trusts with a view to the issue of preferred, deferred or any other special stocks or securities based on or representing any shares, stocks or other assets specifically appropriated for the purposes of any such trust, and to settle and regulate, and if thought fit to undertake and execute any such trusts, and to issue, dispose of or hold any such preferred, deferred or other special stocks or securities;
 - (12) To enter into partnership or into any arrangement for sharing profits, union of interest, joint venture, reciprocal concession, co-operation or otherwise with any unit trust, company or other collective investment scheme carrying on or engaged in any business or transaction which the Company is authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company, and to take or otherwise

acquire and hold units, shares or stock (including loan stock and debentures) in or securities of any such trust, company or collective investment scheme, by way of loan or otherwise, to assist any such trust, company or collective investment scheme, and to sell, hold, or otherwise deal with such units, shares, stock or securities;

- (13) To promote any company for the purpose of acquiring all or any of the property or liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of or render more profitable any property, assets or business of the Company, or for any other purpose which may seem directly or indirectly calculated to benefit the Company;
- (14) For the purposes of and under the conditions specified under the Regulations, to establish or acquire any wholly owned subsidiary or subsidiaries of the Company for the benefit of the Company as a whole or one or more funds established or to be established by the Company (the investments, assets and shares of which are held by a custodian or sub-custodian appointed by the custodian) with the prior approval of the Central Bank and to capitalise any such subsidiary in any manner as the directors of the Company may from time to time consider appropriate including by way of share capital, loan or otherwise;
- (15) To accumulate capital for any of the purposes of the Company, and to appropriate any of the Company's assets to specific purposes, either conditionally or unconditionally, and to admit any class or section of those who have any dealings with the Company to any share in the profits thereof or in the profits of any particular branch of the Company's business, or to any other special rights, privileges, advantages or benefits;
- (16) To enter into any arrangements with any government or authority, supreme, municipal, local or otherwise, or with any company that may seem conducive to the Company's objects or any of them, and to obtain from any such government, authority or company any charters, contracts, decrees, rights, privileges and concessions, and to carry out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges and concessions;
- (17) To borrow or raise or secure the payment of money as may be permitted by the Regulations in such manner as the Company shall think fit, and in particular (but without prejudice to the generality of the foregoing) by the issue of debentures, debenture stocks, bonds, obligations and securities of all kinds, either perpetual or terminable and either redeemable or otherwise and to secure the repayment of any money borrowed, raised or owing by trust deed, mortgage, charge, or lien upon the whole or any part of the Company's undertaking, property or assets (whether present or future) including its uncalled capital, and also by a similar trust deed, mortgage, charge or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake;
- (18) To guarantee, support or secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (both present and future) and uncalled capital of the Company, or by indemnity or undertaking, or by any one or more of such methods, the performance of the obligations of and the repayment or payment of the principal amounts of and premiums, interest and dividends on any security, indebtedness or obligations of the Company;
- (19) To create, maintain, invest and deal with any reserve or sinking funds for redemption of obligations of the Company, or for any other purpose of the Company;
- (20) To distribute, either upon a distribution of assets or a division of profits among the members of the Company in kind, any property of the Company, and, in particular, any shares, debentures or securities of other companies belonging to the Company or of which the Company may have the power of disposing;
- (21) To remunerate any person, firm or company rendering services to the Company, whether by cash payment or by the allotment of shares or securities of the Company credited as paid up in full or in part or otherwise;
- (22) To procure the Company to be registered or recognised in any foreign country, dependency or place;
- (23) To the extent permitted by law to obtain and hold, either alone or jointly with any person or company, insurance cover in respect of any risk of the Company, its directors, officers, employees and agents;
- (24) To pay all or any expenses of, incidental to, or incurred in connection with, the formation and incorporation of the Company and the raising of its share and loan capital, or to contract with any person or company to pay the same, and (subject in the case of shares to the provisions of any statute for the time being in force) to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares, debentures or securities of the Company;
- (25) To do all or any of the above things in any part of the world, whether as principals, agents, contractors, trustees or otherwise, and either by or through trustees, agents, sub-contractors or otherwise and either alone or in partnership or conjunction with any person or company, and to contract for the carrying on of any operation connected with the Company's business by any person or company;

- (26) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them;
- (27) Each of the powers of the Company (whether enumerated or not) is to be interpreted and exercised as ancillary to the main object but separate from and ranking equally to any other power.

And it is hereby declared that in the construction of this Clause the word "company" except where used in reference to this Company, shall be deemed to include any person or partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Ireland or elsewhere, and that words denoting the singular number only shall include the plural number and vice versa, and the intention is that the powers specified in each paragraph of this Clause shall, except where otherwise expressed in such paragraph, be in no way restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

- 4. The liability of the members is limited.
- 5. The initial share capital of the Company is IRE30,000* represented by 30,000 Subscriber Shares of no par value. The share capital of the Company shall be equal to the value for the time being of the issued share capital of the Company. The Company may issue up to one trillion shares of no par value.
- 6. This memorandum shall not be amended without the prior approval of the Central Bank.

* European Council Regulations (EC No. 1103/1997 and EC No. 974/1998) provide for the share capital of companies incorporated in participating Member States to automatically be redenominated into Euros on 31 December 2001, and any references in Memoranda and Articles of Association to shares in IRE shall automatically be read as references to shares denominated in Euros.

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EUROPEAN COMMUNITIES (UNDERTAKINGS FOR COLLECTIVE INVESTMENT
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(S.I. NO. 352 OF 2011),

COMPANY LIMITED BY SHARES WITH VARIABLE CAPITAL

ARTICLES OF ASSOCIATION

OF

FIDELITY INSTITUTIONAL LIQUIDITY FUND
PUBLIC LIMITED COMPANY

AN INVESTMENT COMPANY WITH VARIABLE CAPITAL

(Amended by Special Resolutions passed on 21 December 2006, 22 June 2010 and 24 April 2013)

ARTICLES OF ASSOCIATION
OF
FIDELITY INSTITUTIONAL LIQUIDITY FUND
PUBLIC LIMITED COMPANY

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1. DEFINITIONS

- (a) The following words shall bear the meanings set opposite to them unless inconsistent with the subject or context:

"Accounting Period" means a financial year of the Company commencing on 1st September in each year or on such other date as the Directors may determine.

"Act" means the Companies Acts, 1963 to 2012, and every modification or re-enactment thereof for the time being in force.

"Annual Report" means a report prepared in accordance with Article 30 hereof.

"Associated Company" means any corporation which in relation to the person concerned (being a corporation) is (i) a holding company or a subsidiary of any such holding company or (ii) a corporation (or a subsidiary of a corporation) at least one-fifth of the issued equity share capital of which is beneficially owned by the person concerned or an associate thereof under the preceding part of this definition. Where the person concerned is an individual or firm or other unincorporated body, the expression "Associated Company" shall mean and include any corporation directly or indirectly controlled by such person.

"Auditors" means the auditors for the time being of the Company.

"Board" means the Board of Directors of the Company including any committee of the Board.

"Business Day" means a day as determined by the Directors from time to time and as disclosed in the Prospectus.

"Central Bank" means the Central Bank of Ireland, the body responsible for the regulation of financial services in Ireland, or any of its successors or assigns.

"Clear Days" means, in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"Commission" means such amount payable on the issue or repurchase of shares as may be specified in the Prospectus.

"Custodian" means any corporation appointed and for the time being acting as custodian of any of the assets of the Company.

"Custodian Agreement" means any agreement for the time being subsisting between the Company and the Custodian relating to the appointment and duties of such Custodian.

"Denominated Currency" means the currency in which shares in a Fund are denominated as determined by the Directors from time to time and as set out in the Prospectus.

"Director" means any director of the Company for the time being.

"Distribution Agreement" means any agreement made between the Company and/or the Manager and any Distributor relating to the appointment and duties of the Distributor.

"Distributor" means one or more persons, firms or corporations appointed and for the time being acting as distributor of Shares in the Company.

"Duties and Charges" means all stamp and other duties, taxes, governmental charges, valuation fees, property management fees, agents fees, brokerage fees, bank charges, transfer fees, registration fees and other charges whether in respect of the constitution or increase of the assets or the creation, exchange, sale, purchase or transfer of shares or the purchase or proposed purchase of investments or otherwise which may have become or will become payable in respect of or prior to or upon the occasion of any transaction, dealing or valuation.

"Flex Distributing Shares" means shares in a Fund in respect of which (i) the Directors shall aim to maintain the Net Asset Value at the Initial Price; (ii) the positive net income and capital gains arising therefrom will be distributed and (iii) in pursuit of (i), may be redeemed by the Manager on a pro-rata basis if net investment income is negative in an effort to stabilise and maintain the Net Asset Value per share at the Initial Price pursuant to the Automatic Redemption Mechanism as provided in Article 11 hereof.

"Fractional Share" means a fractional share in the Company issued in accordance with Article 7(e).

"Fund" means any fund from time to time established pursuant to Article 4 and which may comprise one or more classes of shares in the Company and "Funds" means more than one of them.

"Initial Offer Period" means the period determined by the Directors during which shares of any class are offered by the Company for purchase or subscription at the Initial Price.

"Initial Price" means the price at which any shares of any class are first offered for purchase or subscription.

"Investment" means any of the eligible assets which an undertaking for collective investment in transferable securities can invest in pursuant to the Regulations including without limitation transferable securities, liquid financial assets, derivative instruments, money market instruments, units of collective investment schemes and deposits and techniques and instruments relating to transferable securities and money market instruments employed by the Company for efficient portfolio management and further set out in the Prospectus.

"Investment Management Agreement" means any agreement or agreements for the time being subsisting to which the Company and/or the Manager and the Investment Manager are parties and relating to the appointment and duties of such Investment Manager.

"Investment Manager" means any person, firm or corporation appointed and for the time being providing investment management and advice in relation to the management of a Fund's Investments.

"In writing" means written, printed, lithographed, photographed, telexed, telefaxed or represented by any other substitute for writing including any means of electronic communication which may be processed to produce a legible text or partly one and partly another.

"Management Agreement" means any agreement for the time being subsisting to which the Company and the Manager are parties and relating to the appointment and duties of the Manager.

"Manager" means any person, firm or corporation appointed as manager of the Company to manage the Company's affairs.

"Member" means a person who is registered as the holder of shares in the Register.

"Minimum Initial Subscription" means the minimum initial subscription in respect of a Fund or class which is specified in the Prospectus. The Company may at its discretion vary the Minimum Initial Subscription in respect of a Fund or class in the case of any single investor.

"Minimum Holding" means a holding of shares in respect of a Fund or class the number or value of which is specified in the Prospectus. The Company may at its discretion vary the Minimum Holding in respect of a Fund or class in the case of any single investor.

"Minimum Redemption" means the minimum redemption in respect of a Fund or class which is specified in the Prospectus. The Company may at its discretion vary the Minimum Redemption in respect of a Fund or class in the case of any single investor.

"Minimum Subsequent Subscription" means the minimum subsequent subscription in respect of a Fund or class which is specified in the Prospectus. The Company may at its discretion vary the Minimum Subsequent Subscription in respect of a Fund or class in the case of any single investor.

"Month" means calendar month.

"Net Asset Value" means the amount determined for any particular Settlement Day pursuant to Articles 13 and 14 hereof.

"OECD" means the Organisation for Economic Cooperation and Development, which comprises the member states of the European Union, Australia, Canada, Iceland, Japan, Mexico, New Zealand, Norway, Switzerland, Turkey, the Republic of Korea and the United States and such other countries as may from time to time become member countries.

"Officer" means any Director of the Company or the Secretary.

"Ordinary Resolution" means a resolution of the Company or of any class of shares in the Company, as appropriate, in general meeting passed by a simple majority of the votes cast.

"Preliminary Expenses" means the expenses incurred in the establishment of the Company, the obtaining by the Company of approval from the Central Bank as a designated investment company under the Act, the registration of the Company with any other regulatory authority and each offer of shares to the public (including the costs of preparing and publishing the Prospectus) and any costs or expenses incurred in connection with any application for a listing or quotation of any of the shares in the Company on a stock exchange or Regulated Market, and shall include the costs of establishing any unit trust, company or other collective investment scheme which the Directors consider it necessary or desirable for the Company to incorporate, acquire or utilise, whether for fiscal or other reasons, for the purpose of holding all or some of the Investments.

"Prospectus" means a prospectus from time to time issued by the Company in relation to any Fund or Funds.

"Register" means the register in which are listed the names of Members of the Company.

"Regulated Market" means any stock exchange or regulated market as provided for in Article 16 hereof.

"Regulations" means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), and any amendments thereto for the time being in force.

"Rules" means any rules or conditions from time to time made by the Central Bank pursuant to the Act and to the Regulations and any other regulatory guidance or enactment as applicable.

"Secretary" means any person, firm or corporation appointed by the Directors to perform any of the duties of the secretary of the Company.

"Settlement Day" means the settlement day specified in the Prospectus or as otherwise determined from time to time by the Directors and specified in the Prospectus.

"share" or "shares" means a share or shares in the Company representing interests in a Fund.

"Signed" includes a signature or representation of a signature affixed by mechanical or other means.

"Special Resolution" means a special resolution of the Company or the Members of any class or Fund in the Company passed in accordance with the Act.

"Subscriber Shares" means the shares which the subscribers to the Memorandum and Articles of Association of the Company agree to subscribe for, as more particularly hereinafter set forth after their names.

"Subscription Day" means any Business Day.

"Subsidiary" means any subsidiary company within the meaning of Section 155 of the Companies Act, 1963.

"U.K." means the United Kingdom of Great Britain and Northern Ireland.

"U.S.\$" means United States dollars, the lawful currency of the U.S.

"U.S." means the United States of America (including the States and the District of Columbia), its territories, its possessions and all other areas subject to its jurisdiction.

"U.S. Person" means, unless otherwise determined by the Directors, a person resident in the U.S., a citizen of the U.S., a corporation, partnership or other entity created or organised in or under the laws of the U.S., or any person falling within the definition of the term "U.S. Person" under Regulation S promulgated under the U.S. Securities Act of 1933, as amended.

- (b) Reference to enactments and to articles and sections of enactments shall include reference to any modifications or re-enactments thereof for the time being in force.
- (c) Unless repugnant to the context:
 - (i) words importing the singular number shall include the plural number and vice versa;
 - (ii) words importing the masculine gender only shall include the feminine gender;
 - (iii) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;
 - (iv) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
 - (v) "repurchase(s)" and "redemption(s)" shall have the same meaning and shall be used interchangeably.

2. PRELIMINARY

- (a) The regulations contained in Table A in the First Schedule to the Companies Act, 1963, shall not apply.
- (b) Subject to the provisions of the Act, the business of the Company shall be commenced as soon after the incorporation of the Company as the Directors think fit.

- (c) The Preliminary Expenses shall be payable by the Company and, subject to applicable law, the amount so payable may be carried forward in the accounts of the Company and amortised in such manner and over such period as the Directors may determine.
- (d) The Company shall bear the following expenses to the extent that such expenses have not been discharged by the Manager:
 - (i) all taxes and expenses which may be incurred in connection with the acquisition and disposal of the assets of the Company;
 - (ii) all taxes which may be payable on the assets, income and expenses chargeable to the Company;
 - (iii) all brokerage, bank and other charges incurred by the Company in relation to its business transactions;
 - (iv) all fees and expenses (including value added tax, if applicable) due to the Auditors, the Custodian, the Investment Manager, the Manager, the Distributor, the legal advisers to the Company, and any valuer or other supplier of services to the Company;
 - (v) all expenses incurred in connection with publication and supply of information to the Members and, in particular, without prejudice to the generality of the foregoing, the cost of printing and distributing the Annual Report, any report to the Central Bank or any other regulatory authority, the half-yearly or other report, any Prospectus, and the costs of publishing quotations of prices and notices in the financial press, and all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates and statements;
 - (vi) all expenses incurred in the registration of the Company with any government agencies or regulatory authority and in having any of the shares of the Company listed or dealt on any stock exchange or any Regulated Market and in having any of the shares of the Company rated by any rating agency;
 - (vii) all expenses arising in respect of legal or administrative proceedings; and
 - (viii) all expenses incurred in connection with the operation and management of the Company, including, without limitation to the generality of the foregoing, all Directors' fees, all costs incurred in organising Directors' and Members' meetings and in obtaining proxies in relation to such meetings, all insurance premiums and association membership dues, and all non-recurring and extraordinary items of expenditure as may arise.

All recurring expenses shall be charged first against current income, then, should this not suffice, against realised capital gains and, if need be, against assets.

3. **MANAGER, CUSTODIAN, INVESTMENT MANAGER AND DISTRIBUTOR**

- (a) The Company shall appoint:
 - (i) a person, firm or corporation to act as Custodian with responsibility for the safe custody of all of the assets of the Company; and
 - (ii) a person, firm or corporation to act as Manager of the Company;

and the Directors may entrust to and confer upon the Custodian and Manager so appointed any of the powers, duties, discretions and/or functions exercisable by them as Directors, upon such terms and conditions, including the right to remuneration payable by the Company, and with such powers of delegation and such restrictions as they think fit.
- (b) The appointment of the Custodian and the Manager shall in each case be subject to the approval of the Central Bank.
- (c) The terms of any Custodian Agreement shall be in accordance with the requirements of the Central Bank and the appointment of any Custodian may authorise such Custodian to appoint (with powers of sub-delegation) sub-custodians, nominees, agents or delegates at the expense of the Company or otherwise, and to delegate any of its custodial functions and duties to any person or persons so appointed, provided that such appointment shall first have been notified to the Company and provided further that any such appointment, insofar as it relates to an appointment in relation to the assets of the Company, shall terminate forthwith on termination of the appointment of the Custodian.
- (d) The Manager may appoint (with powers to sub-delegate its powers and duties to sub-delegates, agents or nominees at the expense of the Company) (a) one or more persons, firms or corporations to act as Investment Manager for the purpose of managing the investment and reinvestment of the assets of the Company attributable to one or more Funds and (b) one or more persons, firms or corporations to act as Distributor(s) for the purpose of marketing and distributing the Shares of the Company, and to perform such other duties upon such terms and conditions as the Manager may from time to time (with the agreement of the said Investment Manager and Distributor(s)) determine.

- (e) The terms of any Investment Management Agreement and the appointment of an Investment Manager shall be in accordance with the requirements of the Notices.
- (f) The appointment of a Distributor shall be in accordance with the requirements of the Notices.
- (g) Where the appointment of the Investment Manager is terminated and a replacement Investment Manager not part of the Fidelity group is appointed, the Directors shall as soon as reasonably practicable after the date of termination convene an extraordinary general meeting of the Members for the purpose of sanctioning by Special Resolution a change in the name of the Company without reference to the title of the Investment Manager.
- (h) In the event of the Custodian desiring to retire or being removed from office, the Company shall use its best endeavours to find a corporation willing to act as Custodian, who may be approved by the Central Bank to act as Custodian, and upon so doing the Company shall appoint such corporation to be Custodian in place of the former Custodian. If the appointment of the Custodian as custodian of the Company is terminated for any reason without the Company having appointed a replacement Custodian, the Directors shall forthwith appoint a liquidator who shall wind up the Company in accordance with Article 33 and the Custodian's appointment shall not terminate until the Central Bank has revoked its authorisation of the Company.

4. SHARE CAPITAL

- (a) The paid up share capital of the Company shall at all times be equal to the Net Asset Value of the Company as determined in accordance with Article 13 hereof.
- (b) The initial subscriber share capital of the Company is IRE30,000*, represented by 30,000 Subscriber Shares of no par value, and the Company may issue up to one trillion shares of no par value.

* European Council Regulations (EC No. 1103/1997 and EC No. 974/1998) provide for the share capital of companies incorporated in participating Member States to automatically be redenominated into Euros on 31 December 2001, and any references in Memoranda and Articles of Association to shares in IRE shall automatically be read as references to shares denominated in Euros.

- (c) The Directors are hereby generally and unconditionally authorised to exercise all the powers of the Company to issue shares in the Company pursuant to section 20 of the Companies (Amendment) Act, 1983.
- (d) The Subscriber Shares shall not participate in the dividends or assets of any Fund.
- (e) Shares may be issued with such voting rights and rights to participate in the dividends and assets of a Fund or of the Company as the Directors from time to time may determine and set forth in the Prospectus. The Directors may restrict the voting rights attaching to any class of shares. In particular, and without prejudice to the generality of the foregoing, the Directors may issue a class of shares the voting rights of which may be restricted on the basis that the holders shall be precluded from voting in respect of any resolution in relation to the appointment or removal of any Director and shall be precluded from exercising any casting vote in relation to any such resolution.
- (f) The Directors, subject to approval of the Central Bank, are hereby generally and unconditionally authorised to exercise all the powers of the Company to issue shares in the Company on such terms and in such manner as they may think fit including without limitation with regard to the fees payable in respect thereof, dividend policy, currency of denomination, voting rights, return of capital or to provide protection against exchange risks and such shares may have preferred, deferred or other special rights, features, privileges or restrictions attached thereto.
- (g) The Company is an umbrella fund and each Fund may be comprised of one or more classes of shares in the Company. The Funds at present established by the Company are The Sterling Fund, The Euro* Fund, The United States Dollar Fund and The Canadian Dollar Fund. With the prior approval of the Central Bank, the Directors from time to time may establish a Fund by the issue of one or more separate classes of shares on such terms as the Directors may resolve.

*The Deutschemark Fund was converted to The Euro Fund with effect from 4 January 1999.

- (h) The Directors are hereby authorised from time to time to re-designate any existing class of shares in the Company and merge such class of shares with any other class of shares in the Company, provided that Members in such class or classes are first notified by the Company and given the opportunity to have the shares repurchased. With the prior consent of the Directors, Members may convert shares in one class of shares into shares of another class in the Company in accordance with the provision of Article 7 hereof.
- (i) For the purpose of enabling shares of one class to be re-designated or converted into shares of another class, the Company may take such action as may be necessary to vary or abrogate the rights attached to shares of one class to be converted so that such rights are replaced by the rights attached to the other class into which the shares of the original class are to be converted.
- (j) The records and accounts of each Fund shall be maintained separately and the assets and liabilities of each Fund shall be allocated in the following manner:

- (i) the proceeds from the issue of shares representing a Fund shall be applied in the books of the Company to that Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund, subject to the provisions of this Article;
- (ii) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Fund as the assets from which it was derived, and in each valuation of an asset the increase or diminution in value shall be applied to the relevant Fund;
- (iii) where the Company incurs a liability which relates to any asset of a particular Fund or to any action taken in conjunction with an asset of a particular Fund, such a liability shall be allocated to the relevant Fund;
- (iv) where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, such asset or liability, subject to the approval of the Custodian, shall be allocated to all the Funds *pro rata* to the average Net Asset Value of each Fund for the relevant Accounting Period;

provided that all liabilities, irrespective of whatever Fund to which they are attributable, shall (in the event of a winding up of the Company), unless otherwise agreed upon with the creditors, be borne by the Company as a whole and provided further that when issuing a class of shares in regard to any Fund, the Directors may allocate Commission, Duties and Charges and ongoing expenses on a basis different from that which applies in the case of shares in other classes in the Fund.

- (k) The Directors are hereby authorised, with the approval of the Custodian, to transfer any assets to and from any Fund, if it is necessary to do so to satisfy any creditor proceeding against certain of the assets of the Company or otherwise.

5. CONFIRMATION OF OWNERSHIP

- (a) A Member shall have his title to shares evidenced by having his name, address and the number of shares held by him entered in the Register which shall be maintained in the manner required by law. The Company does not issue share certificates of any kind.
- (b) A Member whose name appears in the Register shall be issued with a confirmation of ownership by the Manager.
- (c) The Register may be kept on magnetic tape or in accordance with some other mechanical or electrical system, provided legible evidence can be produced therefrom to satisfy the requirements of applicable law and of these Articles.
- (d) The Directors shall cause to be entered in the Register in addition to the particulars required to be so entered by the law the following particulars:-
 - (i) the name and address of each Member (save that in the case of joint holders, the address of the first-named holder only need be entered), a statement of the shares of each class held by him and of the amount paid or agreed to be considered as paid on such shares;
 - (ii) the date on which each person was entered in the Register as a Member, and
 - (iii) the date on which any person ceased to be a Member.
- (e)
 - (i) The Register shall be kept in such manner as to show at all times the Members of the Company for the time being and the shares respectively held by them;
 - (ii) any Member may inspect his entry on the Register at the registered office of the Company during normal business hours; and
 - (iii) the Company may close the Register for any time or times not exceeding, in the whole, thirty days in each year.
- (f) The Directors shall not be bound to register more than four persons as the joint holders of any share or shares. In the case of a share held jointly by several persons, the Directors shall not be bound to issue therefor this more than one confirmation of ownership, and the issue of a confirmation of ownership for a share to the first-named of several joint holders shall be sufficient delivery to all.
- (g) Where two or more persons are registered as the holders of any shares, they shall be deemed to hold the same as joint tenants, subject to the provisions following:
 - (i) the joint holders of any shares shall be liable, severally, as well as jointly, in respect of all payments which ought to be made in respect of such shares;

- (ii) any one of such joint holders may give effectual receipts for any dividend, bonus or return of capital payable to such joint holders;
- (iii) only the first-named of the joint holders of a share shall be entitled to delivery of the confirmation of ownership relating to such share or to receive notices from the Company to attend general meetings of the Company. Any confirmation of ownership delivered to the first-named of joint holders shall be effective delivery to all, and any notice given to the first-named of joint holders shall be deemed notice given to all the joint holders;
- (iv) the vote of the first-named of joint holders who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders; and
- (v) for the purpose of the provisions of this Article, the first-named shall be determined by the order in which the names of the joint holders stand in the Register.

6. SUBSCRIPTION DAYS

All issues and repurchases of shares shall be effected or made with effect from any Subscription Day, provided that the Company may allot shares on a Subscription Day on the basis that the shares shall be issued on receipt of cleared funds from the subscriber for shares.

7. ISSUE OF SHARES AND CONVERSION OF SHARES

- (a) Before making a subscription, a potential investor must open a shareholder account with the Company and provide any applicable documents required by the Directors, including any applicable documentation required by the Directors to discharge the Directors duties in respect of any anti-money laundering laws and/or regulations applicable to the Company from time to time.
- (b) Subject to the provisions of Article 7(a) above and as hereinafter provided, the Company, on or with effect from any Subscription Day on receipt by it of the following:
 - (i) an application for shares in such form as the Company from time to time may determine; and
 - (ii) any additional declarations as to the applicant's status, residence and otherwise as the Company from time to time may require; and
 - (iii) payment for the shares in such manner and within such usual time limits as the Company from time to time may specify, provided that if the Company receives payment for the shares in a currency other than the Denominated Currency for such shares, the Company shall convert or arrange for the conversion of the monies received into the Denominated Currency and shall be entitled to deduct therefrom all expenses incurred in the conversion;

may issue shares in any class at the Net Asset Value then obtaining for each share in such class (or, at the discretion of the Company in the case of (iii) above, at the Net Asset Value for each share in such class on the Subscription Day that monies are received in the Denominated Currency), or may allot such shares pending receipt of cleared funds, provided that if cleared funds representing the subscription monies are not received by the Company, within such period as the Directors may determine, the Directors may cancel any allotment of shares in respect thereof.

- (c) The Company shall be entitled to receive securities or other Investments from an applicant for shares in any class and to sell, dispose of or otherwise convert such securities or Investments into cash and to apply such cash (net of any expenses incurred in the conversion) for the purchase of shares in the Company in accordance with the provisions hereof.
- (d) The Directors may on any Subscription Day allot shares in any Fund or class on terms that settlement shall be made by the vesting in the Company of assets of the type in which the subscription monies for the relevant shares may be invested in accordance with the investment objective policy and restrictions of the relevant Fund and otherwise upon such terms as the Directors may think fit provided that:
 - (i) no shares shall be issued until the Investments have been vested or arrangements are made to vest the Investments with the Custodian or its sub-custodian to the Custodian's satisfaction;
 - (ii) any such exchange shall be effected on terms that the number of shares to be issued shall be the number (including, at the Director's discretion, fractions of shares) which would have been issued at the Initial Price for a cash amount equal to the value of the investments as calculated in accordance with Article 13 including such sum as the Directors may consider represents an appropriate provision for duties and charges arising in connection with the vesting of the Investments;
 - (iii) the Investments to be transferred to the Company shall be valued by applying the rules relating to valuation of Investments contained in Article 13;

- (iv) there may be paid to the incoming Shareholder out of the Investments of the relevant Fund a sum in cash equal to the value at the current price of any fraction of a share excluded from the calculation aforesaid; and
 - (v) the Custodian shall be satisfied that the terms of such exchange shall not be such as are likely to result in any material prejudice to the existing shareholders of the Company.
- (e) The Company reserves the right in the future to vary the Minimum Initial Subscription, Minimum Subsequent Subscription and Minimum Holding in the case of any Fund.
 - (f) The Directors shall be entitled to issue Fractional Shares in any class where the subscription monies received by the Company are insufficient to purchase an integral number of shares in that class, provided, however, that Fractional Shares shall not carry any voting rights and provided further that the Net Asset Value of a Fractional Share of any class of shares shall be adjusted by the amount which such Fractional Share bears to an integral share of that class of shares at the time of issue and that any dividend payable on such Fractional Shares shall be adjusted in like manner.
 - (g) The Directors may delegate to the Manager or to any duly authorised Officer or other person the duties of accepting the subscription for, receiving payment for and allotting or issuing new shares without assigning a reason therefor.
 - (h) The Directors in their absolute discretion may refuse to accept any application for shares in the Company or any application to convert shares in any class to shares in another class or may accept any such application in whole or in part.
 - (i) No person shall be recognised by the Company as holding any shares on trust and the Company shall not be bound by or recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any shares or (except only as otherwise provided herein or as by law may be required) any other right in respect of any share, except an absolute right of title thereto in the registered holder.
 - (j) Subject as hereinafter provided, a holder of shares of any class (the "Original Shares") may, with the prior consent of the Directors, from time to time convert all or any portion of such shares ("Conversion") having such minimum value at the time of Conversion as may be determined by the Directors from time to time into shares of another class (the "New Shares") either existing or agreed to be brought into existence on terms hereinafter appearing:
 - (i) Conversion may be exercisable by the said holder (hereinafter called the "Applicant") giving a notice (hereinafter called the "Conversion Notice") which shall be irrevocable and shall be filed by a Member in written form at the office of the Manager;
 - (ii) the Conversion of shares comprised in a Conversion Notice which is delivered to the Manager on any day which is not a Subscription Day shall be made on the Subscription Day next following the receipt of the Conversion Notice;
 - (iii) Conversion of the Original Shares comprised in the Conversion Notice which is delivered to the Manager on any day which is not a Subscription Day shall be made on the Subscription Day next following the receipt of the Conversion Notice;
 - (iv) the number of New Shares to be issued on Conversion shall be determined by the Manager in accordance with the following formula:

$$NS = \frac{[A \times B \times C] - D}{E}$$

where:

NS = the number of New Shares which will be issued; and

A = the number of Original Shares to be converted; and

B = the repurchase price of such Original Share on the relevant Subscription Day; and

C = the rate of exchange determined by the Directors for converting the Denominated Currency of the Original Shares into the Denominated Currency of the New Shares;

D = unless otherwise provided for in the Prospectus, a switching charge of up to 0.5% of the Net Asset Value of the Original Shares to be converted ($A \times B \times C$), which switching charge may be paid by the Company on behalf of the Member from the proceeds of the repurchase of the Original Shares directly to a distributor or placing agent from time to time appointed by the Company or the Manager; and

E = the issue price of the New Shares on the relevant Subscription Day; and

- (v) upon Conversion, the Company shall cause assets or cash representing the value of NS as defined in (iv) above to be allocated to the class of shares comprising the New Shares.

8. PRICE PER SHARE

- (a) The Initial Price per share at which the shares of any class shall be allocated or issued and the Commission payable on the Initial Price and the Initial Offer Period in relation to any Fund shall be determined by the Directors.
- (b) The price per share for any class of shares on any Subscription Day following the Initial Offer Period shall be the Net Asset Value per share in such class applicable in the case of issues of shares in such class as determined in accordance with Articles 13 and 14.
- (c) The Directors may require an applicant for shares to pay to the Company, in addition to the price per share, such Commission and Duties and Charges in respect of the shares as the Directors from time to time may determine.
- (d) Subject to the provisions of the Act, the Directors on or with effect from any Subscription Day may issue shares in any class on terms providing for settlement to be made by the vesting in the Company of any assets of the type in which the subscription monies for the relevant Shares may be invested in accordance with the investment objective, policies and restrictions of the relevant Fund and otherwise upon such terms as the Directors think fit provided that:
 - (i) the number of shares to be issued shall be not more than the number which would have been issued for settlement in cash as hereinbefore provided on the basis that the amount of such cash was an amount equal to the value of the Investments to be so vested in the Company as determined by the Directors on the relevant Subscription Day;
 - (ii) no shares shall be issued until the Investments shall have been vested in the Custodian to the Custodian's satisfaction;
 - (iii) any Commission and Duties and Charges arising in connection with the vesting of such Investments in the Company shall be paid by the person to whom the shares are to be issued; and
 - (iv) the Custodian shall be satisfied that the terms on which the shares are issued shall not be such as are likely to result in any prejudice to the existing Members.
- (e) No shares shall be issued on any Subscription Day on which the determination of the Net Asset Value of such shares is suspended pursuant to Article 13 hereof.

9. QUALIFIED HOLDERS

- (a) No shares shall be allotted or issued to or transferred to or be beneficially owned by any U.S. Person. Each subscriber for shares of the Company shall be required to certify that he is not, nor is he acquiring such shares on behalf of, or for the benefit of, a U.S. Person, and that he will not sell or offer to sell or transfer, hypothecate or otherwise assign such shares in the U.S. or to, or for the benefit of, a U.S. Person. No transfer of shares shall be recorded on the Register unless:-
 - (i) the seller shall certify to the Company that such sale is not being made directly or indirectly to a U.S. Person; and
 - (ii) the purchaser shall certify to the Company that it is not, nor is it acquiring such shares on behalf of, or for the benefit of, a U.S. Person.
- (b) The Directors shall have power (but shall not be under any duty) to impose such restrictions (other than a restriction on transfer which is not expressly referred to in these Articles) as they may think necessary for the purpose of ensuring that no shares in the Company are acquired or held by any person as described in Article 9(a) or (e).
- (c) The Directors may upon an application for shares or on a transfer or transmission of shares or at any other time and from time to time require such evidence or declarations to be furnished to them in connection with the matters stated in Articles 9(a) and (e) as they shall in their discretion deem sufficient.
- (d) If a person becomes aware that he is holding or owning shares in contravention of Article 9 he shall forthwith in writing request the Company to repurchase such shares in accordance with Article 10, or shall transfer such shares to a person duly qualified to hold the same unless he has already received a notice under Article 9(f).
- (e) If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any shares are owned directly or beneficially by:
 - (i) any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such shares; or

- (ii) any person who is, or has acquired such shares on behalf of or for the benefit of, a U.S. Person; or
- (iii) any person or persons in circumstances which, (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons whether connected or not, or in any other circumstances appearing to the Directors to be relevant) in the opinion of the Directors might (i) prejudice the tax status or residence of the Company or (ii) result in regulatory, pecuniary, legal, taxation or material administrative disadvantages for the Company or the Members as a whole or (iii) cause the Company to be classified as an investment company under the U.S. Investment Company Act, 1940, as amended; or
- (iv) any person who does not supply any of the information or declarations required hereunder within seven (7) days of a request to do so being sent by the Directors;

the Directors shall be entitled to give notice (in such form as the Directors deem appropriate) to such person or persons requiring him or them to transfer such shares to a person who is qualified or entitled to own the same or to request in writing the repurchase of such shares in accordance with Article 10.

- (f) If any person upon whom such a notice is served as aforesaid does not within 30 days of the date of such notice (or such lesser period as may be specified in the Prospectus) transfer such shares or request in writing the Company to repurchase the shares he shall be deemed forthwith upon the expiration of 30 days (or such lesser period as may be specified in the Prospectus) to have so requested the repurchase of all of his shares which are the subject of such notice, whereupon he shall be bound to deliver the confirmation of ownership in respect of the shares to the Company forthwith and the Directors shall be entitled to appoint any person to execute such documents as may be required for the purposes of the repurchase. The deemed request to repurchase the shares may not be withdrawn notwithstanding that the determination of the Net Asset Value for such shares may have been suspended.
- (g) Subject to any requisite official consents first having been obtained, settlement shall be effected by depositing the repurchase monies or proceeds of sale in a bank for payment to the person entitled upon such consents being obtained and, if relevant, against production of such evidence of ownership as the Directors may require representing the shares previously held by such person, together with the repurchase request duly signed. Upon deposit of such repurchase monies as aforesaid such person shall have no further interest in such shares or any of them or any claim in respect thereof except the right to claim without recourse to the Company the repurchase monies so deposited (without interest) upon such consents being obtained and against the production of the said evidence of ownership with the repurchase request duly signed.
- (h) The Directors may resolve that the provisions of the foregoing Article 9 shall be disappplied, in whole or in part, for a defined period or otherwise, in the case of U.S. Persons or where such disapplication would not result in the Company being exposed to taxation which it would not otherwise incur.

10. REPURCHASE OF SHARES

- (a) Subject to the provisions of the Act and the Regulations, the Company may repurchase its own outstanding fully paid shares at any time in accordance with the rules and procedures set out herein and in the Prospectus. A Member may at any time irrevocably request the Company to repurchase all or, subject to any Minimum Redemption, any part of his shares in the Company and shares may be repurchased in accordance with the provisions of Article 11 herein.
- (b) A request for repurchase of shares shall be in such form as the Company shall from time to time determine, shall, subject to Article 10(c) hereof, be irrevocable and shall be filed by a Member at the registered office of the Company, or at the office of the person or entity from time to time designated by the Company as its agent for the repurchase of shares, and, at the request of the Company, shall be accompanied by proper evidence of succession or assignment satisfactory to the Company, if applicable.
- (c) On receipt of a request for repurchase of shares duly completed the Company shall repurchase the shares as requested on the Subscription Day on which the repurchase request is effective, subject to any suspension of this repurchase obligation pursuant to Article 13 hereof. Shares in the capital of the Company which are repurchased by the Company shall be cancelled.
- (d) The repurchase price per share in any class of shares shall be the Net Asset Value per share in that class applicable in the case of a repurchase of such share obtaining on the Subscription Day on which the repurchase request is effective, less such deduction, charge or Commission as may be set out in the Prospectus or as provided for herein.
- (e) Payment to a Member under this Article will ordinarily be made in the Denominated Currency, or in any other freely convertible currency at the rate of exchange for conversion on the date of payment, and shall be despatched no later than such period of time after the latest time for receipt of redemption requests for the relevant Subscription Day as determined by the Directors and set out in the Prospectus in accordance with the requirements of the Central Bank. Under no circumstances will the redemption proceeds be paid to any other party than the Member.
- (f) On repurchase of part only of the shares held by any Member, the Directors shall procure that a new confirmation of ownership shall be issued free of charge for the balance of such shares.

- (g) In the event that a repurchase of part only of a Member's holding of shares leaves the Member holding less than the Minimum Holding, the Company may repurchase the whole of that Member's holding where the Member's holding following the repurchase would be less than the Minimum Holding.
- (h) If the Company receives requests for the repurchase of shares in respect of ten per cent or more of the outstanding shares or ten per cent or more of the Net Asset Value of the relevant Fund on any Subscription Day, the Directors may elect to restrict the total number of shares of that class to be repurchased to ten per cent of the outstanding shares or ten per cent of the Net Asset Value of that Fund, in which case all the relevant requests will be scaled down *pro rata* to the number of shares requested to be repurchased. The balance of such shares will be repurchased on the next Subscription Day, subject to the limits set down in this Article 10(i), and such shares may, at the discretion of the Directors, be repurchased in priority to any shares to be repurchased on that Subscription Day.
- (i) The Company may, at the discretion of the Directors, satisfy any request for redemption of Shares by the transfer in specie to a Shareholder requesting redemption of assets of the relevant Fund having a value (calculated in accordance with Article 14) equal to the value of the Shares redeemed as if the redemption proceeds were paid in cash less any redemption charge and other expenses of the transfer as the Directors may determine provided that the Shareholder requesting redemption consents to such transfer in specie. A determination to provide redemption in specie may be solely at the discretion of the Company where the redeeming Shareholders requests redemption of a number of Shares that represents five per cent or more of the Net Asset Value of the relevant Fund. In this event, the Company will if requested sell any asset or assets proposed to be distributed in specie and distribute to such Shareholder the cash proceeds less the costs of such sale which shall be borne by the relevant Shareholder. The nature and type of assets to be transferred in specie to each Shareholder shall be determined by the Directors on such basis as the Directors in their discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders in the relevant Fund or Class and shall be subject to the approval of the Custodian.
- (j) At any time after the Initial Offer Period the Company shall be entitled to repurchase the Subscriber Shares or to procure the transfer of the Subscriber Shares to any person who may be a qualified holder of shares in accordance with Article 9 hereof.
- (k) In the event that the Company is required to deduct, withhold or account for tax on a disposal of shares by a Member (whether upon a repurchase of shares, a transfer of shares or otherwise) or upon the payment of a distribution to a Member (whether in cash or otherwise), the Directors shall be entitled to arrange for the repurchase and cancellation of such number of the shares of such Member as are sufficient after the deduction of any repurchase charges to discharge any such tax liability, and the Directors may decline to register a transferee as a Member until such time as they receive from the transferee such declarations as to residency or status as they may require. The Company shall arrange to discharge the amount of tax due.
- (l) Where the Company receives a request for the repurchase of shares from any Member in respect of which the Company is required to account for, deduct or withhold taxation, the Company shall be entitled to deduct from the proceeds of repurchase such amount of taxation as the Company is required to account for, deduct or withhold and shall arrange to discharge the amount of tax due.

11. FLEX DISTRIBUTING SHARES - STABLE NET ASSET VALUE AND AUTOMATIC REDEMPTION MECHANISM

Notwithstanding, there is no guarantee for the holders of Flex Distributing Shares that a stable Net Asset Value shall be maintained, the Directors have resolved, in respect of the Flex Distributing Shares, to seek to maintain a constant Net Asset Value at the Initial Price if on any Business Day net investment income is negative and have instructed the Manager to proceed in the following manner:

The Manager shall seek to stabilise the Net Asset Value of the Flex Distributing Shares at the Initial Price as follows:

- (i) an amount representing any shortfall due to low or negative market yields and any fees and expenses as appropriate shall be calculated and deducted from the holding by redeeming on a pro-rata basis an appropriate number of the Shareholder's Flex Distributing Shares resulting in such Flex Distributing Shares being cancelled; and
- (ii) on cancellation, the value attributable to those Flex Distributing Shares shall be used to offset the net negative yield attributable to that class of Flex Distributing Shares.

(hereinafter referred to as the "**Automatic Redemption Mechanism**")

Shareholders of Flex Distributing Shares shall be deemed to have (i) consented to the automatic redemption of their shares on any Business Day pursuant to the operation of the Automatic Redemption Mechanism; and (ii) acknowledged that the Company shall use the redemption proceeds to discharge the Shareholder's pro-rata share of the net negative yield attributable to the relevant class. The Automatic Redemption Mechanism shall be invoked in respect of the Flex Distributing Shares in each of the Funds of the Company if required.

12. TOTAL REPURCHASE

- (a) The Company may, by not less than four nor more than six weeks' notice (expiring on a Subscription Day) to all Members, repurchase all of the shares of the Company (other than any of the Subscriber Shares then in issue) or of any Fund or class of shares at the Net Asset Value for such shares on such Subscription Day.
- (b) If at any time after the expiry of three months following the end of the Initial Offer Period the Net Asset Value of the Company or of any Fund or class of shares in the Company calculated in accordance with Article 13 hereof shall on each five consecutive Subscription Days falling within a period of five consecutive weeks be less than U.S.\$100 million, the Company may, by not less than four nor more than six weeks' notice (expiring on a Subscription Day) to all Members or to all Members in such class given within four weeks after the expiry of the said period, repurchase all (but not some) of the shares or all of the shares in that class not previously repurchased (other than any of the Subscriber Shares then in issue).
- (c) On 31 December 2005 or on any fifth anniversary thereof thereafter, provided that notice of not less than four and not more than six weeks has been given to the holder of the shares, the Company may repurchase all of the shares of the Company (other than any of the Subscriber Shares then in issue) at the Net Asset Value for such shares on the applicable Subscription Day.
- (d) If all of the shares in the Company or in any Fund or class of shares in the Company are to be repurchased as aforesaid the Company, with the approval of the Members by Ordinary Resolution, may divide amongst the Members *in specie* all or part of the assets of the Company or of the Fund, as appropriate, according to the value of the shares then held by each Member as determined in accordance with Article 13 hereof provided that any Member shall be entitled to request, at the expense of such Member, the sale of any asset or assets proposed to be so distributed and the distribution to such Member of the cash proceeds of such sale.
- (e) If all of the shares or the shares in any class are to be repurchased as aforesaid and the whole or any part of the business or property of the Company or a Fund or any of the assets of the Company or Fund is proposed to be transferred or sold to another company (hereinafter called "the Transferee") the Company may, with the sanction of a Special Resolution conferring either a general authority on the Directors or an authority in respect of any particular arrangement, receive in compensation or part compensation for the transfer or sale, shares, units, policies or other like interests or property in or of the Transferee for distribution among the Members, or may enter into any other arrangement whereby any Member may in lieu of receiving cash or property, or in addition thereto, participate in the profits of or receive any other benefit from the Transferee.
- (f) Where a repurchase of shares would result in the number of Members falling below seven or such other minimum number of members as the Act may stipulate as the legal minimum number of members in a public limited company or would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged to maintain as the Act may stipulate, the Company may defer the repurchase of such shares the repurchase of which would result in such number or amount not being satisfied until the Company is wound up or until the Company procures the issue of sufficient shares to ensure that the aforesaid number and amount are satisfied. The Company shall be entitled to select the shares for such deferred repurchase in such manner as it may deem to be fair and reasonable and as may be approved by the Custodian.

13. DETERMINATION OF NET ASSET VALUE

- (a) The Company in respect of each Subscription Day shall determine the Net Asset Value of the Company, each Fund and each class of Shares in the Company on the Settlement Day. The Net Asset Value shall be expressed in the Denominated Currency as a per share figure for the issue of shares and for the repurchase of shares respectively as appropriate and shall be determined on each Settlement Day in accordance with Article 14 hereof.
- (b) The Company at any time may, but shall not be obliged to, temporarily suspend the determination of the Net Asset Value of the Company or any Fund and the sale and repurchase of shares in any class, in the following instances:
 - (i) during which any approved market on which any portion of the Investments of a Fund (having a value at the last valuation in excess of 5% of the Net Asset Value of the Fund) are listed, quoted, traded or dealt in is closed (other than customary weekend and holiday closing), or the trading on any such market is restricted; or
 - (ii) when circumstances exist as a result of which in the opinion of Directors it is not reasonably practicable for the Fund to dispose of Investments owned by it or as a result of which any such disposal would be materially prejudicial to Members; or
 - (iii) when a breakdown occurs in any of the means normally employed in ascertaining the value of the Investments or when for any other reason the value of the Investments or other assets of the Fund cannot reasonably be ascertained; or
 - (iv) during which the Fund is unable to repatriate funds required for the purpose of making payments due on redemption of Shares or during which any transfer of funds in the realisation or acquisition of Investments or

payments due on repurchases of Shares cannot in the opinion of the Directors be effected at normal rates of exchange.

- (c) The Company may elect to treat the first Business Day on which the conditions giving rise to the suspension have ceased as a substitute Subscription Day, in which case the Net Asset Value calculations and all sales and repurchases of shares shall be effected on the substitute Subscription Day.
- (d) Any such suspension shall be published by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby, if in the opinion of the Company, such suspension is likely to continue for a period exceeding fourteen days, and any such suspension shall be notified immediately to the Central Bank.
- (e) A withdrawal of an application for the repurchase of shares shall be effective only if written withdrawal is received by the Manager or its agent before the termination of the suspension.

14. VALUATION OF ASSETS

- (a) The Net Asset Value of the Company and of each class of shares in the Company shall be calculated in accordance with the provisions of this Article.

The Net Asset Value per Share for each Fund shall be determined on each Business Day by dividing the assets of the Fund less its liabilities by the number of shares in issue. The shares of each Fund which constitute a short-term money market fund shall be valued using the amortised cost method of valuation whereby the Investments of the Company which constitute money market instruments shall be valued on an amortised basis in accordance with the Regulations and requirements of the Central Bank.

The Manager shall review not less than once a week any discrepancies between the market value of the assets and the value as determined by the amortised cost method of valuation. Escalation procedures which are in accordance with the Central Bank's guidelines are in place to ensure that material discrepancies between the market value and the amortised cost value of a money market instrument are brought to the attention of personnel charged with the investment management of the Fund. The Directors will monitor the use of the amortised cost method of valuation and recommend changes in order to ensure that this method continues to be in the best interests of the Members and to provide a fair valuation of the Investments of the Fund as determined in good faith by the Directors. There may be periods during which the stated value of an instrument determined under the amortised cost method of valuation is higher or lower than the price which the Fund would receive if the instrument were sold, and the accuracy of the amortised cost method of valuation can be affected by changes in interest rates and the credit standing of issuers of the Fund's investments. Values expressed in a currency other than the currency of the Fund shall be converted at the latest available exchange rate.

- (b) Investments in collective investment schemes will be priced each Business Day at the latest published net asset value price.
- (c) Cash in hand or on deposit will be valued at nominal value plus accrued interest, where applicable, to the end of the relevant day.
- (d) Derivative contracts traded on a regulated market including without limitation futures and options contracts and index futures shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the Directors or the Manager or (ii) a competent person firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Custodian or (iii) any other means provided that the value is approved by the Custodian.
- (e) Derivative contracts including without limitation swap contracts which are not traded on a regulated market shall be valued daily (i) on the basis of model pricing with such valuation being provided by competent person, firm or corporation (including the Investment Manager or Administrator) as selected by the Directors and approved for the purpose by the Custodian or (ii) by any other means provided that the value is approved by the Custodian. Any such valuation will be based upon international best practice established by bodies such as the International Organisation of Securities Commission and the Alternative Investment Management Association and shall be reconciled to that of the counterparty on a monthly basis. Where significant differences arise these will be promptly investigated and explained.
- (f) Forward foreign exchange contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market or by reference to freely available market quotations.
- (g) The Directors may, with the approval of the Custodian, adjust the value of any Investment if, having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof.
- (h) Any value expressed otherwise than in the Denominated Currency of the relevant Fund shall be converted into the Denominated Currency of the relevant Fund at the exchange rate (whether official or otherwise) which the Directors shall determine to be appropriate.

- (i) The Company with the prior consent of the Custodian shall be entitled to adopt an alternative method of valuing any asset if it considers that the method of valuation herein set out does not provide a fair valuation of that asset.
- (j) In calculating the Net Asset Value of the assets:
 - (i) every share allotted by the Company shall be deemed to be in issue as at the close of business on the relevant Subscription Day and at that point the assets shall be deemed to include not only the relevant cash and property in the hands of the Custodian but also the amount of any cash or other property to be received in respect of shares allotted;
 - (ii) where Investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such Investments shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed unless the Directors have reason to believe that such purchase or sale will not be completed;
 - (iii) where notice of a repurchase of shares has been given to the Custodian but such cancellation has not been completed, the shares to be cancelled shall be deemed not to be in issue and the value of the assets shall be reduced by the amount payable to the Directors upon such cancellation, as at the close of business on the relevant Subscription Day;
 - (iv) where any amount in one currency is required to be converted into another currency the Manager may effect such conversion using such rates as the Manager shall determine at the relevant time except where otherwise specifically provided herein;
 - (v) there shall be deducted from the assets the total amount of any actual or estimated liabilities properly payable, including outstanding borrowings (if any) but excluding liabilities taken into account under sub-paragraph (ii) above and any estimated liability for tax on unrealised capital gains;
 - (vi) there shall be deducted from the assets such sum in respect of tax (if any) on net capital gains realised during the current Accounting Period prior to the valuation being made as in the estimate of the Company will become payable;
 - (vii) there shall be deducted from the value of any Investment in respect of which a call option has been written the value of such option calculated by reference to the lowest available market dealing offered price quoted on a regulated market, or if no such price is available a price certified by a stockbroker or other person approved by the Custodian or such price as the Directors consider in the circumstances to be reasonable and which is approved by the Custodian;
 - (viii) there shall be added to the assets a sum representing any interest or dividends accrued but not received and a sum representing unamortised expenses;
 - (ix) there shall be added to the assets the amount (if any) available for distribution but in respect of which no distribution has been declared;
 - (x) there shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including accrued interest on borrowings (if any) and such amount in respect of contingent or projected expenses as the Manager considers fair and reasonable having regard to the provisions of the Prospectus and the Articles of Association;
 - (xi) the value of the assets shall be rounded upwards to the nearest two decimal places;
 - (xii) cumulative net realised capital gains and losses realised from time to time on the sale of securities may be spread across the daily yield calculations within such value and time limits as agreed between the Manager or the Board of Directors and other relevant parties and considered to be in the best interests of the Members;
 - (xiii) in the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Company may with the prior consent of the Custodian, prudently and in good faith, follow, until the termination of such circumstances, other rules in order to achieve a fair valuation of the assets of the Company.
- (k) Without prejudice to their general powers to delegate their functions herein certified, the Directors may with the approval of the Custodian delegate any of their functions in relation to the calculation of Net Asset Value to the Manager, to a committee of the Directors or to any other duly authorised person. In the absence of wilful misconduct or manifest error, every decision taken by the Directors or any committee of the Directors or by the Manager or any duly authorised person on behalf of the Company in calculating the Net Asset Value shall be final and binding on the Company and on present, past or future Members.

15. **TRANSFER AND TRANSMISSION OF SHARES**

- (a) All transfers of shares shall be effected by a transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor and transferee.
- (b) The instrument of transfer of a share shall be signed by or on behalf of the transferor and need not be signed by the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.
- (c) The Directors may decline to register a transfer of shares in a Fund or class if in consequence of such transfer the transferor or the transferee would hold a number or value of shares less than the Minimum Holding.
- (d) The Directors may decline to register any transfer of shares unless the instrument of transfer is deposited at the registered office of the Company or at such other place as the Directors may reasonably require, with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The Directors may decline to register a transfer where the transferee would be precluded from holding shares in the Company under the provisions herein contained.
- (e) If the Directors decline to register a transfer of any share they shall, within one month after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.
- (f) The registration of any transfers may be suspended at such times and for such periods as the Directors from time to time may determine, PROVIDED ALWAYS that such registration of transfers shall not be suspended for more than thirty days in any year.
- (g) All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.
- (h) In the case of the death of a Member, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or surviving holder, shall be the only person recognised by the Company as having title to his interest in the shares, but nothing in this Article shall release the estate of the deceased holder whether sole or joint from any liability in respect of any share solely or jointly held by him.
- (i) Any guardian of an infant Member and any guardian or other legal representative of a Member under legal disability and any person entitled to a share in consequence of the death, insolvency or bankruptcy of a Member shall, upon producing such evidence of his title as the Directors may require, have the right either to be registered himself as the holder of the share or to make such transfer thereof as the deceased or bankrupt Member could have made, but the Directors shall, in either case, have the same right to refuse or suspend registration as they would have had in the case of a transfer of the share by the infant or by the deceased, insolvent or bankrupt Member before the death, insolvency or bankruptcy or by the Member under legal disability before such disability.
- (j) A person so becoming entitled to a share in consequence of the death, insolvency or bankruptcy of a Member shall have the right to receive and may give a discharge for all monies payable or other advantages due on or in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company, nor save as aforesaid, to any of the rights or privileges of a Member unless and until he shall be registered as a Member in respect of the share PROVIDED ALWAYS that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days the Directors may thereafter withhold all monies payable or other advantages due in respect of the share until the requirements of the notice have been complied with.

16. **INVESTMENT OBJECTIVES**

- (a) The Company may invest only in those investments permitted by the Regulations and subject to the limitations set out in the Regulations (save where derogations therefrom are permitted by the Central Bank).
- (b) The investment objectives of the Company shall be set out in the Prospectus.
- (c) Subject to authorisation by the Central Bank and to the conditions and limitations outlined in the Regulations, the Company may invest up to 100 per cent of the assets of any Fund in transferable securities and money market instruments issued or guaranteed by any member state of the European Union, its local authorities, non-member states of the European Union or public international body of which one or more member states of the European Union are members. The individual issuers must be listed in the Prospectus and may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), the Government of Singapore, the European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan

Mortgage Corporation (Freddie Mac), the Government National Mortgage Association (Ginnie Mae) and the Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority and Straight-A Funding LLC provided that the Fund must hold securities from at least six different issues and securities from any one issue may not account for more than 30 per cent of net assets.

- (d) With the exception of permitted investments in unlisted securities the Company will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public) and which is listed in the Prospectus.
- (e) The Regulated Markets in which derivatives may be listed or traded are the Chicago Board of Trade, the Chicago Mercantile Exchange, the Eurex (Germany), the European Options Exchange, the Marche A Terme Intl de France, the Marche des Options Negociables de la Bourse de France, the New York Futures Exchange, the Osaka Securities Exchange, the Singapore Exchange, the London Intl Financial Futures and Options Exchange, the Tokyo Intl Financial Futures Exchange, the Tokyo Stock Exchange, Deutsche Borse. These exchanges and markets are listed in accordance with the requirements of the Central Bank which does not issue a list of approved exchanges and markets.
- (f) If the investment limits permitted by the Regulations are exceeded for reasons beyond the control of the Company or as result of the exercise of subscription rights, the Company shall adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Members.
- (g) The Company or a Fund may not:
 - (i) borrow money except that the Company or a Fund may (a) acquire foreign currency by means of a "back-to-back" loan, or (b) borrow up to 10 per cent of the value of its net assets provided that such borrowing is on a temporary basis;
 - (ii) pledge or otherwise mortgage any of the Company's or a Fund's assets or transfer or assign them for the purpose of guaranteeing any debt except in the case of back-to-back loans;
 - (iii) use the Company's or Fund's assets as collateral for the issue of securities except in the case of back-to-back loans;
 - (iv) grant loans to, or act as guarantor on behalf of, third parties;
 - (v) sell any of the Investments when such Investments are not in the Company's or a Fund's ownership.
- (h) To achieve its investment objectives, the Company or a Fund may employ techniques and instruments relating to transferable securities and money market instruments subject to the conditions and within the limits from time to time laid down by the Central Bank provided that such techniques and instruments are used for efficient portfolio management. In addition the Company or a Fund may employ techniques and instruments for providing protection against exchange risks and/or interest rate risks, subject to the conditions and within the limits from time to time laid down by the Central Bank.

17. GENERAL MEETINGS

- (a) All general meetings of the Company shall be held in Ireland.
- (b) The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year. Not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Annual general meetings shall be held once in each year within six months of the end of the financial year of the Company as determined by the Directors from time to time, at such time and place in Ireland as may be determined by the Directors.
- (c) All general meetings (other than annual general meetings) shall be called extraordinary general meetings.
- (d) The Directors may call an extraordinary general meeting whenever they think fit and extraordinary general meetings shall be convened on such requisition, or in default may be convened by such requisitionists and in such manner as provided by the Act.

18. NOTICE OF GENERAL MEETINGS

- (a) At least twenty-one Clear Days' notice specifying the place, the day and the hour of the meeting, and in the case of special business the general nature of such business (and in the case of an annual general meeting specifying the meeting as such) shall be given in the manner hereinafter mentioned to such persons as are under the provisions hereof or the conditions of issue of the shares held by them entitled to receive notices from the Company.
- (b) The Directors, the Manager, the Distributor(s), the Investment Manager, the Auditors and the Custodian shall each be entitled to receive notice of and attend and speak at any general meeting of the Company.

- (c) In each notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a Member.
- (d) The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at any general meeting.

19. PROCEEDINGS AT GENERAL MEETINGS

- (a) All business shall be deemed special that is transacted at an extraordinary general meeting and also all business that is transacted at an annual general meeting, with the exception of the consideration of the accounts and the reports of the Directors and Auditors, the election of Directors in the place of those retiring, the reappointment of the retiring Auditors and the fixing of the remuneration of the Auditors.
- (b) No business shall be transacted at any general meeting unless a quorum is present. Two Members holding voting shares present either in person or by proxy shall be a quorum for a general meeting. A representative of a corporation authorised pursuant to Article 20(m) to be present at any meeting of the Company shall be deemed to be a Member for the purpose of a quorum.
- (c) If within half an hour from the time appointed for a meeting a quorum is not present, the meeting, if convened on the requisition of or by Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine.
- (d) The chairman or, if absent, the deputy chairman of the Company, or failing him, some other Director nominated by the Directors shall preside as chairman at every general meeting of the Company, but if at any meeting neither the chairman nor the deputy chairman nor such other Director be present within fifteen minutes after the time appointed for holding the meeting, or if none of them be willing to act as chairman, the Directors present shall choose some Director present to be chairman, or if no Directors be present, or if all the Directors present decline to take the chair, the Members present shall choose some Member present to be chairman.
- (e) The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, ten days' notice at the least specifying the place, the day and the hour of the adjourned meeting shall be given as in the case of the original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (f) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands of those Members holding voting shares, unless before or upon the declaration of the result of the show of hands a poll is demanded by the chairman or by at least five Members present holding voting shares or any Members present representing at least one tenth of the shares in issue having the right to vote at the meeting. Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (g) If a poll is duly demanded, it shall be taken in such manner and at such place as the chairman may direct (including the use of ballot or voting papers or tickets) and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (h) The chairman may, in the event of a poll, appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
- (i) In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- (j) A poll demanded on the election of a chairman and a poll demanded on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman directs, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded.
- (k) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (l) A demand for a poll may be withdrawn and no notice need be given of a poll not taken immediately.
- (m) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class or unless otherwise provided herein) may, whether or

not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an Ordinary Resolution passed at a separate general meeting of the holders of the shares of that class, to which the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, save that the quorum at any such general meeting shall be two or more Members present in person or by proxy together holding at least one-third of the shares of the relevant class.

- (n) Subject to Section 141 of the Act, a resolution in writing signed by all the Members for the time being entitled to attend and vote on such resolution at a general meeting (or being bodies corporate by their duly authorised representative) shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held, and may consist of several documents in like form, each signed by one or more persons, and if described as a special resolution shall be deemed to be a special resolution within the meaning of the Act. Any such resolution shall be served on the Company.

20. VOTES OF MEMBERS

- (a) Subject to Article 4(e), on a show of hands every Member holding voting shares who is present shall have one vote.
- (b) Subject to Article 4(e), on a poll every Member present in person or by proxy shall be entitled to one vote in respect of each voting share held by him.
- (c) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the shares.
- (d) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
- (e) On a poll votes may be given either personally or by proxy.
- (f) On a poll, a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- (g) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney so authorised. An instrument of proxy shall be in any usual form or in such form as the Directors may approve PROVIDED ALWAYS that such form shall give the holder the choice of authorising his/her proxy to vote for or against each resolution.
- (h) Any person (whether a Member or not) may be appointed to act as a proxy. A Member may appoint more than one proxy to attend on the same occasion.
- (i) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the registered office of the Company or at such other place as is specified for that purpose in the notice of meeting or in the instrument of proxy issued by the Company not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and if the aforesaid conditions are not complied with the instrument of proxy shall not be treated as valid.
- (j) No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date.
- (k) The Directors may at the expense of the Company send, by post or otherwise, to the Members instruments of proxy (with or without prepaid postage for their return) for use at any general meeting or at any meeting of any class of Members, either in blank or nominating in the alternative any one or more of the Directors or any other persons. If for the purpose of any meeting invitations to appoint as proxy a person, or one of a number of persons specified in the invitations, are issued at the expense of the Company, such invitations shall be issued to all (and not to some only) of the Members entitled to be sent a notice of the meeting and to vote thereat by proxy.
- (l) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or insanity of the principal or the revocation of the instrument of proxy, or of the authority under which the instrument of proxy was executed, or the transfer of the shares in respect of which the instrument of proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the registered office of the Company before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.
- (m) Any body corporate which is a Member may authorise by resolution of its Directors or other governing body such person as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it

were an individual Member and such body corporate shall for the purposes of these presents be deemed to be present in person at any such meeting if a person so authorised is present thereat.

- (n) The provisions of Articles 17, 18, 19 and 20 shall apply *mutatis mutandis* to meetings of each class of Members.

21. DIRECTORS

- (a) Unless otherwise determined by the Company by Ordinary Resolution, the number of the Directors shall not be less than two nor more than twelve, provided, however, that a majority of Directors shall at all times be resident outside the U.K. The first Directors shall be appointed by the subscribers herein.
- (b) A Director need not be a Member.
- (c) The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election.
- (d) The Directors shall be entitled to such remuneration in relation to the performance of their duties as the Directors may from time to time determine. Unless otherwise resolved by the Members by Ordinary Resolution, the aggregate remuneration of the Directors shall not exceed U.S.\$50,000 per annum. Such remuneration shall be deemed to accrue from day to day. The Directors and any alternate Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings or any meetings in connection with the business of the Company.
- (e) The Directors may in addition to such remuneration as is referred to in Article 21(d) hereof grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company.
- (f) At any general meeting at which a Director retires or is removed the Company shall fill the vacated office by electing a Director, unless the Company shall determine to reduce the number of Directors.
- (g) The office of a Director shall be vacated by a Director in any of the following events, namely:
 - (i) if he resigns his office by notice in writing signed by him and left at the registered office of the Company;
 - (ii) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - (iii) if he becomes of unsound mind;
 - (iv) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of an order made under the provisions of any law or enactment;
 - (v) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office;
 - (vi) if he is removed from office by an Ordinary Resolution;
 - (vii) if he is absent from four successive meetings without leave expressed by a resolution of the Directors; or
 - (viii) if subsequent to his appointment he becomes resident in the U.K. and, as a result thereof, a majority of the Directors is resident in the U.K.
- (h) At least 10 days' previous notice in writing shall be given to the Company of the intention of any Member or Members to propose any person other than a retiring Director for election to the office of Director and such notice shall be accompanied by notice in writing signed by the person to be proposed confirming his willingness to be appointed PROVIDED ALWAYS that if the Members present at a general meeting unanimously consent, the chairman of such meeting may waive the said notices and submit to the meeting the name of any person so nominated, provided such person confirms in writing his willingness to be appointed and PROVIDED FURTHER that the nomination of any person other than a retiring Director for election as Director may be made only by a Director or by such Member or Members holding in the aggregate shares representing not less than 2.5% of the Net Asset Value of the Company on the Subscription Day preceding the date of nomination.
- (i) At a general meeting a motion for the appointment of two or more persons as Directors by a single resolution shall not be made unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- (j) Any Director may at any time by instrument in writing under his hand and deposited at the registered office, or delivered at a meeting of the Directors, appoint any Director or other person to be his alternate Director and may in like manner at

any time terminate such appointment, but no Director who is resident outside the U.K. may appoint an alternate Director who is a resident of the U.K.

- (k) The appointment of an alternate Director shall determine if his appointor ceases to be a Director or on the happening of any such event which if he were a Director would cause him to vacate such office.
- (l) An alternate Director shall be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally at such meeting to perform all functions of his appointor as a Director, and for the purposes of the proceedings at such meeting the provisions hereof shall apply as if he (instead of his appointor) were a Director. If he himself shall be a director, or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative, provided, however, that he shall count as one for the purposes of determining a quorum. If his appointor is for the time being temporarily unable to act, his signature to any resolution in writing of the Directors and for the purposes of affixing the Company seal shall be as effective as the signature of his appointor. To such extent as the Directors may from time to time determine in relation to any committee of the Directors, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not (save as aforesaid or as otherwise herein provided) have power to act as a Director nor shall he be deemed to be a Director.
- (m) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

22. DIRECTORS, OFFICES AND INTERESTS

- (a) The Directors may appoint one or more of their body to the office of managing Director or joint managing Director or to any other executive office under the Company (including, where considered appropriate, the office of chairman) on such terms and for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may revoke any such appointment at any time, provided that the managing Director or joint managing Director or chairman shall exercise all such powers outside the U.K. and, in particular, any decisions taken or directions given by him or them shall be taken or given outside the U.K.
- (b) A Director holding any such executive office shall receive such remuneration, whether in addition to, or in substitution for, his ordinary remuneration, as a Director and whether by way of salary, commission, participation in profits or otherwise or partly in one way and partly in another, as the Directors may determine.
- (c) The appointment of any Director to the office of chairman or managing or joint managing Director shall determine automatically if he ceases to be a Director, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- (d) The appointment of any director to any other executive office shall not determine automatically if he ceases from any cause to be a Director unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- (e) A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to remuneration and otherwise as the Directors may arrange.
- (f) Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:

may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is interested; and

shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

- (g) No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the other company in which any Director shall be in any way interested be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established. The nature of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or, if the Director was not at the date of that meeting interested in the

proposed contract or arrangement, at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested.

- (h) A copy of every declaration made and notice given under this Article shall be entered within three days after the making or giving thereof in a book kept for this purpose. Such book shall be open for inspection without charge by any Director, Secretary, Auditor or Member at the registered office of the Company and shall be produced at every general meeting of the Company and at any meeting of the Directors if any Director so requests in sufficient time to enable the book to be available at the meeting.
- (i) For the purposes of this Article:
 - a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
 - an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- (j) Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Directors or a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material or a duty which conflicts or may conflict with the interests of the Company. Unless otherwise resolved by the Directors, a Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote.
- (k) A Director shall be entitled (in the absence of some other material interest than is indicated below) to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
 - (i) the giving of any security, guarantee or indemnity to him in respect of money lent by him to the Company or any of its Subsidiary or Associated Companies or obligations incurred by him at the request of or for the benefit of the Company or any of its Subsidiary or Associated Companies; or
 - (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its Subsidiary or Associated Companies for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; or
 - (iii) any proposal concerning any offer of shares or other securities of or by the Company or any of its Subsidiary or Associated Companies for subscription, purchase or exchange in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof; or
 - (iv) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of 5% or more of the issued shares of any class of such company or of the voting rights available to members of such company, any such interest being deemed for the purpose of this Article to be a material interest in all circumstances.
- (l) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not otherwise debarred from voting) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning his own appointment.
- (m) If a question arises at a meeting of Directors or of a committee of Directors as to the materiality of a Director's interest or as to the right of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question may be referred, before the conclusion of the meeting, to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.
- (n) For the purpose of this Article, an interest of a person who is the spouse or a minor child of a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director.
- (o) The Company by Ordinary Resolution may suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

23. POWERS OF DIRECTORS

- (a) The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Act, the Regulations or the Rules or hereby required to be exercised by the Company in general meeting, subject, nevertheless, to the provisions of the Act, the Regulations or the Rules and to the regulations herein contained being not inconsistent with the aforesaid regulations as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by this or any other Article.
- (b) All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments drawn on the Company, and all other receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors from time to time shall by resolution determine.
- (c) The Directors may exercise all the powers of the Company to invest all or any funds of the Company as authorised by these Articles of Association.

24. BORROWING AND HEDGING POWERS

Subject to the limits and conditions set forth in the Regulations and laid down by the Central Bank and subject to the provisions of Article 25(j) hereof, the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property or any part thereof, and to use techniques and instruments for efficient portfolio management purposes.

25. PROCEEDINGS OF DIRECTORS

- (a) The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. No meetings of Directors shall be held in the U.K.
- (b) The quorum necessary for the transaction of business of the Directors may be fixed by the Directors, and unless so fixed at any other number shall be two, provided that there shall be a majority of Directors present who are not resident in the U.K.
- (c) The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with the provisions hereof or a majority or quorum of Directors cannot be attained without counting the Directors who are resident in the U.K., the continuing Directors or Director may act for the purpose of filling vacancies in their number or of summoning general meetings of the Company, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two Members may summon a general meeting for the purpose of appointing Directors.
- (d) The Directors may from time to time elect or remove a chairman and, if they think fit, a deputy chairman and determine the period for which they respectively are to hold office.
- (e) The chairman or, failing him, the deputy chairman shall preside at all meetings of the Directors, but if there be no chairman or deputy chairman, or if at any meeting the chairman or deputy chairman be not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- (f) A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors and to vote thereat shall be as valid and effectual as a resolution passed at a meeting of the Directors duly convened and may consist of several documents in the like form each signed by one or more of the Directors. A resolution in writing shall be deemed to have been signed in the country or place where the last signatory to sign the resolution in writing executes such resolution.
- (g) A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
- (h) The Directors may delegate any of their powers to committees consisting of such of their members as they think fit. The meetings and proceedings of any such committee shall conform to the requirements as to quorum imposed under the provisions of Article 25(b) and shall be governed by the provisions hereof regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any regulations imposed on them by the Directors.
- (i) The Directors may, whether by standing resolution or otherwise, delegate their powers relating to the issue and repurchase of shares and the calculation of the Net Asset Value of the shares, the declaration of dividends and all management and administrative duties in relation to the Company, to the Manager or to any duly authorised Officer or other person, subject to such terms and conditions as the Directors in their absolute discretion may resolve.

- (j) All acts done by any meeting of Directors, or of a committee of Directors or by any person authorised by the Directors shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or authorisation of any such Directors or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed, and was qualified and had continued to be a Director and had been entitled to vote.
- (k) The Directors shall cause minutes to be made of:
 - (i) all appointments of officers made by the Directors;
 - (ii) the names of the Directors present at each meeting of the Directors and of any committee of Directors; and
 - (iii) all resolutions and proceedings of all meetings of the Company and of the Directors and of committees of Directors.
- (l) Any such minutes as are referred to in Article 25(k) hereof, if purporting to be signed by the chairman of the meeting at which the proceedings took place, or by the chairman of the next succeeding meeting, shall, until the contrary be proved, be conclusive evidence of their proceedings.
- (m) Any Director may participate in a meeting of the Directors or any committee of the Directors by means of a conference telephone or other telecommunication equipment by means of which all persons participating in the meeting can hear each other speak and such participation in a meeting shall constitute presence in person at the meeting.

26. SECRETARY

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

27. THE COMPANY SEAL

- (a) The Directors shall provide for the safe custody of the seal of the Company. The seal shall be used only with the authority of the Directors or of a committee of Directors authorised by the Directors in that behalf. The Directors may from time to time as they see fit determine the persons and the number of such persons who shall authenticate the affixing of the seal, and until otherwise so determined the affixing of the seal shall be authenticated by two Directors or by one Director and the Secretary, or some other person duly authorised by the Directors, and the Directors may authorise different persons for different purposes.
- (b) The Directors may by resolution determine either generally or in any particular case or cases that the signature of any such person authenticating the affixing of the seal may be affixed by some mechanical means to be specified in such resolution, or that such certificate shall bear no signatures.

28. DIVIDENDS

- (a) The Directors may from time to time as they think fit pay such dividends on any class of shares of the Company as appear to the Directors to be justified, subject to any policy statement in relation to dividends in a Prospectus.
- (b) Unless otherwise provided for in the Prospectus, the amount available for distribution in any Accounting Period shall be a sum equal to the aggregate of the Company's net realised and unrealised capital gains and the income received by the Company or relevant Fund (whether in the form of dividends, interest, capital gains or otherwise) during the Accounting Period, subject to such adjustments in respect of the shares as may be appropriate under the following headings:
 - (i) addition or deduction of a sum by way of adjustment to allow for the effect of sales or repurchases, cum or ex-dividend;
 - (ii) addition of a sum representing any interest or dividend or other income accrued but not received by the fund at the end of the Accounting Period and deduction of a sum representing (to the extent that an adjustment by way of addition has been made in respect of any previous Accounting Period) interest or dividends or other income accrued at the end of the previous Accounting Period;
 - (iii) addition of the amount (if any) available for distribution in respect of the last preceding Accounting Period but not distributed in respect thereof;

- (iv) addition of a sum representing the estimated or actual repayment of tax resulting from any claims in respect of corporation tax relief or double taxation relief or otherwise;
 - (v) deduction of the amount of any tax or other estimated or actual liability properly payable out of the income of the Company or a Fund;
 - (vi) deduction of a sum representing participation in income paid upon the cancellation of shares during the Accounting Period;
 - (vii) deduction of such sum as the Company with the approval of the Auditors may think appropriate in respect of the Preliminary Expenses if payable by the Company, and Duties and Charges, including fees, payable to the Custodian, Manager, Distributor(s) or Investment Manager, all expenses of and incidental to any amendments to the Memorandum and Articles of Association for the purpose of securing that the Company conforms to legislation coming into force after the date of incorporation hereof and any other amendments made pursuant to a resolution of the Company, expenses comprising all costs, charges, professional fees and disbursements bona fide incurred in respect of the computation, claiming or reclaiming of all taxation reliefs and payments, and any interest paid or payable on borrowings PROVIDED ALWAYS that the Company shall not be responsible for any error in any estimates of corporation tax repayments or double taxation relief expected by way of taxation or of income receivable, and if the same shall not prove in all respects correct, the Directors shall ensure that any consequent deficiency or surplus shall be adjusted in the Accounting Period in which a further or final settlement is made of such tax repayment or liability or claim to relief or the amount of any such estimated income receivable is determined, and no adjustment shall be made to any dividend previously declared; and
 - (viii) deduction of any amounts declared as a distribution but not yet distributed.
- (c) The Directors may, with the sanction of an Ordinary Resolution, distribute in kind among Members by way of dividend or otherwise any of the assets of the Company (other than any assets which have a contingent liability).
 - (d) Shares shall qualify for dividend in such manner as may be determined by the Directors or as may be set out in the Prospectus relating to such shares.
 - (e) Any declaration of a dividend by the Directors may specify that the same shall be payable to the persons registered as the Members at the close of business on a particular date, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of shares.
 - (f) The Company may transmit any dividend or other amount payable in respect of any share by cheque or warrant sent by ordinary post to the registered address of the Member, or, in the case of joint holders, to the person whose name and address appears first on the Register or by wire transfer or electronic transfer at the risk and cost of the relevant Shareholder or Shareholders to a designated account and payment of every such cheque or warrant and transmission by wire or electronic transfer shall constitute a good discharge to the Company and the Company shall not be responsible for any loss arising in respect of such transmission.
 - (g) No dividend or other amount payable to any holder of shares shall bear interest against the Company. All unclaimed dividends and other amounts payable as aforesaid may be invested or otherwise made use of for the benefit of the Company until claimed. Payment by the Company of any unclaimed dividend or other amount payable in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend unclaimed after six years from the date when it first became payable shall be forfeited automatically, without the necessity for any declaration or other action by the Company.
 - (h) At the option of any Members, the Directors may apply all dividends declared on a class of shares held by such Member in the issue of additional shares in that class in the Company to that Member at the Net Asset Value obtaining when such dividends are declared and on such terms as the Directors from time to time may resolve, provided, however, that any Member shall be entitled to elect to receive a cash dividend in respect of the shares held by that Member.
 - (i) The Directors may provide that Members will be entitled to elect to receive in lieu of any dividend (or part thereof) in respect of any shares an issue of additional shares in that class credited as fully paid. In any such case the following provisions shall apply:
 - (i) the number of additional shares (including any fractional entitlement) to be issued in lieu of any amount of dividend shall be equal in value to the amount of such dividend at the date the dividend was declared;
 - (ii) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect of which the share election has been duly exercised (the "Elected Shares"), and in lieu thereof additional shares shall be issued to the holders of the Elected Shares on the basis determined as aforesaid, and for such purpose the Directors shall capitalise a sum equal to the aggregate value of the dividends in respect of which elections have been made and apply the same in paying up in full the appropriate amount of unissued shares;

- (iii) the additional shares so issued shall rank *pari passu* in all respects with the fully-paid shares then in issue save only as regards participation in the relevant dividend (or share election in lieu);
 - (iv) the Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provision as they think fit in the case of shares becoming distributable in fractions so that fractional entitlements are disregarded or rounded up or the benefit of fractional entitlements accrues to the Company or the Company issues Fractional Shares; and
 - (v) the Directors may on any occasion determine that rights of election shall not be made available to any Member with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.
- (j) Where the Company proposes to pay a distribution to a Member, it shall be entitled to deduct from the distribution such amount as may be necessary to discharge the Company's liability to tax in respect of such distribution and shall arrange to discharge the amount of tax due.

29. UNTRACED MEMBERS

- (a) The Company shall be entitled to repurchase any share of a Member or any share to which a person is entitled by transmission and to forfeit any dividend which is declared and remains unpaid for a period of six years if and provided that:
 - (i) for a period of six years no cheque or confirmation of ownership of shares sent by the Company through the post in a pre-paid letter addressed to the Member or to the person entitled by transmission to the share at his address on the Register or the last known address given by the Member or the person entitled by transmission to which cheques or confirmations of the ownership of shares are to be sent has been cashed or acknowledged and no communication has been received by the Company from the Member or the persons entitled by transmission (provided that during such six year period at least three dividends shall have become payable in respect of such share);
 - (ii) at the expiration of the said period of six years by notice sent by pre-paid letter addressed to the Member or to the person entitled by transmission to the share at his address on the Register or to the last known address given by the Member or the person entitled by transmission or by advertisement in a national daily newspaper published in Ireland or in a newspaper circulating in the area in which the address referred to in Article 29(a)(i) is located, the Company has given notice of its intention to repurchase such share;
 - (iii) during the period of three months after the date of the advertisement and prior to the exercise of the power of repurchase the Company has not received any communication from the Member or person entitled by transmission; and
 - (iv) if the shares are quoted on a stock exchange, the Company has first given notice in writing to the appropriate section of such stock exchange of its intention to repurchase such share, if it is required to do so under the rules of such stock exchange.
- (b) The Company shall account to the Member or to the person entitled to such share for the net proceeds of such repurchase by carrying all monies in respect thereof to a separate interest bearing account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such Member or other person.

30. ACCOUNTS

- (a) The Directors shall cause to be kept such books of account as are necessary in relation to the conduct of its business or as are required by the Act, the Regulations and the Rules so as to enable the accounts of the Company to be prepared.
- (b) The books of account shall be kept at the registered office, or at such other place or places as the Directors shall think fit, and shall at all times be open to the inspection of the Directors, but no person, other than a Director, the Auditors, or the Central Bank shall be entitled to inspect the books, accounts, documents or writings of the Company, except on ten days' notice to the Company and as provided by the Act or the Rules or authorised by the Directors or by the Company in general meeting.
- (c) A balance sheet, including every document required by law to be annexed to it, and a profit and loss account of the Company shall be made out as at the end of each financial year of the Company as determined by the Directors from time to time and shall be audited by the Auditors and laid before the Company at its annual general meeting in each year, and such balance sheet shall contain a general summary of the assets and liabilities of the Company. The balance sheet shall be accompanied by a report of the Directors as to the state and condition of the Company, and the amount (if any) which they have carried or propose to carry to reserve, together with a profit and loss account. The balance sheet of the Company and the report of the Directors and the profit and loss account shall be signed on behalf of the Directors by at

least two of the Directors. An Auditors' Report shall be attached to the balance sheet of the Company. The Auditors' Report shall be read at the annual general meeting.

- (d) Once at least in every year the Directors shall cause to be prepared an Annual Report relating to the management of the Company. The Annual Report shall include the balance sheet and profit and loss account duly audited by the Auditors and the Directors' Report and the Auditors' Report as provided for in Article 30(c) and shall be in a form approved by the Central Bank and shall contain such information required by it. There shall be attached to such Annual Report such additional information and reports as the Central Bank may specify.
- (e) A copy of the Annual Report including the balance sheet (including every document required by law to be annexed thereto) which is to be laid before the annual general meeting of the Company together with a copy of the Directors' Report and the Auditors' Report shall be sent and/or made available by the Company to every person entitled under the Act and the Rules to receive them, and if any of the shares are quoted on any stock exchange, the required number of copies of these documents shall be forwarded at the same time to such stock exchange not less than twenty one Clear Days before the date of the annual general meeting.
- (f) The Auditors' certificate appended to the Annual Report and statement referred to herein shall declare that the accounts or statement attached respectively thereto (as the case may be) have been examined together with the books and records of the Company and of the Manager in relation thereto and that the Auditors have obtained all the information and explanations they have required, and the Auditors shall report whether the accounts are in their opinion properly drawn up in accordance with such books and records and present a true and fair view of the state of affairs of the Company, and whether the accounts are in their opinion properly drawn up in accordance with the provisions hereof.
- (g) The Company shall prepare an unaudited half-yearly report for the six months immediately succeeding the date of the last Annual Report of the Company. Such half-yearly report shall be in a form approved by the Central Bank and shall contain such information required by it.
- (h) A copy of the said half-yearly report shall be sent or made available by the Company to every person entitled under the Act and the Rules to receive it not later than two months from the end of the period to which it relates or otherwise in accordance with the requirements of the Central Bank.

31. AUDIT

- (a) The Company at each annual general meeting shall appoint Auditors to hold office until the conclusion of the next annual general meeting.
- (b) If an appointment of Auditors is not made at an annual general meeting, the Minister for Enterprise, Trade and Employment for the time being may, on the application of any Member, appoint Auditors to the Company for the then current year and fix the remuneration to be paid to the Auditors by the Company for their services.
- (c) The appointment and removal of Auditors and the determination of eligibility for appointment as Auditors to the Company shall be governed by the provisions of the Act.
- (d) A person, other than a retiring Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice of an intention to nominate that person to the office of Auditor has been given by a Member to the Company not less than twenty-eight Clear Days before the annual general meeting, and the Directors shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Members in accordance with Section 142 of the Companies Act, 1963.
- (e) The first Auditors shall be appointed by the Directors before the first general meeting, and they shall hold office until the conclusion of the first annual general meeting unless previously removed by a resolution of the Company in general meeting, in which case the Members at such meeting may appoint Auditors.
- (f) The remuneration of the Auditors shall be approved by the Company in general meeting or in such manner as the Company may determine.
- (g) The Auditors shall examine such books, accounts and vouchers as may be necessary for the performance of their duties.
- (h) The report of the Auditors to the Members on the audited accounts of the Company shall state whether in the Auditors' opinion the balance sheet and profit and loss account in their opinion give a true and fair view of the state of the Company's affairs and of its profit and loss for the period in question.
- (i) The Company shall furnish the Auditors with a list of all books kept by the Company and at all reasonable times shall afford to the Auditors the right of access to the books and accounts and vouchers of the Company. The Auditors shall be entitled to require from the Officers and employees of the Company such information and explanation as may be necessary for the performance of their duties.

- (j) The Auditors shall be entitled to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the Company and to make any statement or explanations they may desire with respect to the accounts, and notice of every such meeting shall be given to the Auditors in the manner prescribed for the Members.
- (k) The Auditors shall be eligible for re-election.

32. NOTICES

- (a) Any notice or other document required to be served upon or sent to a Member, including but not limited to notice of meetings, circulars, financial statements, half yearly and annual reports, shall be deemed to have been duly given if sent by electronic communication ("email") to the most current email address provided by a Member to the Company or by post to or left at his address as appearing on the Register and in the case of joint Members if so done upon or to the first-named on the Register or if published on the Company's website and notification of such publication on the Company's website is sent to a Member by email or post as aforesaid or if either the full text of the notice or documents is published in a national daily newspaper in Ireland or such other publication as the Company may from time to time decide circulating in any country where the shares of the Company are marketed, or an advertisement is so published stating where copies of such notices or documents may be obtained.
- (b) Any notice or document sent by email to the most current email address provided by a Member to the Company or by post to or left at the registered address of a Member or published on the Company's website and notification of such publication has been sent by email or by post to a Member shall, notwithstanding that such Member be then dead or bankrupt, and whether or not the Company or the Manager has notice of his death or bankruptcy, be deemed to have been duly served or sent and such service shall be deemed a sufficient service on receipt by all persons interested (whether jointly with or as claiming through or under him) in the shares concerned and such notice shall be deemed to have been received by the Members when it enters the information system applicable to the email address provided if sent by email and in all other instances twenty-four hours after the time of posting.
- (c) Any written confirmation or notice or other document which is sent by email to the most current email address provided by a Member to the Company or by post to or left at the registered address of the Member named therein or dispatched by the Company or the Manager in accordance with his instructions shall be so sent, left or dispatched at the risk of such Member and the giving, service or delivery thereof shall be deemed to have been effected when it enters the information system applicable to the email address provided if sent by email and in all other instances at the expiration of twenty four hours, after the cover containing it was posted. In proving service of delivery it shall be sufficient to prove if sent by email that such email entered an information system outside the control of the Company and in all other instances that such cover was properly addressed, stamped and posted.

33. WINDING UP

- (a) If the Company shall be wound up or dissolved the liquidator shall apply the assets of the Company in satisfaction of creditors' claims in such manner and order as he thinks fit.
- (b) Subject to Article 4(g) the assets of the Company available for distribution (after satisfaction of creditors' claims) amongst the Members shall be distributed pro rata to the holders of the shares of each class in the Company and shall be allocated pro rata to the number of shares in that class held by them.
- (c) If the Company shall be wound up or dissolved (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may with the authority of a Special Resolution of the Company, divide among the Members pro rata to the value of their shareholdings in the Company (as determined herein) in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind provided that the Company shall, if any Member so requests, sell any asset or assets proposed to be so distributed and distribute to such Members the cash proceeds of such sale which shall be borne by the relevant Member, and may for such purposes value any class or classes of property in accordance with the valuation provisions in Article 14. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but not so that any Member shall be compelled to accept any asset in respect of which there is a liability.

34. INDEMNITY

- (a) The Company shall indemnify its Directors, Officers, employees and any person who serves at the request of the Company as a director, officer, employee of another company, partnership, joint venture, trust or other enterprise as follows:
 - (i) Every person who is or has been a Director, Officer, or employee of the Company and every person who serves at the Company's request as director, officer or employee of another company, partnership, joint venture, trust or other enterprise shall be indemnified by the Company to the fullest extent permitted by law against liability and against all expenses reasonably incurred or paid by him in connection with any debt, claim, action, demand, suit, proceeding, judgment, decree, liability or obligation of any kind in which he becomes involved as a party or

otherwise by virtue of his being or having been a Director, Officer or employee of the Company or a director, officer or employee of another company, partnership, joint venture, trust or other enterprise at the request of the Company, and against amounts paid or incurred by him in the settlement thereof except where any of the foregoing is attributable to any negligence or wilful default on his part;

- (ii) The words "claim", "action", "suit" or "proceedings" shall apply to all claims, actions, suits or proceedings (civil, criminal, administrative, legislative, investigative or other, including appeals) and shall include, without limitation, legal fees, costs, judgments, amounts paid in settlement, fines, penalties and other liabilities;
 - (iii) The rights of indemnification herein provided may be insured against by policies maintained by the Company, shall be severable, shall not affect any other rights to which any Director, Officer, employee or agent may now or hereafter be entitled, shall continue as to a person who has ceased to be such a Director, Officer, employee or agent and shall enure to the benefit of the heirs, executors and administrators of such a person;
 - (iv) No indemnification shall be provided hereunder unless an independent legal adviser to the Company has confirmed in a written opinion that the person to be indemnified is entitled to an indemnity under applicable law;
 - (v) The Company may make advances of expenses incurred in the defence of any claim, action, suit or proceedings against any person whom the Company is obliged to indemnify pursuant to Article 34(a) hereof; and
 - (vi) The Company may indemnify the Manager, the Investment Manager and any agent of the Company to the extent permitted by law and subject to the provisions in relation to indemnification set out in Article 34(a) hereof.
- (b) The Custodian shall be entitled to such indemnity from the Company upon such terms and subject to such conditions and exceptions and with such entitlement to have recourse to the assets of the Company with a view to meeting and discharging the costs thereof as shall be provided under its agreement with the Company, provided that no such indemnity shall extend to any unjustifiable failure to perform or improper performance of its obligations on the part of the Custodian.
- (c) The Company, the Manager and the Custodian shall each be entitled to rely absolutely on any declaration received from a Member or his agent as to the residence or otherwise of such Member and shall not incur liability in respect of any action taken or thing suffered by any of them in good faith in reliance upon any paper or document believed to be genuine and to have been sealed or signed by the proper parties, nor be in any way liable for any forged or unauthorised signature on or any common seal affixed to any such document or for acting on or giving effect to any such forged or unauthorised signature or common seal, but shall be entitled, though not bound, to require the signature of any person to be verified by a banker, broker or other responsible person or otherwise authenticated to its or their satisfaction.
- (d) The Company, the Manager and the Custodian shall each incur no liability to the Members for complying with any present or future law or regulation made pursuant thereto, or any decree, order or judgment of any court, or any request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise). If for any reason it becomes impossible or impracticable to carry out any of the provisions hereof neither the Company nor the Manager nor the Custodian shall be under any liability therefor or thereby. This clause shall not, however, exempt the Company, the Manager or the Custodian from any liability any of them may incur as a result of a failure to adhere to their obligations as set out in the Rules or any liability incurred as a result of any fraud on the part of the Company, the Manager or the Custodian.
- (e) For the avoidance of doubt no Director shall be liable for the acts or omissions of any other Director.
- (f) The Directors shall have the power to purchase and maintain for the benefit of any persons who are or were at any time Directors or officers of the Company insurance against any liability incurred by such persons in respect of any act or omission in the execution or discharge of their duties or in the exercise of their powers, and the Directors shall be entitled to vote and be counted in the quorum in respect of any resolution concerning the purchase of such insurance

35. DESTRUCTION OF DOCUMENTS

- (a) The Company may destroy:
- (i) any dividend mandate or share allotment request form or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate, request, variation, cancellation or notification was recorded by the Company;
 - (ii) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration thereof; and
 - (iii) any other document on the basis of which an entry in the Register is made at any time after the expiry of seven years from the date an entry in the Register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company PROVIDED ALWAYS that:

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (ii) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
- (iii) references in this Article to the destruction of any document include references to its disposal in any manner.

36. SEVERABILITY

If any term, provision, covenant or restriction of these Articles is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions of these Articles shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

37. AMENDMENT OF ARTICLES

These presents shall not be amended without the prior approval of the Central Bank.

COMPANIES ACTS, 1963 TO 2012

**EUROPEAN COMMUNITIES (UNDERTAKINGS FOR
COLLECTIVE INVESTMENTS IN TRANSFERABLE
SECURITIES) REGULATIONS, 2011
(S.I. NO. 352 OF 2011)**

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

**FIDELITY INSTITUTIONAL LIQUIDITY FUND
PUBLIC LIMITED COMPANY**

**AN INVESTMENT COMPANY
WITH VARIABLE CAPITAL**

(Amended by Special Resolutions

passed on 21 December 2006, 22 June 2010 and 24 April 2013)

AN UMBRELLA FUND