

CONSTITUTION OF

iSHARES III PUBLIC LIMITED COMPANY

**AN UMBRELLA FUND WITH SEGREGATED
LIABILITY BETWEEN ITS FUNDS**

**MEMORANDUM AND ARTICLES OF ASSOCIATION
(as amended by all Special Resolutions passed up to and including 16 December 2016)**

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THE COMPANIES ACT 2014

A PUBLIC COMPANY LIMITED BY SHARES

**AN UMBRELLA TYPE INVESTMENT COMPANY
WITH VARIABLE CAPITAL AND HAVING SEGREGATED LIABILITY BETWEEN ITS
FUNDS**

NEW

MEMORANDUM OF ASSOCIATION

OF

iSHARES III PUBLIC LIMITED COMPANY

(as amended by all Special Resolutions passed up to and including 16 December 2016)

1. The name of the Company is iShares III public limited company.
2. The Company is a public limited company being an investment company with variable capital established pursuant to the Companies Act 2014. It is an umbrella Fund with segregated liability between its Funds.
3. The sole object for which the Company is established is the collective investment in:-
 - (a) transferable securities; and/or
 - (b) other liquid financial assets referred to in Regulation 68 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No. 352 of 2011), as same may be amended or replaced (the "UCITS Regulations");
 - (c) of capital raised from the public operating on the principle of spreading investment risk in accordance with the UCITS Regulations.

The powers of the Company to attain the said object are:-

- (a) To carry on the business of an investment company and for that purpose to acquire, dispose of, invest in and hold by way of investment either in the name of the Company, or in that of any nominee, shares, stocks, warrants, debentures, debenture stock, loan stock, bonds, notes, obligations, futures contracts, options contracts, swap contracts, certificates of deposit, treasury bills, trade bills, bank acceptances, bills of exchange, money market instruments, fixed rate securities, units, variable or floating rate securities, securities in respect of which the return and/or redemption amount is calculated by reference to any index, price or rate, commercial paper, promissory notes, obligations and securities and financial instruments of all kinds created, issued or guaranteed by any government, sovereign, state, ruler, dominion, colony, commissioners, public body or authority, supreme, trust, municipal, local, supranational authority or otherwise, in any part of the world, or by any company, bank, association or partnership, whether with limited or unlimited liability constituted or carrying on business or activities in any part of the world, units of or participation in any unit trust scheme, mutual fund or collective investment scheme in any part of the world, policies of assurance and insurance, domestic and foreign currency and any present or future rights and interests to or in any of the foregoing, and from time to time to sell, exchange, lend, vary or dispose of and grant and dispose of options over any of the foregoing and to deposit money (or place money on current account) with such persons in such currencies and otherwise on such terms as may seem expedient.
- (b) To acquire and dispose of any such shares, stocks, warrants, debentures, debenture stock, loan stock, bonds, notes, obligations, futures contracts, options contracts, swap contracts, certificates of deposit, treasury bills, trade bills, bank acceptances, bills of exchange, money market instruments, fixed rate securities, units, variable or floating rate securities, securities in respect of which the return and/or redemption amount is calculated by reference to any index, price or rate, commercial paper, promissory notes, obligations and securities and financial instruments of all kinds, units of or participation shares in unit trust schemes, mutual funds or collective investment schemes, policies of assurance and insurance, domestic and foreign currency, rights or interests aforesaid by original subscription, 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, either conditionally or otherwise, subject to such terms and conditions (if any) as may

be thought fit, to enter into underwriting and similar contracts with respect thereto and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

- (c) To advance, deposit or lend money, securities and/or property (being those items which the Company is empowered to invest or otherwise deal in pursuant to Clause 3 (a) above) to or with such persons, and on such terms as may seem expedient and to discount, buy and sell bills, notes, warrants, coupons and other negotiable or transferable instruments, securities or documents of whatsoever nature.
- (d) To employ, utilise or invest in derivative instruments and techniques of all kinds and for direct investment purposes, where permitted by a Fund's investment objectives and policies, and/or the efficient management of the Company's assets as may be permitted by the UCITS Regulations (and any amendments thereto for the time being in force) 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, index futures, 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.
- (e) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any such shares, stock, obligations, bonds, notes, financial instruments or other securities.
- (f) To carry on business as capitalists and financiers, and to undertake and carry on all kinds of financial, trust, agency, broking, and other operations including underwriting, issuing on commission or otherwise of stocks and securities of all kinds.
- (g) To promote and aid in promoting, constitute, form or organise companies, syndicates or partnerships of all kinds for the purpose of acquiring and undertaking any property and liabilities of the Company, or of advancing directly or indirectly the objects thereof, or for any other purpose which the Company may think expedient.
- (h) To receive moneys on loan and to borrow or raise money in any currency and secure or discharge any debt or obligation of or binding on the Company in any manner and in particular by the issue of, bonds, debentures or debenture stock, perpetual or redeemable, and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien against the whole or any part of the Company's undertaking, property or assets (whether present or future) including its uncalled capital or generally in any other manner as the Directors shall from time to time determine, and also by a similar mortgage charge or lien to secure or guarantee the performance of any obligation or liability undertaken by the Company or any person or company.
- (i) To promote and aid in promoting, constitute, form or organise any company or companies, syndicates or partnerships of all kinds in any part of the world and to subscribe shares therein or other securities thereof for the purpose of carrying on any business which the Company is authorised to carry on or of advancing directly or indirectly the objects thereof, or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- (j) To create, issue, make, draw, accept, endorse, execute, discount, negotiate and otherwise deal with redeemable debentures, bonds or other obligations, bills of exchange, promissory notes, letters of credit or other negotiable or transferable instruments.
- (k) To redeem or otherwise acquire in any manner permitted by law and on such terms and in such manner as the Company may think fit any shares in the capital of the Company.
- (l) To guarantee, support or secure, whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both such methods the performance of the obligations of, and the repayment or payment of the principal amounts of and the premiums, interest and dividends on any security of any person, firm or company including (without prejudice to the generality of the foregoing) any company which is for the time being the Company's holding company or subsidiary as defined by Section 8 of the Act or another subsidiary as defined by the said Section of the Company's holding company or otherwise associated with the Company in business.
- (m) To lend the funds of the Company with or without security and at interest or free of interest and on such terms and conditions as the Directors shall from time to time determine.
- (n) To issue loan stock on such terms as the Company may deem appropriate including rights to convert such loan stock into shares in the Company.
- (o) To acquire and carry on all or any part of the business, goodwill or property, and to undertake any liabilities of any person, firm, association or company possessed of property suitable for any

of the purposes of the Company, or carrying on or proposing to carry on any business which the Company is authorised to carry on, and as the consideration for the same to pay cash or to issue any fully paid up shares, debentures, or obligations of the Company or undertake all or any of the liabilities of such person, firm, association or company.

- (p) 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.
- (q) To reduce the share capital of the Company in any manner permitted by law.
- (r) To make gifts or grant bonuses to officers or other persons who are or have been in the employment of the Company and to allow any such persons to have the use and enjoyment of such property, chattels or other assets belonging to the Company upon such terms as the Company shall think fit.
- (s) To guarantee the payment of money by or the performance of any contracts, liabilities, obligations, or engagements of any company, firm or person and to grant guarantees and indemnities of every description, and to undertake obligations of every description.
- (t) To enter into any arrangements with any government, or authority, supreme, municipal, local or otherwise, and to obtain from any such government or authority any rights, concessions and privileges that may seem conducive to the objects of the Company or any of them.
- (u) To employ any person, firm, company or other body to investigate and examine the conditions, prospects, values, character and circumstances of any business concern or undertaking and generally of any assets, concessions, properties or rights.
- (v) To amalgamate or enter into partnership or into any arrangement for sharing profits, union of interest, joint venture, reciprocal concessions or co-operation with any person or company carrying on, engaged in, or about to carry on or engage 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, sell, re-issue, or otherwise deal with shares or stock in or securities or obligations of, and to subsidise or otherwise assist any such securities or obligations or any dividends upon any such shares or stock.
- (w) To apply for, purchase or otherwise acquire any patents, trademarks, copyrights, designs, licences, and like rights, conferring an exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, sell, mortgage, grant licences in respect of, or otherwise turn to account the rights and information so acquired.
- (x) To establish and/or carry on any other business or businesses which may seem to the Company capable of being conveniently carried on in connection with any business which the Company is authorised to carry on, or may seem to the Company calculated directly or indirectly to benefit the Company or to enhance the value of or render profitable any of the Company's properties or rights.
- (y) To distribute among the members of the Company in specie any assets of the Company or any proceeds of sale or disposal of any assets of the Company and in particular to repay any surplus or premiums on any shares of the Company.
- (z) To sell, let, develop, dispose of or otherwise deal with the undertaking or all or any part of the property real or personal, rights or privileges of the Company upon such terms as the Company may think fit, with power to accept as the consideration, any shares, stocks, debentures, securities or obligations of or interest in any other company.
- (aa) To remunerate any companies, firm or person for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures or other securities of the Company or in or about the promotion of the Company or the conduct of its business and whether by cash payment or by the allotment to him or them of stocks, shares, debentures, bonds or other securities of the Company, credited as paid up in full, in part or otherwise.
- (bb) To promote any company or companies for the purpose of its or their acquiring all or any of the property, rights and liabilities of the Company, or for any other purpose which may seem directly

or indirectly calculated to benefit the Company and to pay all the expenses of or incidental to such promotion.

- (cc) To pay out of the funds of the Company all expenses which the Company may lawfully pay incidental to the formation, registration and advertising of or raising money for the Company and the issue of its capital or any class thereof, including brokerage and commissions for obtaining applications for or taking, placing or procuring the underwriting of shares, stocks, debentures, bonds or other securities of the Company and any other expenses which the Directors shall consider to be in the nature of preliminary expenses.
- (dd) To pay for any property or rights acquired by the Company either in cash or by the issue of fully or partly paid shares of the Company.
- (ee) To exercise all or any of the powers aforesaid in any part of the world, and as principals, agents, contractors, trustees or otherwise and by or through trustees, agents, attorneys or otherwise, and either alone or in conjunction with others.
- (ff) To do all such other things as the Company may deem incidental or conducive to the attainment of any of the objects of the Company.
- (gg) To procure the Company to be registered or recognised in any part of the world outside Ireland.

And it is hereby declared that the word "company" (except where used in reference to this Company) in this Clause shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated.

4. The liability of the members is limited.

5.

- (a) The Participating Share capital of the Company shall be equal to the value for the time being of the issued Participating Share capital of the Company; and
- (b) The share capital of the Company is €2.00 divided into 2 Subscriber Shares of €1 each and 500,000,000,000 Participating Shares of no par value. The number of shares in issue shall not be less than such number as is required by law (currently two) nor more than 2 Subscriber Shares and 500,000,000,000 Participating Shares.

ISHARES III PUBLIC LIMITED COMPANY

ARTICLES OF ASSOCIATION

TABLE OF CONTENTS

(This Table of Contents does not form part of the
Articles of Association of iShares III public limited company)

PART I - PRELIMINARY	10
1. INTERPRETATION.....	10
2. ESTABLISHMENT EXPENSES	14
PART II - SHARE CAPITAL AND RIGHTS	14
3. SHARE CAPITAL.....	14
4. ALLOTMENT OF SHARES	14
5. PARTICIPATING SHARES.....	15
6. SUBSCRIBER SHARES	15
7. VARIATION OF RIGHTS.....	15
8. SEGREGATED LIABILITY BETWEEN FUNDS	16
9. TRUSTS NOT RECOGNISED	16
PART III - PARTICIPATING SHARES	16
10. ISSUE OF PARTICIPATING SHARES.....	16
11. SUBSCRIPTION PRICE PER PARTICIPATING SHARE OF ANY CLASS.....	17
12. MINIMUM SUBSCRIPTION.....	18
13. FEES.....	18
14. SUSPENSION OF ISSUE	18
15. RESTRICTIONS ON SHAREHOLDERS/QUALIFIED PERSONS	19
PART IV - DETERMINATION OF NET ASSET VALUE.....	19
16. NET ASSET VALUE OF PARTICIPATING SHARES	19
17. ASSETS OF THE COMPANY.....	20
18. LIABILITIES ATTRIBUTABLE TO EACH FUND	24
19. GENERAL PROVISIONS ON VALUATION	25
PART V - REDEMPTION OF PARTICIPATING SHARES.....	25
20. REDEMPTION	25
21. THE REDEMPTION AMOUNT/REDEMPTION DIVIDEND.....	27
22. COMPULSORY REDEMPTION	28
PART VI - SUSPENSION OF REDEMPTION, VALUATION AND DEALINGS.....	29
23. TEMPORARY SUSPENSIONS/DELAYS	29
24. NOTIFICATION OF SUSPENSIONS	30
PART VII - SWITCHING.....	30
25. SWITCHING BETWEEN FUNDS AND CLASSES OF PARTICIPATING SHARES.....	30
PART VIII - CERTIFICATES AND CONFIRMATIONS OF OWNERSHIP	30
26. COMPUTERISED SECURITIES.....	30
27. CONFIRMATION OF OWNERSHIP/SHARE CERTIFICATES.....	31
28. BALANCE AND EXCHANGE CERTIFICATES	31
29. REPLACEMENT OF CERTIFICATES.....	31
30. CALLS ON SUBSCRIBER SHARES	31
PART IX - TRANSFER OF SHARES	32
31. TRANSFER OF SHARES IN CERTIFICATED FORM.....	32

32.	TRANSFER OF SHARES IN DEMATERIALIZED FORM.....	32
33.	PROCEDURE ON TRANSFER	32
34.	PURCHASE OF SUBSCRIBER SHARES	32
35.	ENTRY IN REGISTER	33
36.	REFUSAL TO REGISTER TRANSFERS.....	33
37.	PROCEDURE ON REFUSAL.....	33
38.	SUSPENSION ON TRANSFERS.....	33
39.	RETENTION OF TRANSFER INSTRUMENTS.....	33
40.	ABSENCE OF REGISTRATION FEES	33
PART X - TRANSMISSION OF SHARES AND UNTRACED SHAREHOLDERS.....		33
41.	DEATH OF SHAREHOLDER	33
42.	PERSON BECOMING ENTITLED BY TRANSMISSION MAY BE REGISTERED	33
43.	RIGHTS BEFORE REGISTRATION.....	34
44.	COMPANY'S POWER TO SELL PARTICIPATING SHARES.....	34
PART XI - ALTERATION OF SHARE CAPITAL.....		35
45.	INCREASE OF CAPITAL.....	35
46.	CONSOLIDATION, SUB-DIVISION AND CANCELLATION OF CAPITAL.....	35
47.	REDUCTION OF CAPITAL.....	35
PART XII - GENERAL MEETINGS		35
48.	ANNUAL GENERAL MEETING	35
49.	EXTRAORDINARY GENERAL MEETINGS.....	35
50.	CONVENING GENERAL MEETINGS	35
51.	NOTICE OF GENERAL MEETINGS	35
PART XIII - PROCEEDINGS AT GENERAL MEETINGS		36
52.	BUSINESS TO BE TRANSACTED.....	36
53.	QUORUM FOR GENERAL MEETINGS.....	36
54.	CHAIRMAN OF GENERAL MEETINGS	36
55.	DIRECTORS' AND AUDITORS' RIGHT TO ATTEND GENERAL MEETINGS.....	36
56.	ADJOURNMENT OF GENERAL MEETINGS	37
57.	DETERMINATION OF RESOLUTIONS.....	37
58.	VOTES OF SHAREHOLDERS	37
59.	CASTING VOTE.....	37
60.	VOTING BY JOINT SHAREHOLDERS	37
61.	VOTING BY INCAPACITATED SHAREHOLDERS.....	37
62.	TIME FOR OBJECTION TO VOTING.....	37
63.	APPOINTMENT OF PROXY.....	37
64.	DEPOSIT OF PROXY INSTRUMENTS.....	38
65.	EFFECT OF PROXY INSTRUMENTS	38
66.	EFFECT OF REVOCATION OF PROXY OR OF AUTHORISATION	38
67.	REPRESENTATION OF BODIES CORPORATE	39
68.	WRITTEN RESOLUTIONS	39
PART XIV - APPOINTMENT, RETIREMENT AND DISQUALIFICATION OF DIRECTORS.....		39
69.	NUMBER OF DIRECTORS.....	39
70.	ELIGIBILITY FOR APPOINTMENT.....	39
71.	APPOINTMENT OF ADDITIONAL DIRECTORS	39
72.	SHARE QUALIFICATIONS	40
73.	DISQUALIFICATION OF DIRECTORS.....	40
74.	SUSPENSION OF A DIRECTOR	40
75.	ORDINARY REMUNERATION OF DIRECTORS	40
76.	SPECIAL REMUNERATION OF DIRECTORS	40
77.	EXPENSES OF DIRECTORS.....	40

78.	ALTERNATE DIRECTORS	40
PART XV - POWERS OF DIRECTORS		41
79.	DIRECTORS' POWERS	41
80.	POWER TO DELEGATE	41
81.	APPOINTMENT OF ATTORNEYS	41
82.	PAYMENTS AND RECEIPTS	42
83.	INVESTMENT OBJECTIVES	42
84.	BORROWING POWERS AND EFFICIENT PORTFOLIO MANAGEMENT	42
PART XVI - DIRECTORS' OFFICES AND INTERESTS		43
85.	EXECUTIVE OFFICES	43
86.	DIRECTORS' INTERESTS	43
87.	RESTRICTION ON DIRECTORS' VOTING	44
PART XVII - PROCEEDINGS OF DIRECTORS		45
88.	CONVENING AND REGULATION OF DIRECTORS' MEETINGS	45
89.	QUORUM FOR DIRECTORS' MEETINGS	45
90.	VOTING AT DIRECTORS' MEETINGS	45
91.	TELECOMMUNICATION MEETINGS	45
92.	APPOINTMENT OF CHAIRMAN	45
93.	VALIDITY OF ACTS OF DIRECTORS	46
94.	MINUTES KEPT BY DIRECTORS	46
95.	DIRECTOR'S RESOLUTIONS OR OTHER DOCUMENTS IN WRITING	46
PART XVIII - MANAGEMENT		46
96.	MANAGER	46
97.	CUSTODIAN	46
PART XIX - THE SECRETARY		47
98.	APPOINTMENT OF SECRETARY	47
99.	ASSISTANT OR ACTING SECRETARY	47
PART XX - THE SEAL		47
100.	USE OF SEAL	47
101.	SEAL FOR USE ABROAD	47
102.	SIGNATURE OF SEALED INSTRUMENTS	47
PART XXI - DIVIDENDS AND RESERVES		48
103.	DECLARATION OF DIVIDENDS	48
104.	INTERIM DIVIDENDS	48
105.	SOURCE OF DIVIDENDS	48
106.	RECEIPTS	48
107.	DIVIDENDS IN SPECIE	48
108.	RANKING OF DIVIDENDS	48
109.	PAYMENT OF DIVIDENDS	48
110.	DIVIDENDS NOT TO BEAR INTEREST	48
111.	PAYMENT TO SHAREHOLDERS ON A PARTICULAR DATE	49
112.	UNCLAIMED DIVIDENDS	49
113.	CURRENCY OF PAYMENT AND FOREIGN EXCHANGE TRANSACTIONS	49
114.	RESERVES	49
PART XXII - CAPITALISATION OF PROFITS OR RESERVES		49
115.	DISTRIBUTABLE PROFITS AND RESERVES	49
116.	NON-DISTRIBUTABLE PROFITS AND RESERVES	49
117.	IMPLEMENTATION OF CAPITALISATION ISSUES	49

PART XXIII - NOTICES	50
118. NOTICES IN WRITING.....	50
119. SERVICE OF NOTICES.....	50
120. SERVICE ON JOINT SHAREHOLDERS	50
121. SERVICE ON TRANSFER OR TRANSMISSION OF SHARES.....	51
122. SIGNATURE TO NOTICES.....	51
123. DEEMED RECEIPT OF NOTICES	51
124. ENTITLEMENT TO NOTICES	51
PART XXIV - WINDING UP	51
125. TERMINATION OF FUNDS.....	51
126. DISTRIBUTION ON WINDING UP	53
127. DISTRIBUTION IN SPECIE	53
PART XXV - MISCELLANEOUS	53
128. DESTRUCTION OF RECORDS	53
129. ACCOUNTS.....	54
130. MAINTENANCE OF BOOKS OF ACCOUNTS	54
131. APPROVAL OF ACCOUNTS.....	54
132. REPORTS.....	54
133. AUDITORS.....	54
134. DEALINGS WITH ADMINISTRATOR AND CONNECTED PERSONS	54
135. RESTRICTION ON MODIFICATIONS TO ARTICLES.....	55
136. CHANGE OF NAME OF FUNDS.....	55
137. INDEMNITY	55
138. OVERRIDING PROVISIONS	55
139. DISCLAIMER OF LIABILITY	56
140. SEVERABILITY	56

THE COMPANIES ACT 2014
A PUBLIC COMPANY LIMITED BY SHARES
AN UMBRELLA TYPE INVESTMENT COMPANY WITH VARIABLE CAPITAL AND HAVING
SEGREGATED LIABILITY BETWEEN ITS FUNDS

ARTICLES OF ASSOCIATION

- of -

ISHARES III PUBLIC LIMITED COMPANY

(as amended by all Special Resolutions passed up to and including 16 December 2016)

PART I - PRELIMINARY

1. Interpretation

(a) In these Articles the following expressions shall have the following meanings:-

"Accrued Income", in relation to a Fund, the income of that Fund (net of expenses) accrued at the relevant time (including, where applicable, amounts which fall to be treated as income pursuant to Article 11(d));

"Act", the Companies Act 2014 and every statute or other provision of law modifying, extending or re-enacting them or any of it.

"1933 Act", the United States Securities Act of 1933 (of the United States), as amended.

"1940 Act", the Investment Company Act of 1940 (of the United States), as amended.

"Administrator", any person, firm or corporation appointed and for the time being acting as Administrator of the Company or any Fund.

these "Articles", the Articles of Association of the Company as originally adopted or as altered from time to time by Special Resolution.

"Auditors", the Auditors for the time being of the Company.

"Benchmark Index", in relation to a Fund, the index against which the return of the Fund will be compared.

"Board", the board of Directors of the Company from time to time including a duly authorised committee thereof.

"Business Day", in relation to any Fund or class of Share, shall bear the same meaning as set out in any Prospectus relating thereto.

"Central Bank", the Central Bank of Ireland.

"Clear Days", 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.

"Collective Investment Scheme":-

(i) any arrangement made for the purpose, or having the effect, of providing facilities for the participation by persons, as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of investments or any other property whatsoever; and

(ii) any other investment vehicle of a similar nature to that described in paragraph (i) of this definition (including, without limitation, any open-ended investment company, mutual fund or fonds commun de placement)

and, in relation to any such collective investment scheme, "unit" means any unit, share or other interest (however described) of similar nature in such collective investment scheme.

"Company", the Company whose name appears on the heading to these Articles.

"Computerised Security", means a Participating Share, title to units of which is permitted by an Operator to be transferred by means of a Relevant System.

"Connected Person", means the Manager or the Custodian and the delegates and sub-delegates of the Manager or Custodian (excluding any non-group company sub-custodians appointed by the Custodian) and any associated or group company of the Manager, Custodian, delegate or sub-delegate.

"Custodian", any person appointed and for the time being acting as custodian and trustee of the assets of the Company pursuant to these Articles under the terms and provisions of the Custodian Agreement with power to appoint sub-custodians.

"Custodian Agreement", any agreement for the time being subsisting between the Company and the Custodian and relating to the appointment and duties of the Custodian and giving the Custodian power to appoint sub-custodians.

"Dealing Day", shall bear the same meaning as set out in the Prospectus or such other day as the Directors may from time to time determine in the case of any Fund, provided always that there shall be at least one Dealing Day per fortnight.

"Directors", the directors of the Company for the time being, or as the case may be, the directors present at a meeting of the Board.

"Duties and Charges", in relation to any Fund, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, foreign exchange spreads, interest, custodian or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Fund or the creation, issue, sale, switching or repurchase of Shares or the sale or purchase of Investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, which, for the avoidance of doubt, includes, when calculating subscription and redemption prices, any provision for spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the Net Asset Value and the estimated price at which such assets shall be bought as a result of a subscription and sold as a result of a redemption and/or to take into account any charges payable on an adjustment to a swap required as a result of a subscription or redemption), but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Shares in the relevant Fund.

"Funds", the Funds maintained in accordance with Article 8 hereof which shall be kept separate from one another, to which all assets and liabilities income and expenditure attributable or allocated to each such Fund shall be applied or charged and any of which established as UCITS exchange-traded funds will use the identifier "UCITS ETF" or such other identifier as may be required by applicable law or regulation from time to time.

"In writing", any written, printed or lithographed or photographed material or represented by any other substitute for writing or partly one and partly another.

"Initial Offer Period", the period set by the Directors in relation to any Fund as the period during which the Participating Shares thereof are initially on offer at the Initial Subscription Price(s).

"Initial Subscription Price(s)", the price(s) at which Participating Shares in any Fund are offered for purchase or subscription during the Initial Offer Period.

"Insolvency Event", bears the meaning as set out in the Prospectus and shall relate to circumstances where in relation to a person (i) an order has been made or an effective resolution passed for the liquidation or bankruptcy of the person; (ii) a receiver or similar officer has been appointed in respect of the person or of any of the person's assets or the person becomes subject to an administration order, (iii) the person enters into an arrangement with one or more of its creditors or is deemed to be unable to pay its debts, (iv) the person ceases or threatens to cease to carry on its business or substantially the whole of its business or makes or threatens to make any material alteration to the nature of its business, or (v) an event occurs in relation to the person in any jurisdiction that has an effect similar to that of any of the events referred to in (i) to (iv) above or (vi) the Company in good faith believes that any of the above may occur.

"Investment", any investment authorised by the Memorandum of Association of the Company and which is permitted by the UCITS Regulations and these Articles.

"Investment Manager", any person appointed and for the time being acting as investment manager to the Company.

"Manager", any person appointed and for the time being acting as manager to the Company under the terms and provisions of the Management Agreement.

"Management Agreement", any agreement for the time being subsisting between the Company and the Manager in relation to the appointment and duties of the Manager.

"Member State", a member state of the European Union.

"Minimum Investment Amount", such amount or number of Participating Shares as the Directors may from time to time prescribe in respect of any Fund as the minimum initial subscription for Participating Shares of the relevant class.

"Minimum Additional Investment Amount", such amount or number of Participating Shares as the Directors may from time to time prescribe in respect of any Fund as the minimum subscription by any Shareholder for additional Participating Shares of the relevant class.

"Minimum Redemption Amount", such amount or number of Participating Shares of any class as the Directors may from time to time prescribe in a Prospectus in respect of any Fund as the minimum amount/number of Participating Shares as may be redeemed by a Shareholder thereof at any one time.

"Net Asset Value" or "Net Asset Value of a class of Participating Shares", the amount determined on any Valuation Point pursuant to Articles 16 to 19 inclusive of these Articles.

"OECD" means the Organisation for Economic Co-operation and Development.

"Operator" means a person approved pursuant to the Securities Regulations as an operator of a Relevant System.

"Office", the registered office of the Company.

"Ordinary Resolution", a resolution of the Company in general meeting passed by a simple majority of the votes cast.

"OTC", means over-the-counter.

"Participating Share" or "Share", a participating share of no par value in the capital of the Company issued in accordance with these Articles and with the rights provided for under these Articles.

"Prospectus", any prospectus or supplement or addendum thereto issued by the Company from time to time in connection with the purchase of or subscription for Participating Shares of any class.

"Pounds Sterling" "Sterling" and "Stg£", the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

"Qualified Holder", shall bear the same meaning as set out in any Prospectus.

"Redemption Amount", in respect of any Fund, the amount for which Participating Shares thereof shall be redeemed, calculated in accordance with Article 21.

"Redemption Dividend", a dividend payable in respect of Shares which have been accepted for redemption in accordance with Article 21.

"Register", the register of Shareholders kept pursuant to the Act.

"Regulated Markets", the list of stock exchanges and regulated markets in which the assets of the Company may be invested from time to time, as set out in the Prospectus. For the purposes only of determining the value of the assets of a Fund, the term "Regulated Market" shall be deemed to include, in relation to any futures or options contract any organised exchange or market on which such futures or options contract utilised for efficient portfolio management purposes or to provide protection against exchange rate risk, any organised exchange or market on which such futures or options contract is regularly traded.

"Relevant System", means a computer-based system and procedures, permitted by the Securities Regulations, which enables title to units of a security to be evidenced and transferred without a written instrument, and which facilitate supplementary and incidental matters and

includes, without limitation, the relevant system of which Euroclear UK & Ireland Limited is the Operator.

"Relevant Time", the day and hour set out as the time limit for certain events as may be specified by the Directors in any Prospectus.

"Seal", the Common Seal of the Company.

"Secretary", any person appointed by the Directors to perform any of the duties of the Secretary of the Company.

"Securities Regulations", the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (S.I. No 68 of 1996) as same may be amended from time to time and any conditions imposed thereunder from time to time which may affect the Company.

"Shareholder", a holder of Shares in the Register, including the holders of Subscriber Shares.

"Shari'ah", the rules, principles and parameters of Islamic law as interpreted by the Shari'ah Panel.

"Shari'ah Panel", such panel of Islamic scholars as may be appointed by the Investment Manager, and any person appointed to sit on the panel from time to time, who provide advice and guidance relating to a Fund's compliance with Shari'ah, and render fatwas (decisions) based on Shari'ah.

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

"Special Resolution", a resolution of the Company passed in accordance with Section 191 of the Act or a resolution of Shareholders of a Fund or class thereof passed by not less than 75% of the votes cast by the Shareholders entitled to vote thereon.

"State", Ireland.

"Subscriber Share", a Subscriber Share in the capital of the Company issued in accordance with these Articles.

"Subscription Price", the prices at which Participating Shares of any class can be subscribed as calculated and determined in accordance these Articles.

"Taxes Act", the Taxes Consolidation Act, 1997.

"UCITS", Undertakings for Collective Investment in Transferable Securities as defined in the UCITS Directive.

"UCITS Directive", Directive 2009/65/EC of the European Parliament and of the Council of the European Union of 13 July 2009, Commission Directive 2010/43/EU of 1 July 2010 and Commission Directive 2010/44/EU of 1 July 2010 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as may be amended or replaced.

"UCITS Regulations", the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as may be amended or replaced.

"United States" and "US", the United States of America or any of its territories, possessions, any State of the United States and the District of Columbia.

"US Person", shall bear the same meaning as set out in any Prospectus.

"Valuation Point", in respect of any Fund such time and day as the Directors may from time to time determine (with the consent of the Administrator) in relation to the valuation of the assets and liabilities of a Fund as disclosed in the Prospectus.

- (b) Unless specifically defined in these Articles or the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- (c) References to Articles are to Articles of these Articles and any reference in an Article to a paragraph or sub-paragraph shall be a reference to a paragraph or sub-paragraph of the Article

in which the reference is contained unless it appears from the context that a reference to some other provision is intended.

- (d) The headings and captions included in these Articles are inserted for convenience of reference only and shall not be considered a part of or affect the construction or interpretation of these Articles.
- (e) In these Articles, the masculine gender shall include the feminine and neuter, and vice versa, and the singular number shall include the plural, and vice versa, and words importing persons shall include firms or companies (whether corporate or not).
- (f) References to enactments and to provisions of enactments shall include reference to any modifications or re-enactments thereof for the time being in force.
- (g) Except as otherwise expressly provided, references to times of day shall be to local time in Ireland.
- (h) In these Articles a reference to:
 - (i) "currency" shall refer to the currency in which the Fund concerned is designated;
 - (ii) "certificated" or "certificated form" in relation to a Share is a reference to a Share, title to which is recorded on the Register as being held in certificated form;
 - (iii) "dematerialised" or "dematerialised form" in relation to a Participating Share is a reference to a Participating Share, title to which is recorded on the Register as being held in uncertificated form, and title to which, by virtue of the Securities Regulations, may be transferred by an Operator by means of a Relevant System.

2. **Establishment Expenses**

All fees and expenses relating to the establishment of the Company (including listing costs) and the fees of the advisers to the Company will be borne by the Company and will be amortised over the first five financial years of the Company or such other period as the Directors may determine. The establishment expenses may be charged as between the various Funds established by the Company within the amortisation period on such terms and in such manner as the Directors (with the consent of the Custodian) deem fair and equitable and provided that each Fund will bear its own direct establishment costs and costs of listing its Shares on any exchange. The fees and expenses within each Fund and class thereof will be set out in the relevant Supplement.

PART II - SHARE CAPITAL AND RIGHTS

3. **Share Capital**

- (a) The initial share capital of the Company is €2.00 divided into 2 Subscriber Shares of €1 each and 500,000,000,000 Participating Shares of no par value each having the rights appearing in these Articles.
- (b) The actual value of the paid up share capital of the Company shall be at all times equal to the value of the assets of any kind of the Company after the deduction of its liabilities.
- (c) The Participating Shares of the Company shall, at the request of any of the Shareholders thereof but subject to any restrictions contained in these Articles, be purchased by the Company directly or indirectly out of the Company's assets.

4. **Allotment of Shares**

- (a) The Directors may issue any of the Participating Shares in the capital of the Company as Participating Shares in a particular Fund and, if required, a particular class in a Fund. The Company is structured as an "umbrella fund with segregated liability between its Funds" and the Directors may, subject to the prior approval of the Central Bank, divide the Participating Shares into different classes in such currencies as they deem fit and designate one or more classes to a separate Fund. On or before the issue of any Participating Share the Directors shall specify the class and Fund in relation to which such Participating Share is designated.

Participating Shares in relation to other Funds (or classes thereof) may be issued and designated from time to time by the Directors with the prior approval of the Central Bank. The creation of Participating Shares of other classes of a Fund shall be effected in accordance with the requirements of the Central Bank.

All monies payable for or in respect of Participating Shares (including without limitation the subscription and redemption monies in respect thereof) shall be paid in the currency in which such Participating Share is designated or in such other currency as the Directors shall determine either generally or in relation to a particular class of Participating Shares or in any specific case.

- (b) The Directors may in their absolute discretion refuse to accept any application for Participating Shares in the Company in whole or in part, without assigning any reasons therefor.
- (c) The Directors are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities within the meaning of Section 1021 of the Act. The maximum amount of relevant securities which may be allotted under the authority hereby conferred shall be the number of the authorised but unissued relevant securities in the capital of the Company from time to time and for the time being, provided however that any Shares which have been repurchased shall be deemed never to have been issued for the purpose of calculating the maximum amount of Shares which may be issued.
- (d) Without prejudice to any special rights previously conferred on the Shareholders of any existing Shares or class of Shares, any Share in the Company may be issued with such preferred, deferred, or other rights or restrictions, whether in regard to dividends, voting, return of capital or otherwise, as the Directors may from time to time determine.
- (e) Subject to the foregoing, the Participating Shares of the Company shall be at the disposal of the Directors and (subject to the provisions of the Act) they may allot, grant options over or otherwise dispose of them to such persons on such terms and conditions and at such times as they may consider to be in the best interests of the Company and the Shareholders.
- (f) Subject to the provisions of the Act and the requirements of the Central Bank, Participating Shares of any Fund may be acquired, by way of subscription or transfer for consideration, or redeemed, by another Fund for the purpose of cross investment by one Fund to another.
- (g) In the event that the Company establishes a Fund or Funds which are intended to be Shari'ah compliant, any provisions of these Articles which are non-Shari'ah compliant shall be disapplied and replaced with appropriate provisions as set out in the Prospectus or any relevant Fund supplement. Any Shari'ah compliant Funds established by the Company shall be subject to the provisions of the UCITS Regulations and the Act.

5. **Participating Shares**

- (a) Participating Shares may only be issued fully paid and shall have no par value.
- (b) The actual value of the paid up share capital of each class of Participating Shares in the Company shall at all times be equal to the Net Asset Value of such class of Participating Shares.
- (c) The Shareholder of each Participating Share shall, on a poll, be entitled to one vote per Participating Share.
- (d) The Shareholder of each Participating Share shall be entitled to such dividends as the Directors may from time to time declare.
- (e) In the event of a winding up or dissolution of the Company the Shareholder of a Participating Share shall have the rights referred to in Article 126(b).

6. **Subscriber Shares**

- (a) Subscriber Shares shall only be issued at their par value of €1 each.
- (b) Any Subscriber Shares not held by the Manager or its nominees shall be subject to requisition under Article 34 of these Articles.
- (c) The Shareholder of a Subscriber Share shall, on a poll, be entitled to one vote per Subscriber Share.
- (d) The Shareholders of the Subscriber Shares shall not be entitled to any dividends whatsoever in respect of their holding of Subscriber Shares.
- (e) In the event of a winding up or dissolution of the Company, the Shareholder of a Subscriber Share shall have the rights referred to in Article 126(b).

7. **Variation of Rights**

- (a) The rights attached to any class of Shares may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the Shareholders of the class. To every such separate general meeting the provisions of these Articles relating to general meetings shall apply but so that the necessary quorum at any such meeting other than an adjourned meeting shall be at least two persons between them holding or representing by proxy one-third of the Shares of the class in question and, at an adjourned meeting, one person holding Shares of the class in question or his proxy. Any Shareholder of the class in question present in person or by proxy may demand a poll.
- (b) The rights conferred upon the Shareholders of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

8. **Segregated Liability Between Funds**

All consideration, other than the initial charge (if any) pursuant to Article 13, received by the Company for the allotment or issue of Participating Shares of each class, together with all Investments in which such consideration is invested or reinvested, and all income, earnings, profits and proceeds thereof shall be segregated and kept separate in the Fund to which such class relates from all other monies of the Company and to which the following provisions shall apply:

- (a) the records and accounts of each Fund shall be maintained separately in the base currency of the relevant Fund;
- (b) the liabilities of each Fund shall be attributed exclusively to that Fund;
- (c) the assets of each Fund shall belong exclusively to that Fund, shall be segregated in the records of the Custodian from the assets of other Funds, and shall not (save as provided in the Act), be used to discharge directly or indirectly the liabilities of or claims against any other Fund and shall not be available for any such purpose;
- (d) the proceeds from the issue of each Participating Share shall be applied to the relevant Fund established for that Participating Share, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of these Articles;
- (e) where any asset is derived from another asset, the derived asset shall be applied to the same Fund as the assets from which it was derived, and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund;
- (f) in the case where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, the Directors shall have the discretion, subject to the approval of the Auditors, to determine the basis upon which such asset or liability shall be allocated between the Funds and the Directors shall have power at any time and from time to time subject to the approval of the Auditors to vary such basis, provided that the approval of the Auditors shall not be required in any case where the assets or liability is allocated between all Funds pro rata to their Net Asset Value.

9. **Trusts Not Recognised**

Except as required by law, no person shall be recognised by the Company as holding any Shares upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the Shareholder. This shall not preclude the Company from requiring a Shareholder or a transferee of Shares to furnish the Company with information as to the beneficial ownership of any Share when such information is reasonably required by the Company.

PART III - PARTICIPATING SHARES

10. **Issue of Participating Shares**

- (a) Subject as hereinafter provided, the Company, on receipt by its authorised agents of the following:-
 - (i) an application for Participating Shares in such form as the Directors may from time to time determine;
 - (ii) such declarations as to the applicant's status, residence or otherwise as the Directors and the Manager from time to time may require;

may issue any class of Participating Shares at the Subscription Price for each class of Participating Share determined in accordance with Article 11 of these Articles, or provided that the application referred to in sub-paragraph (a)(i) above has been received may allot such class of Participating Shares pending receipt of the consideration therefor and/or such information and declarations referred to in sub-paragraph (a)(ii) above. The originals of the application forms should be delivered to the Manager within such number of Business Days after the time for receipt of applications for Participating Shares by telephone, fax or other means as the Directors may determine. Failure to provide the original Application Form by such time may, at the discretion of the Administrator result in the compulsory redemption of the relevant Participating Shares in accordance with these Articles.

- (b) The transfer of consideration for the issue of Participating Shares shall be effected within such reasonable time and at such place and manner and to such person on behalf of the Company as the Directors may from time to time determine.
- (c) The issue or allotment of Participating Shares pursuant to this Article shall be made on the Dealing Day on which the application is received provided that such application is received, in respect of an application to be made during the Initial Offer Period, before the expiry of such period and, in respect of an application made after the Initial Offer Period no later than the Relevant Time for receipt thereof. If the application is received after the Relevant Time, it will generally not be accepted, however, such applications may be accepted for dealing on the relevant Dealing Day, at the discretion of the Manager or the Investment Manager, in accordance with the provisions set out in the Prospectus.
- (d) The Directors have absolute discretion (but shall not be obliged) to reject or cancel in whole or in part any subscription for Participating Shares prior to the issue of Participating Shares to an applicant (notwithstanding the application having been accepted) in the event that an Insolvency Event occurs to the applicant and/or to minimise the exposure of the Company to an applicant's Insolvency Event and/or as otherwise provided for in the Prospectus. The Company also has the right to determine whether it will satisfy redemption requests from a Shareholder only in kind or in cash on a case by case basis in the manner set out in the Prospectus. In addition, the Company may impose such restrictions as it believes necessary to ensure that no Participating Shares are acquired by persons who are not Qualified Holders.
- (e) Applications for the issue of Participating Shares will be irrevocable unless the Directors or a delegate, otherwise agree.

11. **Subscription Price per Participating Share of any Class**

- (a) The Initial Subscription Price(s) per Participating Share at which Participating Shares of any class shall be allotted and issued during the Initial Offer Period shall be determined by the Manager.
- (b) The Subscription Price per Participating Share of any class to be issued subsequent to the Initial Offer Period shall be ascertained by determining the Net Asset Value of the Participating Share in accordance with these Articles in respect of the relevant Dealing Day and adding thereto such sum as the Directors in their absolute discretion may from time to time determine as an appropriate provision for Duties and Charges. In calculating the Subscription Price, the Directors may, on any Dealing Day when net subscriptions exceed such percentage of the Net Asset Value as the Directors may determine, adjust the Subscription Price by adding an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund. Payment of the Subscription Price shall be satisfied, at the discretion of the Manager, by the transfer of Investments as referred to in paragraph (c), in cash or by the transfer of Investments as aforesaid and cash, and in such proportions as the Manager may determine from time to time. Where the payment of the Subscription Price is satisfied by the transfer of Investments, the number of Participating Shares to be issued shall not exceed the amount that would be issued for the cash equivalent 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 Custodian as determined by the Manager on the relevant Dealing Day.
- (c) The Manager on any Dealing Day may issue Participating Shares of any class on terms providing for settlement to be made by the vesting in the Custodian on behalf of the Company of Investments specified by the Manager and in connection therewith the following provisions shall apply:-
 - (i) in the case of a person who is not an existing Shareholder, no Participating Shares shall be issued until the person concerned shall have completed and delivered to the Manager an application form as required under these Articles and satisfied all the requirements of the Directors and Manager as to such person's application, including, but not limited to, requirements on the applicant's creditworthiness;

- (ii) the nature of the Investments transferred into the relevant Fund are such as would qualify as Investments of such Fund in accordance with the investment objectives, policies and restrictions of such Fund; and
 - (iii) the Custodian is satisfied that the terms of any such transfer would not be such as would be likely to result in any prejudice to existing Shareholders.
- (d) If the Subscription Price of a Participating Share includes an amount which reflects the Accrued Income of the relevant Fund, then such amount shall, as from the time at which the said Subscription Price is recognised as an asset of the Company for the purposes of these Articles, be treated as income of that Fund.
- (e) In the event that an applicant fails to deliver one or more of the specified Investments referred to in paragraph (c) by the Relevant Time, the Company may require the applicant to pay to it a sum equal to the value of such Investments as at the Valuation Point on the relevant Dealing Day plus any Duties and Charges associated with the purchase by the Company of those Investments plus an administration fee of 1% of the value of the Investments purchased. In the event that the actual cost to the Company of acquiring the Investments (including Duties and Charges) exceeds the value (plus Duties and Charges) as referred to above plus the administration fee, the applicant shall reimburse the Company the difference on demand. The Manager will have the right to sell or redeem all or part of the applicant's holding of Shares in the Fund (or any other Fund) of the Company in order to meet some or all of these charges.
- (f) In relation to any Participating Shares which are listed on a stock exchange, in order to ensure that the exchange traded value of the Shares is not significantly higher than their Net Asset Value, when the closing market price of a class of Shares in a Fund on the relevant exchange is higher than 105 per cent (or such lower percentage as the Directors may determine) of the Net Asset Value of that class for a minimum of ten consecutive business days, the Manager may, at its discretion, notwithstanding the provisions of paragraph (b), issue Shares for cash provided that the minimum cash subscription per investor under such circumstances shall not be less than that set out in the relevant Prospectus.

12. **Minimum Subscription**

The Directors may decline to issue Participating Shares to satisfy any application unless:-

- (a) the amount of the Participating Shares to which an application relates equals or exceeds:-
 - (i) the Minimum Investment Amount or its equivalent in another currency or such amount as the Directors may from time to time determine in relation to any class of Participating Shares; or
 - (ii) such minimum amount of investment in classes of Participating Shares as the Directors may from time to time determine where an application is made for Participating Shares of two or more classes; or
- (b) the applicant is already the Shareholder of Participating Shares and the amount in value of the Participating Shares to which the application relates equals or exceeds the Minimum Additional Investment Amount or such other amount as the Directors may determine.

13. **Fees**

The Directors may, in their absolute discretion require any person to whom any Participating Shares are to be allotted, redeemed or switched to pay a fee at a rate to be determined by the Directors by reference to the aggregate amount subscribed, redeemed or switched (as the case may be) any such fee not to exceed in respect of each Participating Share to be allotted or switched an amount equal to 5 per cent and in respect of each Participating Share to be redeemed 3 per cent per Participating Share of the Net Asset Value for such Participating Share. The Directors may on any Dealing Day, differentiate between applicants as to the amount of the fee to be levied on each Participating Share (subject to the maximum aforesaid).

This maximum redemption fee shall not be increased without prior Shareholder approval on the basis of a simple majority of votes cast in a general meeting or a resolution in writing of all Shareholders of the relevant class. In the event of an increase in the redemption fee, a reasonable notification period shall be provided prior to the implementation of the increase.

14. **Suspension of Issue**

No Participating Shares of any particular class shall be allotted or issued during any period when the determination of the Net Asset Value of that class of Participating Share is suspended pursuant to these

Articles except those for which applications have been previously received and accepted by the Company or its authorised agent.

15. Restrictions on Shareholders/Qualified Persons

- (a) No person may offer or sell any Participating Shares to any person who would not be a Qualified Holder.
- (b) The Directors shall have power to impose such restrictions as they may think necessary for the purpose of ensuring that no Participating Shares of any class are acquired or held directly or beneficially by
 - (i) any person who is not a Qualified Holder; or
 - (ii) any person or persons in circumstances, (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors might result in the Company incurring any liability to taxation or suffering pecuniary disadvantages which the Company might not otherwise have incurred or suffered or the Company being required to register under the 1940 Act or similar statute successor thereto or to register any class of its securities under the 1933 Act or similar statute successor thereto.
- (c) No person other than a Qualified Holder shall be or remain registered as a holder of Participating Shares and the Directors may upon an application for any class of Participating Shares or (subject as herein provided) on a transfer of any class of Participating Shares or at any other time and from time to time require such evidence to be furnished to them in this connection as they shall in their discretion deem sufficient and in default of such evidence being furnished to the satisfaction of the Directors the Directors may require the redemption or transfer of such Shares pursuant to these Articles.
- (d) A holder of any class of Participating Shares who shall cease to be a Qualified Holder shall promptly either give to the Company a redemption notice in respect of such Shares or shall promptly transfer such Shares to a Qualified Holder.
- (e) If the Directors shall in their absolute discretion consider that any holder of any class of Participating Shares is not a Qualified Holder (or at any time while registered as a holder of such Shares has not been a Qualified Holder) the Directors may require the redemption or transfer of such Participating Shares in accordance with Article 22 hereof.

PART IV - DETERMINATION OF NET ASSET VALUE

16. Net Asset Value of Participating Shares

- (a) The Net Asset Value of a Fund shall be the value of all the assets comprised in the relevant Fund less all the liabilities attributable to the relevant Fund and subject to the UCITS Regulations and shall be calculated as at each Valuation Point.
- (b) The value of the assets and liabilities referred to in (a) above shall be determined in accordance with the valuation rules set out hereafter in Articles 17 to 19 inclusive.
- (c) The Net Asset Value of a Fund shall be expressed in the base currency (translated where necessary at such rate of exchange as the Directors think fit).
- (d) The Net Asset value of a class of Participating Shares within a Fund shall be calculated as follows:-
 - (i) determining the allocation ratios for each class of Participating Shares which shall be done by dividing the figure calculated in A below for each class of Participating Shares by the figure calculated in B below:-
 - A. adding the Net Asset Value of each class of Participating Shares for the previous Valuation Point and the value of Shareholder activity (i.e. net subscription/redemptions placed as of the previous Valuation Point) for the current Valuation Point for each class of Participating Shares;
 - B. adding the total of the Net Asset Values for all classes of Participating Shares for the previous Valuation Point and the value of Shareholder activity (i.e. net subscriptions/redemptions placed as of the previous Valuation Point) for the current Valuation Point for all classes of Participating Shares;

- (ii) allocating the Company's income, fees and expenses and realised and unrealised gains and losses accrued for the current Valuation Point to each class of Participating Shares with the amount to be allocated being calculated by multiplying the aggregate of such accrued amounts by the ratios determined in (i);
 - (iii) adding the figures from (ii) as allocated for each class of Participating Shares to the expenses accrued, distributions declared and the value of Shareholder activity (i.e. net subscriptions/redemptions) for the current Valuation Point which are solely attributed to each specific class of Participating Shares. An expense will be attributed to a specific class of Participating Shares which is specifically attributable to that class;
 - (iv) adding the results of (iii) for each class of Participating Shares to the Net Asset Value of the previous Valuation Point of the respective class of Participating Shares.
- (e) The costs and related liabilities/benefits arising from instruments entered into for the purposes of any particular class of a fund including, without limitation, hedging the currency exposure (where the currency of a particular class is different to the base currency of the Fund) and any transactions entered for such purposes shall be attributable exclusively to that class. Currency hedged Share classes shall not be leveraged as a result of these transactions other than in accordance with the Central Bank's requirements.
 - (f) The Net Asset Value of a class of Participating Shares within a Fund shall be expressed in the base currency in which the Fund is designated (except, where the currency of the particular class is different to the base currency of the Fund, it shall be expressed in the currency in which that class is designated) (translated, where necessary at such rate of exchange as the Directors think fit).
 - (g) The Net Asset Value of a Participating Share within a class shall be determined by dividing the Net Asset Value of the relevant class by the number of Participating Shares in that class in issue.

17. **Assets of the Company**

- (a) The assets of the Company shall be deemed to include inter alia:-
 - (i) all cash in hand, on deposit, or on call including any interest accrued thereon and all accounts receivable;
 - (ii) all bills, demand notes, certificates of deposit and promissory notes;
 - (iii) all bonds, forward currency transactions, time notes, shares, stock, units of or participation in collective investment schemes/mutual funds, debentures, debenture stock, subscription rights, warrants, futures contracts, options contracts, swap contracts, fixed rate securities, floating rate securities, securities in respect of which the return and/or redemption amount is calculated by reference to any index, price or rate, financial instruments and other investments and securities owned or contracted for by the Company, other than rights and securities issued by it;
 - (iv) all stock and cash dividends and cash distributions to be received by the Company and not yet received by it but declared to stockholders on record on a date on or before the day as of which the Net Asset Value is being determined;
 - (v) all interest accrued on any interest-bearing securities owned by the Company except to the extent that the same is included or reflected in the principal value of such security;
 - (vi) all other Investments of the Company;
 - (vii) the establishment costs attributable to the Company and the cost of issuing and distributing Participating Shares of the Company insofar as the same have not been written off; and
 - (viii) all other assets of the Company of every kind and nature including prepaid expenses as valued and defined from time to time by the Directors.
- (b) The valuation principles to be used in valuing the Company's assets are as follows:
 - (i) the Directors shall be entitled to value the Shares of any Fund using the amortised cost method of valuation. Where an amortised cost valuation method is utilised, an Investment is valued at its cost of acquisition adjusted for amortisation of premium or accretions of discount rather than at current market value:

- A. the amortised cost method of valuation may only be used in relation to Funds which comply with the Central Bank's requirements for short term money market funds and where a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank's guidelines; and
 - B. money market instruments in a money market or non-money market fund may be valued on an amortised basis in accordance with the Central Bank's requirements;
- (ii) assets listed or traded on a Regulated Market (other than those referred to at (iii) and (iv) below) for which market quotations are readily available shall be valued at the Valuation Point using the last traded price for equity securities and the closing mid-market price for bond securities (with the exception of any Fund in respect of which bond securities may be priced using closing mid-market and/or bid prices where set out in the Prospectus) on the principal Regulated Market for such investment, provided that the value of the investment listed on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange or an OTC market may be valued taking into account the level of premium or discount as at the date of valuation of the investment with the approval of the Custodian, who must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. If for specific assets the last traded, closing mid-market prices and/or bid prices where set out in the Prospectus, as applicable, do not, in the opinion of the Manager, reflect their fair value or if prices are unavailable, the value shall be calculated with care and in good faith by the Directors or a competent person or firm appointed by the Directors and approved for that purpose by the Custodian on the basis of the probable realisation value for such assets as at the Valuation Point;
 - (iii) if the assets are listed or traded on several Regulated Markets, the last traded, closing mid-market prices and/or bid prices where set out in the Prospectus, as applicable, on the Regulated Market which, in the opinion of the Administrator, constitutes the main market for such assets, will be used;
 - (iv) in the case of the Funds whose investment objective is to track a particular index and where there is significant overlap between the assets of the relevant Fund and its Benchmark Index, the assets of such Funds may be valued in accordance with the valuation methodology for such Investments which is utilised by the relevant index. Such valuation methodology may include valuing Investments using mid-market, last traded, bid, and/or offer prices. Details of the relevant index and the valuation methodology utilised from time to time in relation to any Investments not valued in accordance with (i)-(ii) hereof shall be set out in the Prospectus;
 - (v) in the event that any of the Investments on the relevant Dealing Day are not listed or traded on any Regulated Market and for which market quotations are not readily available such Investments shall be valued at their probable realisation value determined by the Directors or such other competent person or firm appointed by the Directors and approved by the Custodian (as a competent person for such purpose) with care and in good faith. Such probable realisation value will be determined:
 - A. by using the original purchase price;
 - B. where there have been subsequent trades with substantial volumes, by using the last traded price provided that the Administrator considers such trades to be at arm's length;
 - C. where the Administrator believes the investment has suffered a diminution in value, by using the original purchase price which shall be discounted to reflect such a diminution; and
 - D. if the Administrator believes a mid quotation from a broker is reliable, by using such a mid quotation or, if unavailable, a bid quotation.
 - (vi) alternatively, the Administrator may use such probable realisation value estimated with care and in good faith as may be recommended by a competent professional appointed by the Directors and who is approved by the Custodian as a competent person for such purpose;
 - (vii) cash and other liquid assets will be valued at their face value with interest accrued, where applicable;
 - (viii) shares, units of, or participations in collective investment schemes will be valued at

either:

- A. the latest available net asset value of such share, unit or participation as published by the collective investment scheme;
- B. the latest bid price as published by the collective investment scheme; or
- C. if the collective investment scheme is listed, quoted or traded on a Regulated Market, in accordance with the provisions above which apply to Investments listed or normally dealt in on a Regulated Market;

in accordance with the terms set out in the Prospectus.

- (ix) any value and borrowing expressed otherwise than in the base currency of a Fund (whether of an investment or cash) shall be converted into the Fund's base currency at the rate (whether official or otherwise) which the Administrator deems appropriate in the circumstances;
- (x) exchange-traded derivative instruments will be valued on each Dealing Day at the settlement price for such instruments as at the Valuation Point on such market. If such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Directors or a competent person or firm appointed by the Directors and approved for such purpose by the Custodian;
- (xi) value of any OTC derivatives contracts shall be:
 - A. a quotation from the counterparty; or
 - B. an alternative valuation calculated by the Company or an independent pricing vendor (which may be a party related to but independent of the counterparty which does not rely on the same pricing models employed by the counterparty) provided that:
 - a. where a counterparty valuation is used, it must be provided on at least a daily basis and approved or verified at least weekly by a party independent of the counterparty, which may be the Investment Manager (approved for the purpose by the Custodian);
 - b. where an alternative valuation is used (i.e. a valuation that is provided by a competent person appointed by the Manager or Directors and approved for that purpose by the Custodian (or a valuation by any other means provided that the value is approved by the Custodian)), it must be provided on a daily basis and the valuation principles employed must follow best international practice established by bodies such as IOSCO (International Organisation of Securities Commission) and AIMA (the Alternative Investment Management Association) and any such valuation shall be reconciled to that of the counterparty on a monthly basis. Where significant differences arise these must be promptly investigated and explained.
- (xii) forward foreign exchange and interest rate swaps contracts for which market quotations are freely available may be valued in accordance with the previous paragraph or by reference to market quotations (in which case there is no requirement to have such prices independently verified or reconciled to the counterparty valuation);
- (xiii) notwithstanding the foregoing sub-paragraphs, OTC derivatives contracts may, alternatively be valued in accordance with the requirements of the relevant regulations and / or the requirements of the Central Bank;
- (xiv) notwithstanding the foregoing sub-paragraphs:
 - A. in the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out above, or if such valuation is not representative of the fair market value in the context of currency, marketability and such other considerations which are deemed relevant, the Directors are entitled to use other generally recognised valuation methods in order to reach a proper valuation of that specific investment, provided that the use of such method of valuation is deemed necessary by the Directors and the method of valuation has been approved by the Custodian;
 - B. the Directors, may, in order to comply with any applicable accounting standards, present the value of any assets of the Company in financial statements to Shareholders in a manner different to that set out in this Article;

- (xv) in calculating the Net Asset Value of the assets:
- A. every Share allotted by the Company shall be deemed to be in issue and 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;
 - B. 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;
 - C. where notice of a redemption 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 a Shareholder upon such cancellation;
 - D. where any amount in one currency is required to be converted into another currency the Directors may effect such conversion using such rates as the Directors shall determine at the relevant time except where otherwise specifically provided herein;
 - E. 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 and such amount in respect of contingent or projected expenses as the Administrator considers fair and reasonable having regard to the provisions of the Prospectus and the Articles of Association of the Company;
 - F. 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;
 - G. there shall be added to the assets a sum representing any interest or dividends accrued but not received and a sum representing unamortised expenses;
 - H. there shall be added to the assets the amount (if any) available for distribution in respect of the last preceding accounting period but in respect of which no distribution has been declared;
 - I. 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);
 - J. the Directors may at their discretion apply a sum representing a provision for Duties and Charges;
 - K. cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Company, any adjustment should be made to reflect the value thereof;
 - L. the value of assets shall be rounded upwards to the such number of decimal places as the Administrator deems appropriate;
 - M. in the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Company may with the 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;
- (xvi) without prejudice to their general powers to delegate their functions herein certified, the Directors may delegate any of their functions in relation to the calculation of Net Asset Value to the Administrator, 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 Administrator 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 Shareholders.

18. Liabilities attributable to each Fund

- (a) The Company may pay out of the assets of each Fund:-
- (i) the fees payable to the Manager and its expenses which will not be discharged out of the Manager's fee (as described in the Prospectus);
 - (ii) the fees and expenses payable to the Administrator, Custodian and any investment manager and its delegates;
 - (iii) the fees and expenses of the Directors;
 - (iv) any fees in respect of circulating details of the Net Asset Value (including publishing prices) and Net Asset Value per Share;
 - (v) stamp, transfer and other duties;
 - (vi) taxes and contingent liabilities as determined from time to time by the Directors;
 - (vii) rating fees (if any);
 - (viii) brokerage or other expenses of acquiring and disposing of Investments;
 - (ix) fees and expenses of the auditors, tax, legal and other professional advisers of the Company;
 - (x) the Central Bank's industry funding levy;
 - (xi) fees connected with listing of Shares on any stock exchange;
 - (xii) fees and expenses in connection with provision of transfer agency and registrar services to the Company including, without limitation, the transfer of Shares in the Company to, from or within any system for the registration and transfer of dematerialised securities;
 - (xiii) fees and expenses in connection with the distribution of Shares and costs of registration of the Company in jurisdictions outside Ireland;
 - (xiv) costs of preparing, printing and distributing the Prospectus and supplements, reports, accounts and any explanatory memoranda;
 - (xv) any necessary translation fees;
 - (xvi) fees and expenses in connection with the winding up of the Company or any Fund;
 - (xvii) any costs incurred as a result of periodic updates of the Prospectus, supplements, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law);
 - (xviii) any other fees and expenses relating to the management and administration of the Company or attributable to the Company's investments;
 - (xix) in respect of each financial year of the Company in which expenses are being determined, such proportion (if any) of the establishment expenses as are being amortised in that year and reconstruction.
 - (xx) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by Shares in the Company and reserves (other than reserves authorised or approved by the Directors for Duties and Charges or contingencies).
- In determining the amount of such liabilities the Directors may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.
- (b) The liabilities attributable to each class of Participating Shares shall be deemed to include (without limitation):-
- (i) the fees and expenses of any service provider to the Company attributable to the relevant class of Participating Shares;

- (ii) fees and expenses involved in registering and maintaining registrations of the Participating Shares for sale in any jurisdiction outside Ireland, including the preparation of prospectuses;
 - (iii) expenses in connection with the listing of the Participating Shares on any securities exchange.
- (c) For the purposes of this Article 18:-
- (i) Investments to be transferred to or monies payable to the Company in respect of the allotment of Participating Shares of any class shall be deemed to be an asset of the relevant Fund as at the time at which such Shares are allotted; and
 - (ii) Investments to be transferred from or monies payable by the Company on the redemption by the Company of Participating Shares pursuant to redemption requests or Investments to be transferred to or monies payable by the Company as a result of the cancellation of allotments shall be deemed to be a liability of the relevant Fund on the Dealing Day on which such Participating Shares are accepted for redemption/allotments are cancelled (as the case may be); and
 - (iii) Investments or monies due to be transferred from one Fund (the "Original Fund") to another Fund (the "New Fund") pursuant to any switching between Funds pursuant to Article 25 shall be deemed to be a liability of the Original Fund and an asset of the New Fund immediately after the Valuation Point on the Dealing Day on which the request for switching is received or deemed to be received in accordance with Article 25.

19. **General Provisions on Valuation**

- (a) Any assets held, including funds on deposit and amounts payable to the Company and any liabilities and amounts payable by the Company in respect of any Fund in a currency other than that in which that Fund or is designated shall be translated into the currency of that Fund at such rate of exchange as the Directors may think fit.
- (b) Where the current price of an Investment is quoted "ex" any dividend (including stock dividend), interest or other rights to which the relevant Fund is entitled but such dividend, interest or the property to which such rights relate has not been received and is not taken into account under any other provisions of this Article, the amount of such dividend, interest, property or cash shall be taken into account.
- (c) Any entity wholly owned by the Company shall be valued on the basis of its net assets (being the difference between the value of its assets and liabilities) and in valuing its net assets, the provisions of Articles 16 to 19 inclusive shall mutatis mutandis apply.
- (d) Any certificate as to Net Asset Value of Participating Shares given in good faith (and in the absence of negligence or manifest error) by or on behalf of the Directors shall be binding on all parties.
- (e) Notwithstanding the provisions of these Articles the fees, expenses and liabilities of a Fund may be charged to the capital of a Fund in accordance with the requirements of the Central Bank.

PART V - REDEMPTION OF PARTICIPATING SHARES

20. **Redemption**

- (a) Subject to the provisions of the Act and the UCITS Regulations, and subject as hereinafter provided, the Company shall, on receipt by the Manager of a redemption request in such form as may be prescribed by the Manager from a Shareholder of Participating Shares (the "Applicant") redeem all or any portion of the Participating Shares held by the Applicant for the Redemption Amount (as hereinafter set out) for each such Participating Share of the class concerned determined in accordance with the provisions of these Articles, PROVIDED THAT:-
 - (i) unless the relevant Prospectus otherwise provides, redemption requests shall only be considered in relation to Shares held in dematerialised form;
 - (ii) the request shall be for a number of Shares at least equal to the Minimum Redemption Amount (or such lesser amount as the Manager may determine);
 - (iii) the redemption of Participating Shares of any class pursuant to this Article shall be made on the Dealing Day on which the request is received if it is received by the Manager before the Relevant Time on such Business Day and, if received after the Relevant Time,

the request shall be treated as having been received on the next following Business Day;
and

- (iv) in the event that the determination of the Net Asset Value per Participating Share has been suspended in accordance with Article 23, the right of the Applicant to have his Participating Shares redeemed pursuant to this Article shall be suspended and during the period of suspension he may withdraw his request for redemption and his certificate (if applicable). Any withdrawal of a request for redemption under the provisions of this Article shall be made in writing and shall only be effective if actually received by the Company or its duly authorised agent before termination of the period of suspension. If the request is not so withdrawn the redemption of the Participating Shares shall be made on the Dealing Day next following the end of the suspension or on such earlier day following the end of the suspension as the Directors at the request of the Applicant may agree.
- (b) Redemption forms (if required pursuant to the terms of the relevant Prospectus) may be sent in writing or by facsimile at the risk of the relevant Shareholder. In the case of a Shareholder of Participating Shares which is a corporation, a list of authorised signatories must be provided by the corporation to the Company or its authorised agents in the event that the signatories at redemption differ from signatories on the most recent application form submitted by the Shareholder. If Participating Shares are held in certificated form the Shareholder must send the original Share certificate(s) (duly endorsed by each joint Shareholder - if applicable) to the Manager. The Directors, may at their option, dispense with the production of any certificate which shall have become defaced, lost, stolen or destroyed upon compliance by the Applicant with the like requirements to those applying in the case of an application by him for replacement of a defaced, lost, stolen or destroyed certificate under Article 29.
- (c) In relation to any Shares which are listed on a stock exchange, in order to ensure that the exchange traded value of the Shares is not significantly lower than their Net Asset Value, when the closing market price of Shares of a class in a Fund on the relevant exchange is less than 95 per cent (or such higher percentage as the Directors may determine) of the Net Asset Value of that class for a minimum of ten consecutive business days, the Manager may, at its discretion, notwithstanding the provisions of paragraph (a) and at the request of a Shareholder, redeem the Shares of such class subject to the condition that the Investments which would otherwise have been transferred to the Shareholder on an exchange basis as described above will be liquidated by the Manager and the Shareholder will receive the proceeds less any costs incurred.
- (d) For the purposes of these Articles, Participating Shares of the class concerned which are accepted for redemption on a Dealing Day shall be cancelled on the day on which settlement of the proceeds of redemption occurs in accordance with Article 21 but neither they, nor the assets or liabilities of the relevant Fund attributable to these Shares, shall be taken into account in any calculation of Net Asset Value, with effect from the Dealing Day upon which they are accepted for redemption.
- (e) Upon the cancellation of a Participating Share pursuant to these Articles, the applicant shall cease to be entitled to any rights in respect thereof (excepting always the right to receive a dividend (if any) including a Redemption Dividend which has been declared in respect thereof prior to such redemption being effected) and accordingly his name shall be removed from the Register with respect thereto, the relevant Participating Shares shall be treated as cancelled and the amount of issued share capital in respect of Participating Shares shall be reduced by the appropriate amount of the Redemption Amount paid or transferred by the Company.
- (f) Where the Company receives in respect of any Dealing Day requests for redemption or switching pursuant to Article 25 (which, at the discretion of the Manager, may exclude requests for redemption in kind) which in the aggregate amount to more than 10% of the Net Asset Value of any Fund, each such request for redemption or switching of Participating Shares of the relevant Fund may, at the discretion of the Manager and to the extent that any proceeds for such redemptions have not already been paid, be reduced pro rata so that all such requests (which may exclude redemptions in kind) cover no more than 10% of the Net Asset Value of the relevant Fund. Any part of a redemption or switching request to which effect is not given by reason of the exercise of this power by the Manager shall be treated as if a request had been made in respect of the next Dealing Day and each succeeding Dealing Day (in relation to which the Manager shall have the same power) until the original requests have been satisfied in full.
- (g) The Company may redeem Participating Shares of any Fund by way of the transfer of Investments provided that the redemption request has satisfied all the requirements of the Directors and the Manager as to such request and the amount or number of Participating Shares to be redeemed is not less than the Minimum Redemption Amount.
- (h) The Company shall be entitled to net applications for subscription and redemption requests received from any Shareholders on any Dealing Day.

- (i) The Shareholders of the Company and/or any Fund may, by way of Special Resolution, and/or subject to the Regulations and in accordance with the requirements of the Central Bank, authorise the amalgamation/merger of the Company or a Fund on a cross-border basis, into or out of another Member State, or on a domestic basis, with any other collective scheme or schemes.
- (j) Where an investor who has subscribed for Participating Shares in cash subsequently submits a redemption request, the Company may pay such redemption in kind provided that the consent of the redeeming Shareholder is obtained and the asset allocation for the redemption in kind is approved by the Custodian. If a redeeming Shareholder requests redemption of a number of Participating Shares representing 5% or more of the Net Asset Value of a Fund, the Directors may, in their sole discretion redeem the Shares by way of redemption in kind and in such circumstances the Directors will, if requested by the redeeming Shareholder, sell the Investments on behalf of the Shareholder. (The cost of the sale can be charged to the Shareholder).
- (k) In the event that an applicant fails to deliver the required Participating Shares of the relevant Fund in relation to a redemption by the Relevant Times, the Directors may, in their sole discretion, cancel the redemption order and the applicant shall indemnify the Company for any loss suffered by the Company as a result of a failure by the applicant to deliver the required Shares in a timely fashion.
- (l) Applications for the redemption of Participating Shares will be irrevocable unless the Directors, or a delegate otherwise agree.

21. **The Redemption Amount/Redemption Dividend**

- (a) The Redemption Amount for a Participating Share of any class shall be the Net Asset Value less any associated Duties and Charges and less any Redemption Dividend payable under paragraph (b). In calculating the Redemption Amount, the Directors may, on any Dealing Day when net redemptions exceed such percentage of the Net Asset Value as the Directors may determine, adjust the Redemption Amount by deducting any anti-dilution Levy to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund. Payment of the Redemption Amount shall be satisfied at the discretion of the Directors, by way of the transfer of Investments as referred to in Article 20, in cash or by way of the transfer of Investments as aforesaid and/or in cash.
- (b) The Company may pay a Redemption Dividend in respect of any Participating Share accepted for redemption. Such dividend, which will reflect Accrued Income attributable to the Share, will become due immediately prior to the redemption of the Participating Shares and paid to the relevant Shareholder on the same day as the redemption proceeds are paid/settled.
- (c) If any redemption requests received by the Directors would necessitate, in the opinion of the Directors, the breaking of deposits at a penalty or the realisation of Investments at a discount below their value, as calculated in accordance with Article 17, the Redemption Amount in respect of the relevant Shares may be reduced by a proportionate part of such reduction in value or penalty which will be suffered by the relevant Fund in such manner as the Directors may consider fair and equitable and which is approved by the Custodian. Alternatively, the Directors may arrange for the Company to borrow funds in accordance with Article 84(a) subject always to any borrowing restrictions in force in relation to the Company or the relevant Fund, and the costs of such borrowings may be apportioned as aforesaid to such extent as the Directors may consider fair and equitable.
- (d) Any certificate as to the Redemption Amount given in good faith (and in the absence of negligence or manifest error) by or on behalf of the Directors shall be binding on all parties.
- (e) Notwithstanding any other provision of the Articles, if the Company becomes liable to account for tax in any jurisdiction in the event that a Shareholder or beneficial owner of a Share were to receive a distribution in respect of his Shares or to dispose (or be deemed to have disposed) of his Shares in any way ("Chargeable Event"), the Company shall be entitled to deduct from the payment arising on a Chargeable Event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or such beneficial owner as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against any loss arising to the Company by reason of the Company becoming liable to account for tax in any jurisdiction on the happening of a Chargeable Event if no such deduction, appropriation or cancellation has been made.
- (f) The proceeds of redemptions effected by cash shall normally be made in the currency of the class as set out in the relevant redemption request (subject to Article 23) and the settlement of all

redemption proceeds shall take place no later than ten Business Days after the relevant Dealing Day, all conditions for redemption having been met. Cash redemption proceeds will be paid by telegraphic transfer (less expenses) or cheque to the bank account indicated on the Shareholder's most recent form for application for Participating Shares or other written instructions to the Company or its authorised agents. If no such instructions have been given redemption proceeds will be sent by post to the relevant Shareholder's address as set out in the Shareholders' Register and, in the case of joint Shareholders, the joint Shareholder whose name stands first in the Shareholders' Register.

22. **Compulsory Redemption**

- (a) The Company shall have the right at any time to redeem Participating Shares of any class if such Shares are held by persons other than Qualified Holders or, in the opinion of the Directors, such redemption would eliminate or reduce the exposure of the Company or its Shareholders to adverse tax consequences or other consequences of a nature contemplated by Article 15(b) above under the laws of any country. The Company may, in addition, impose a penalty to compensate or indemnify the Company, the Manager and the Investment Manager for any loss the Company has suffered (or may suffer) in respect of the holding of Shares by or on behalf of such non Qualified Holder. Such amounts may be deducted from any redemption proceeds payable to such person. The Company shall also have the right to require any person breaching the provisions of the Prospectus to indemnify the Company, the Manager and the Investment Manager from any losses or claims suffered or incurred by any of them in connection with such breach. Such amounts may be deducted from any redemption proceeds payable to such person.
- (b) The Company shall have the right to redeem or require the transfer (in accordance with the provisions of the Articles) of any Shares which are, or might be, or may become owned, directly or indirectly, by a non Qualified Holder. If any Shareholder or beneficial owner of any Shares fails to disclose information requested by the Company regarding such Shareholder or beneficial owner and, due to such non-disclosure or inadequate disclosure, the Directors believe that there is an issue regarding such person being a non Qualified Holder, the Company shall have the right to redeem or require the transfer (in accordance with the provisions of the Articles) of the Shares held by or for the benefit of such person.
- (c) In circumstances where a Fund is unable to track or replicate the relevant Benchmark Index and unable to substitute another index for the Benchmark Index, the Directors may resolve to compulsorily redeem investors and may subsequently terminate the Fund.
- (d) In circumstances where it is or becomes impossible or impractical for the Company to enter into, continue with or maintain FDIs relating to the Benchmark Index for a Fund or to invest in stocks comprised within the particular Benchmark Index, the Directors may resolve to compulsorily redeem investors and may subsequently terminate the Fund.
- (e) In circumstances where the Directors consider compulsory redemption to be in the interests of the Company, a Fund or the Shareholders of a Fund, the Directors may resolve to compulsorily redeem investors and may subsequently terminate the Fund.
- (f) The Company shall have the right to redeem without the imposition of any penalty by the Company:
 - (i) all the Participating Shares of a particular class if not less than 75% of the Shareholders in value of the Shares of the relevant class issued in the capital of the Company (carrying voting rights at general meetings of the Company) approve of the redemption of all the Participating Shares by the Directors at a general meeting of the relevant class of which not more than twelve and not less than four weeks notice has been given;
 - (ii) at the discretion of the Directors, after the first anniversary of the first issue of Participating Shares of the relevant class if the Net Asset Value of the Fund falls below such amount and for such period as may be provided for in the Prospectus;
 - (iii) at the discretion of the Directors, if the Fund ceases to be listed on a stock exchange;
 - (iv) in such circumstances as may be set out in the Prospectus or any supplement thereto provided that not less than four and no more than six weeks' notice has been given to the Shareholders of the Participating Shares that all of the Participating Shares in that Fund shall be redeemed by the Company;
 - (v) at the discretion of the Directors provided that notice of not less than four and not more than six weeks has been given to the Shareholders of the Participating Shares that all of the Participating Shares in that Fund shall be redeemed by the Company.

- (g) If within 90 days from the date of the Custodian serving notice of termination of the Custody Agreement another custodian acceptable to the Company and the Central Bank has not been appointed to act as custodian, the Company shall serve notice on all Shareholders of its intention to redeem all Participating Shares then in issue on the date specified in such notice, which date shall not be less than one month nor more than three months after the date of service of such notice. Such redemption shall take place on the date specified in the notice, without the imposition of any fee by the Company.

PART VI - SUSPENSION OF REDEMPTION, VALUATION AND DEALINGS

23. Temporary Suspensions/Delays

- (a) The Directors may, subject to the rules of any relevant settlement system and/or the rules of the relevant exchange, declare a temporary suspension of the determination of the Net Asset Value of any particular class and of the issue, switching and/or redemption of any particular class of Participating Shares:
- (i) during the whole of any part of any period when any of the principal markets on which any significant portion of the Investments of the relevant Fund from time to time are quoted, listed, traded or dealt in is closed (otherwise than for customary weekend or ordinary holidays) or during which dealings therein are restricted or suspended or trading on any relevant futures exchange or market is restricted or suspended;
 - (ii) during the whole or any part of any period when circumstances exist as a result of which any disposal or valuation of Investments of the Company or the relevant Fund is not, in the opinion of the Directors, reasonably practicable without this being seriously detrimental to the interests of owners of Shares in general or the owners of Shares of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value cannot fairly be calculated or such disposal would be materially prejudicial to the owners of Shares in general or the owners of Shares of the relevant Fund;
 - (iii) during the whole or any part of any period during which any breakdown occurs in the means of communication normally employed in determining the value of any of the Investments of the Company or when for any other reason the value of any of the Investments or other assets of the relevant Fund cannot be reasonably, promptly or accurately ascertained;
 - (iv) during the whole or any part of any period when the Company is unable to repatriate funds required for the purpose of making redemption payments due or when such payments or the acquisition or realisation of Investments cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange or during which there are difficulties or it is envisaged that there will be difficulties, in the transfer of monies or assets required for subscriptions, redemptions or trading;
 - (v) any period when the proceeds of the sale or redemption of Shares cannot be transmitted to or from the Company or the Fund's account;
 - (vi) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving to wind up the Company or terminate a fund or class of Shares;
 - (vii) where it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, to enter into, continue with or maintain FDIs relating to the Benchmark Index for the relevant Fund or to invest in stocks comprised within the particular Benchmark Index;
 - (viii) during any period in which a counterparty with which the Company has entered into a swap transaction is unable to make any payment due or owing under the swap, including where it is unable to repatriate or exchange at a reasonable rate the proceeds of its underlying hedge;
 - (ix) any period when the Directors, in their discretion, consider suspension to be in the interests of the Company, a Fund, or the Shareholders of a Fund;
 - (x) any period during which the Directors, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of a Fund or of the Company; or
 - (xi) if the suspension is required by the Central Bank in accordance with the UCITS Regulations.

- (b) Any such suspension shall take effect at such time as the Directors shall declare but not later than the close of business on the Business Day next following the declaration and, thereafter, there shall be no determination of Net Asset Value and issue of Participating Shares or redemption of Participating Shares until the Directors shall declare the suspension at an end except that the suspension shall terminate in any event on the first Business Day on which:-
 - (i) the condition giving rise to the suspension shall have ceased to exist; and
 - (ii) no other condition under which suspension is authorised under paragraph (a) of this Article shall exist.
- (c) The Directors may postpone the payment of a redemption payment (or portion thereof) in circumstances where investments of the relevant Fund cannot be liquidated in a timely fashion to meet redemption requirements without having a significant adverse effect on the relevant Fund but only to the extent that Company has not received funds in respect of the liquidation of investments. Any such postponement shall take effect at such time as the Directors shall declare (which declaration will be made within the three Business Days after the relevant Dealing Day) and shall end on the earliest to occur of:-
 - (i) the receipt by the Company of funds in respect of the liquidation of all the relevant Investments and provided that the Company is permitted under all applicable laws, to make payment of these funds to be relevant Shareholders;
 - (ii) the borrowing by the Company of sums required to meet such redemption obligations; and
 - (iii) the first Business Day after the period of thirty days following the day on which such declaration is made.

24. Notification of Suspensions

Any such suspension of the determination of the Net Asset Value of Participating Shares and the issue and redemption of Participating Shares shall be:-

- (a) notified by the Company immediately (and in any event during the Business Day on which the suspension took place) to the Central Bank and to the competent authorities in the Member States in which the Shares are marketed; and
- (b) published in such publication(s) as the Directors may determine.

PART VII - SWITCHING

25. Switching between Funds and classes of Participating Shares

Subject to Articles 22 and 23 a Shareholder in a Fund may at any time switch all or some of their Participating Shares of one class or Fund (the "Original Shares") for Participating Shares of another class or Fund (the "New Shares"). The number of New Shares issued and the manner in which the switching is effected will be determined in accordance with the provisions of the Prospectus.

PART VIII - CERTIFICATES AND CONFIRMATIONS OF OWNERSHIP

26. Computerised Securities

- (a) Subject to the Securities Regulations, the Directors (without consulting the Shareholders of any class of Participating Shares) may resolve that a class of Participating Shares is to become a Computerised Security or that a class of Shares must cease to be a Computerised Security.
- (b) Subject to the Securities Regulations and the facilities and requirements of the Relevant System, the Directors may implement any arrangements in relation to the holding of Participating Shares of a class in dematerialised form and the transfer of the title to the Participating Shares of that class by means of a Relevant System.
- (c) Subject to the Securities Regulations, the facilities and requirements of the Relevant System and the consent of the Company, a Shareholder may change a Participating Share which is a Computerised Security from a Participating Share held in certificated form to a Participating Share held in dematerialised form and vice versa.
- (d) While a class of Participating Shares is a Computerised Security, these Articles only apply to a Participating Share of that class to the extent that they are consistent with the holding of

Participating Shares of that class in dematerialised form, the transfer of title to Shares of that class by means of a Relevant System and the Securities Regulations.

- (e) While a class of Participating Shares is a Computerised Security, the Company shall enter on the Register the number of Participating Shares each Shareholder holds in dematerialised form and certificated form and shall maintain the Register in accordance with the Securities Regulations and the Relevant System.
- (f) Notwithstanding any provision of these Articles, a class of Participating Shares is not to be treated as two classes by virtue only of that class comprising both Shares in certificated and dematerialised form or as a result of any provision of these Articles or the Securities Regulations applying only in respect of Participating Shares in certificated or dematerialised form.

27. Confirmation of Ownership/Share Certificates

- (a) Every person whose name is entered as a Shareholder in the Register shall receive a written confirmation of entry on the register and of ownership of the relevant class(es) of Participating Shares and (subject to paragraph (b)) if specifically requested in writing by him, be entitled subject to such fee as the Directors may determine (not exceeding Stg£50 per certificate) to receive within two months after request for a certificate one certificate for such class of Participating Share in certificated form held by him. Any such certificate shall be issued in accordance with Article 102. Bearer certificates will not be issued.
- (b) If the relevant Prospectus provides, in relation to any class of Shares, that the Directors shall issue certificates in relation to Shares thereof held in certificated form (without being requested by the relevant Shareholders), then such certificate will be issued, free of charge.

28. Balance and Exchange Certificates

- (a) If any Shareholder shall surrender for cancellation a Share certificate representing Participating Shares of a particular class held by him and request the Company to issue in lieu thereof two or more Share certificates representing such Participating Shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Where a Shareholder transfers part only of the Participating Shares comprised in a certificate, the old certificate shall be cancelled and a new certificate, for the balance of such Participating Shares, issued in lieu without charge. Any two or more certificates of Participating Shares of any one class held by any Shareholder at his request may be cancelled and a single new certificate for such Participating Shares issued in lieu without charge unless the Directors otherwise determine.
- (b) However, the Company shall not be bound to register more than four persons as the joint Shareholders of any Participating Shares (except in the case of executors or trustees of a deceased Shareholder) and, in the case of a Participating Share held jointly by several persons and in respect of which the issue of a Share certificate has been requested, the Company shall not be bound to issue more than one certificate in respect of such holding and delivery of a certificate to one of such persons shall be sufficient delivery to all.
- (c) Every certificate shall be signed by the Custodian and the Company (and such signatures may be reproduced mechanically) and shall specify the name(s) of the Shareholder(s) and the number and class of the Shares to which it relates.

29. Replacement of Certificates

If a Share certificate be defaced, lost, stolen or destroyed, a new certificate shall be issued in lieu on such terms (if any) as to evidence and indemnity (and without charge other than for exceptional out-of-pocket expenses) as the Directors think fit.

30. Calls on Subscriber Shares

- (a) The Directors may from time to time make calls upon the Shareholders in respect of any moneys unpaid on the Subscriber Shares provided that (except as otherwise fixed by the conditions of application or allotment) no call on any Shares shall be payable at less than fourteen days from the date fixed for the payment of the last preceding call, and each Shareholder shall (subject to being given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his Subscriber Shares. A call may be payable by instalments. A call may be revoked or postponed as the Directors may determine. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- (b) The Directors may, if they think fit, receive from any Shareholder willing to advance the same all or any part of the money uncalled and unpaid upon the Subscriber Shares held by him beyond the sums actually called up thereon as a payment in advance of calls, and such payment in

advance of calls shall extinguish, so far as the same shall extend, the liability upon the Subscriber Shares in respect of which it is advanced, and upon the money so received, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which it has been received.

PART IX - TRANSFER OF SHARES

31. Transfer of Shares in Certificated Form

- (a) A transfer of a Participating Share in certificated form may be effected by transfer in writing in any usual or common form or in any other form which the Directors may approve.
- (b) The instrument of transfer of a Participating Share in certificated form shall be executed by or on behalf of the transferor.
- (c) A transfer need not be under seal. However, a transfer by corporation shall be under seal unless the Company decides to recognise a transfer under hand by a person properly authorised to sign on the corporation's behalf.
- (d) No transfer of Subscriber Shares may be effected without the prior written consent of the Company.

32. Transfer of Shares in Dematerialised Form

A transfer of a Participating Share in dematerialised form shall be made in accordance with and subject to the Securities Regulations and the facilities and requirements of the Relevant System and in accordance with any arrangements made by the Board pursuant to Article 26.

33. Procedure on Transfer

- (a) No Participating Share of any class has been or will be registered under the 1933 Act or the securities laws of any State of the United States. Accordingly, Participating Shares of any class may not be offered, sold, transferred or delivered, directly or indirectly, in the United States or to, or for the account of, a US Person at any time without the prior consent of the Directors, which consent may be granted or withheld in the sole discretion of the Directors but which will not in any case be granted if, as the result thereof, the number of Participating Shareholders who are US Persons would exceed such number as may be specified by the Directors or in the absence of specification, 50.
- (b) If a transferee who is a US Person applies to register a transfer of Participating Shares and if as a result of such transfer the number of holders of Participating Shares known to the Company to be US Persons would exceed such number as the Directors may from time to time determine (or in the absence of determination, 50) or the Company otherwise becomes aware that a holder of Participating Shares is a US Person who acquired Participating Shares without the prior consent of the Directors, the Company will refuse to register the transfer in favour of the US Person and/or may direct the US Person to sell his Participating Shares within 30 days and provide to the Company evidence of the sale by him or to make the request that the Company redeem the Participating Shares pursuant to Article 20. If the US Person fails to comply with the direction, the Company will compulsorily redeem the holding of Participating Shares of such US Person pursuant to Article 22.
- (c) The Directors may decline to register any transfer of a Share to a person who is not a Qualified Holder; or where such transfer would result in transferor or transferee holding less than the relevant minimum holding, if any; or if in the opinion of the Directors the transfer might result in the Company incurring any liability to taxation or suffering pecuniary disadvantages which the Company might not otherwise have incurred or suffered; or would otherwise infringe the restrictions on holding Shares outlined in these Articles or as may be set out in the Prospectus.

34. Purchase of Subscriber Shares

The Directors may at any time direct that any Subscriber Shares not held by the Manager or its nominee(s) shall be compulsorily purchased from the Shareholder thereof at the price of €1 per Subscriber Share in the following manner:-

- (a) The Directors shall serve a notice (hereinafter called a "Purchase Notice") upon the person appearing in the Register as the Shareholder of the Subscriber Shares to be purchased (the "Vendor") specifying the Subscriber Shares to be purchased as aforesaid, the price to be paid for such Shares, the person in whose favour such Shareholder must execute a transfer of such Shares and the place at which the purchase price in respect of such Shares is payable. Any Purchase Notice may be served upon the Vendor by mailing such notice in a pre-paid registered envelope addressed to the Vendor at his address shown in the Register. The Vendor shall

thereupon forthwith be obliged to deliver to the Company within ten days from the date of the Purchase Notice a duly executed transfer of the Shares specified in the Purchase Notice in favour of the person specified in the Purchase Notice.

- (b) In the event of the Vendor failing to carry out the sale of any Subscriber Shares which he shall have become bound to transfer as outlined in paragraph (a) above, the Directors may authorise some person to execute a transfer of such Share(s) in accordance with the direction of the Directors and may give good receipt for the purchase price of such Share, and may register the transferee or transferees as Shareholder or Shareholders of such Shares and thereupon the transferee or transferees shall become indefeasibly entitled to such Shares.

35. Entry in Register

The transferor shall be deemed to remain the Shareholder of the Share until the name of the transferee is entered in the Register in respect of such Share.

36. Refusal to Register Transfers

The Directors may in their absolute discretion, without assigning any reason therefor, decline to recognise any transfer of Shares held in certificated form:-

- (a) unless the instrument of transfer is deposited at the Office or such other place as the Directors may reasonably require together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and satisfying the Directors as to their requirements to prevent money laundering as may apply from time to time; or
- (b) where the transfer of a Share or any renunciation of any allotment made is in respect of a Subscriber Share which is not fully paid;
- (c) unless the instrument of transfer relates to Participating Shares of one class only.

37. Procedure on Refusal

If the Directors decline to register a transfer of any Share they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

38. Suspension on Transfers

The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine PROVIDED ALWAYS that such registration shall not be suspended for more than thirty days in any year.

39. Retention of Transfer Instruments

Subject to Article 128 below 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 any case of fraud) be returned to the person depositing the same.

40. Absence of Registration Fees

No fee shall be charged to the Shareholder for the registration of any instrument of transfer or other document relating to or affecting the title to any Share.

PART X - TRANSMISSION OF SHARES AND UNTRACED SHAREHOLDERS

41. Death of Shareholder

In the case of the death of a Shareholder, the survivors or survivor where the deceased was a joint Shareholder, and the executors or administrators of the deceased where he was a sole or only surviving Shareholder, shall be the only persons recognised by the Company as having title to his interest in the Shares held by such a Shareholder, but nothing in this Article shall release the estate of the deceased Shareholder whether sole or joint from any liability in respect of any Share solely or jointly held by him.

42. Person Becoming entitled by Transmission may be Registered

Subject to these Articles and the Act and, in the case of a Participating Shares held in dematerialised form, to the facilities and requirements of the Relevant System, a person becoming entitled by transmission to a Participating Share, may on production of such evidence as to his title as the Directors may properly require, elect either to be registered himself as the Shareholder of the Participating Share or to have another person nominated by him registered as the transferee of the Participating Share. If he elects to be registered himself he shall notify the Company in writing of that election. If he elects to

have another person registered and the Share is in certificated form, he shall execute an instrument of transfer of the Participating Share to that person. If he elects to have himself or another person registered and the Share is in dematerialised form, he shall take such action as the Directors require to enable himself or that person to be registered as the Shareholder of the Share. All of the provisions of these Articles relating to the transfer of Shares apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the Shareholder and the death or bankruptcy of the Shareholder or other event giving rise to the transmission had not occurred.

43. Rights before Registration

A person becoming entitled to a Share in consequence of the death or bankruptcy of a Shareholder shall have the right to receive and may give a discharge for all dividends and other moneys 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 Shareholder unless and until he shall be registered as a Shareholder in respect of the Shares 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 dividends or other moneys payable or other advantages due in respect of the Share until the requirements of the notice have been complied with.

44. Company's power to sell Participating Shares

- (a) The Company may sell in such manner as the Directors decide at the best price reasonably obtainable a Participating Share of a Shareholder or a Participating Share to which a person is entitled by transmission if:-
 - (i) during a period of 12 years the Company has paid at least three dividends (whether interim or final) in respect of the Participating Share and during that period no dividend cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the Shareholder or the person at his address on the Register or the last known address given by the Shareholder or the person to which cheques and warrants are to be sent has been cashed;
 - (ii) on or after the expiry of the period referred to in paragraph (a)(i), the Company has given notice of its intention to sell the Participating Share by advertisement in a national newspaper circulating in Ireland and in a newspaper circulating in the area in which the address referred to in paragraph (a)(i) is located; and
 - (iii) during the period commencing at the start of period referred to in paragraph (a)(i) and ending on the date three months after the date of publication of the advertisement specified in paragraph (a)(ii) the Company has not received any communication from the Shareholder or the person.
- (b) If during the period commencing at the start of period referred to in paragraph (a) (i) and ending on the date when all the requirements in paragraph (a)(i) to (iv) have been satisfied a further Participating Share has been issued in respect of a right attaching to a Participating Share held at the start of that period or of any previously so issued during that period and all the requirements in paragraph (a)(i) to (iv) have been satisfied in respect of the further Participating Share, the Company may also sell the further Participating Share.
- (c) To give effect to a sale pursuant to Article 42 or paragraph (a) or (b), the Directors may:-
 - (i) authorise the conversion of Shares to be sold which are in certificated form into dematerialised form, and vice versa (so far as is consistent with the Securities Regulations and the facilities and requirements of the Relevant System);
 - (ii) in respect of Shares in certificated form, authorise a person to execute an instrument of transfer of the Shares sold; and
 - (iii) in respect of Shares in dematerialised form, make other arrangements consistent with the Securities Regulations and the facilities and requirements of the Relevant System for their transfer to, or in accordance with the directions of, the transferee.
- (d) The transferee is not bound to see the application of the purchase money and his title to the Participating Share is not affected by any irregularity in or invalidity of the procedure or manner of the sale.
- (e) The Company shall account to the Shareholder or other person for the net proceeds of the sale by carrying an amount in respect of the net proceeds to a separate account which is a permanent debt of the Company. The Company is deemed to be a debtor and not a trustee for the Shareholder or other person in respect of that amount. The Board may invest or otherwise use

for the Company's benefit an amount carried to a separate account until it is claimed. Any money earned on an amount so invested or used belongs to the Company and is not obliged to account for it to the Shareholder or other person.

PART XI - ALTERATION OF SHARE CAPITAL

45. Increase of Capital

- (a) The Company may from time to time by Ordinary Resolution increase its capital by such number of Shares as the resolution shall prescribe.
- (b) Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new Shares shall be considered part of the pre-existing share capital of the Company and shall be subject to the provisions herein contained with reference to transfer and transmission, and otherwise.

46. Consolidation, Sub-Division and Cancellation of Capital

The Company may from time to time by Ordinary Resolution:-

- (a) consolidate and divide all or any of its share capital into a smaller number of Shares than its existing Shares;
- (b) subject to the provisions of the Act, sub-divide its Shares, or any of them, into a larger number of Shares than that fixed by its Memorandum of Association; or
- (c) cancel any Shares which, at the date of the passing of the Ordinary Resolution in that behalf, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the Shares so cancelled.

47. Reduction of Capital

In addition to any rights of the Company specifically conferred by these Articles to reduce its share capital, the Company from time to time, by Special Resolution, may reduce its share capital in any way and in any manner subject to any incident authorised or consent required by law.

PART XII - GENERAL MEETINGS

48. Annual General Meeting

The Company shall in each year hold a general meeting as its Annual General Meeting in addition to any other meeting in that year and specify the meeting as such in the notices calling it. Not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next PROVIDED THAT so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year. Subsequent Annual General Meetings shall be held once in each year.

49. Extraordinary General Meetings

All general meetings (other than Annual General Meetings) shall be called Extraordinary General Meetings.

50. Convening General Meetings

The Directors may convene general meetings. The Directors may call an Extraordinary General Meeting whenever they think fit and Extraordinary General Meetings may also be convened on such requisition, or in default may be convened by such requisitionists and in such manner as provided by the Act. If at any time there are not within the State sufficient Directors capable of forming a quorum, any Director or any one Shareholder of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which general meetings may be convened by the Directors.

51. Notice of General Meetings

- (a) Subject to the provisions of the Act allowing a general meeting to be called by shorter notice, an Annual General Meeting and an Extraordinary General Meeting called for the passing of a Special Resolution shall be called by at least twenty-one Clear Days' notice and all other Extraordinary General Meetings shall be called by at least fourteen Clear Days' notice.
- (b) Any notice convening a general meeting shall specify the time and place of the meeting, the general nature of that business, and, in reasonable prominence state that a Shareholder entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote in his place and that a

proxy need not be a Shareholder. It shall also give particulars of any Directors who are recommended by the Directors for appointment or re-appointment as Directors at the meeting, or in respect of whom notice has been duly given to the Company of the intention to propose them for appointment or re-appointment as Directors at the meeting. Subject to any restrictions imposed on any Shares, the notice shall be given to all the Shareholders and those persons listed in Article 124.

- (c) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.
- (d) Where, by any provision contained in the Act, extended notice is required of a resolution, the resolution shall not be effective (except where the Directors of the Company have resolved to submit it) unless notice of the intention to move it has been given to the Company not less than twenty-eight days (or such shorter period as the Act permits) before the meeting at which it is moved, and the Company shall give to the Shareholders notice of any such resolution as required by and in accordance with the provisions of the Act.

PART XIII - PROCEEDINGS AT GENERAL MEETINGS

52. Business to be Transacted

All business shall be deemed special that is transacted at an Extraordinary General Meeting as also will all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts and the balance sheet and the reports of the Directors and Auditors, the election of Directors and Auditors in the place of those retiring, and the appointment and the fixing of the remuneration of the Auditors. Save as otherwise provided in these Articles, the provisions of these Articles relating to Extraordinary General Meetings shall apply mutatis mutandis to class meetings and meetings of Shareholders in a Fund, except that the quorum for any such meeting shall, in circumstances where there is only one Shareholder in the relevant class or Fund, be one Shareholder in the relevant class or Fund respectively.

53. Quorum for General Meetings

- (a) No business other than the appointment of a Chairman shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business. Except as provided in these Articles in relation to an adjourned meeting, two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder, or a duly authorised representative of a corporate Shareholder, shall be a quorum for all purposes.
- (b) If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the following Business Day at the same time and place, or to such other day and at such other time and place as the Directors may determine. If at such adjourned meeting such a quorum is not present within half an hour from the time appointed for holding the meeting, then the meeting, if convened otherwise than by resolution of the Directors, shall be dissolved, but if the meeting shall have been convened by resolution of the Directors, any Shareholder or Shareholders present at the meeting shall be a quorum.

54. Chairman of General Meetings

- (a) The Chairman (if any) or, in his absence, the Deputy Chairman (if any) of the Board or in his absence, some other Director nominated by the Directors shall preside as Chairman at every general meeting of the Company. If at any general meeting none of such persons shall be present within fifteen minutes after the time appointed for the holding of the meeting and willing to act, the Directors present shall elect one of their number to be Chairman of the meeting and, if there is only one Director present and willing to act, he shall be Chairman.
- (b) If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for the holding of the meeting, the Shareholders present and entitled to vote shall choose one of the Shareholders personally present to be Chairman of the meeting.

55. Directors' and Auditors' Right to Attend General Meetings

A Director shall be entitled, notwithstanding that he is not a Shareholder, to attend and speak at any general meeting and at any separate meeting of the Shareholders of any class of Shares in the Company. The Auditors shall be entitled to attend any general meeting and to be heard on any part of the business of the meeting which concerns them as Auditors.

56. **Adjournment of General Meetings**

The Chairman, with the consent of a meeting at which a quorum is present, may (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for fourteen days or more sine die, at least seven Clear Days' notice shall be given specifying the time and meeting and the general nature of the business to be transacted. Save as aforesaid, it shall not be necessary to give any notice of an adjourned meeting.

57. **Determination of Resolutions**

At any general meeting, a resolution put to the vote of the meeting shall be decided on a poll.

A poll shall be taken in such manner as the Chairman directs and he may appoint scrutineers (who need not be Shareholders) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting.

58. **Votes of Shareholders**

Votes may be given either personally or by proxy. Subject to any rights or restrictions for the time being attached to any class of Shares on a poll every Shareholder in person or by proxy shall have one vote for every Share of which he is the holder.

59. **Casting Vote**

Where there is an equality of votes, the Chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

60. **Voting by Joint Shareholders**

Where there are joint Shareholders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, in respect of such Share, shall be accepted to the exclusion of the votes of the other joint Shareholders; and for this purpose seniority shall be determined by the order in which the names of the Shareholders stand in the Register in respect of the Shares.

61. **Voting by Incapacitated Shareholders**

A Shareholder of unsound mind, or in respect of whom an order has been made by any court having jurisdiction (whether in the State or elsewhere) in matters concerning mental disorder, may vote, by his committee, receiver, guardian or other person appointed by that court and any such committee, receiver, guardian or other person may vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the Office or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than such time as the Directors may from time to time determine before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

62. **Time for Objection to Voting**

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 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.

63. **Appointment of Proxy**

(a) Every Shareholder entitled to attend and vote at a general meeting may appoint a proxy to attend, speak and vote on his behalf. A proxy need not be a Shareholder. An instrument of proxy shall be in the form set out below or such other form as the Directors may approve, and shall be executed by or on behalf of the appointor. The signature to such instrument need not be witnessed. A body corporate may execute a form of proxy under its common seal or under the hand of a duly authorised officer thereof.

iSHARES III PUBLIC LIMITED COMPANY

I/We
of

being a Shareholder/Shareholders of the above named Company hereby

appoint
of
or failing him
or
as my/our proxy to vote for me/us on my/our behalf at the (Annual or Extraordinary as the case may be) General Meeting of the Company to be held on the day of 20 , and at any adjournment thereof.

Signed this day of [].
This form is to be used* in favour of/abstain/against the Resolution.

Unless otherwise instructed, the proxy will vote or abstain from voting as he thinks fit.

* Strike out whichever is not desired.

- (b) The Directors may, in their absolute discretion, accept proxy forms which are delivered electronically or by other data transmission process subject to any limitations, restrictions or conditions that they decide. If so, then:-
- (i) the requirements of paragraph (a) that the proxy form be in writing, and otherwise as to the form and execution of the proxy shall not apply but the Directors may require such other evidence as to the efficacy of the proxy as they deem appropriate; and
 - (ii) references in these Articles to an instrument of proxy and to its deposit at the office or with the Secretary shall be respectively construed as including reference to any form of proxy permitted by this Article and to its delivery or transmission to the Company in such manner as the Directors may prescribe.

64. **Deposit of Proxy Instruments**

- (a) The instrument appointing a proxy and any authority under which it is executed or a copy certified notarially or in some other way approved by the Directors, shall be deposited at the Office or (at the option of the Shareholder) at such other place or places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting not less than 24 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for taking of the poll at which it is to be used, and in default shall not be treated as valid. PROVIDED THAT:-
- (i) in the case of a meeting which is adjourned to, or a poll which is to be taken on, a date which is less than seven days after the date of the meeting which was adjourned or at which the poll was demanded, it shall be sufficient if the instrument of proxy and any such authority and certification thereof as aforesaid is lodged with the Secretary at the commencement of the adjourned meeting or the taking of the poll;
 - (ii) at the discretion of the Directors, an instrument appointing a proxy and any authority and certification thereof deposited as aforesaid may be treated as valid notwithstanding that it has been deposited less than the relevant time specified by the Directors; and
 - (iii) an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require to be delivered again for the purposes of any subsequent meeting to which it relates.
- (b) The deposit of the instrument of proxy referred to in Article 64(a) may, rather than it being effected by sending or delivering the instrument, be effected by communicating the instrument to the Company by electronic means, and this sub-section likewise applies to the depositing of anything else referred to in Article 64(a).

65. **Effect of Proxy Instruments**

Deposit of an instrument of proxy in respect of a meeting shall not preclude a Shareholder from attending and voting at the meeting or at any adjournment thereof. The instrument appointing a proxy shall be valid, unless the contrary is stated therein, as well for any adjournment of the meeting as for the meeting to which it relates.

66. **Effect of Revocation of Proxy or of Authorisation**

A vote given in accordance with the terms of an instrument of proxy or a resolution authorising a representative to act on behalf of a body corporate 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 of the resolution authorising the representative to act or the

transfer of the Share in respect of which the instrument of proxy or the authorisation of the representative to act was given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used or at which the representative acts.

67. Representation of Bodies Corporate

Any corporation which is a Shareholder of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Shareholders of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholder of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

68. Written Resolutions

A resolution in writing executed by or on behalf of each Shareholder who would have been entitled to vote upon it if it had been proposed at a meeting which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Shareholders. In the case of a corporation a resolution in writing may be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

PART XIV - APPOINTMENT, RETIREMENT AND DISQUALIFICATION OF DIRECTORS

69. Number of Directors

The number of the Directors shall not be less than two. A Director may only be appointed if the approval of the Central Bank to such appointment has been obtained. The Directors holding office at the date of adoption of these Articles shall continue to hold office. Each Director shall retire from office on the date which is three years from the date of the Director's appointment or last re-appointment unless he has been re-appointed on or before the date. A retiring Director is eligible for re-appointment by the other Directors. The continuing Directors may act notwithstanding any vacancy in their body, provided that if the number of the Directors is reduced below the prescribed minimum, the remaining Director or Directors shall appoint forthwith an additional Director or additional Directors to make up such minimum or shall convene a general meeting of the Company for the purpose of making such appointment. If there is no Director or Directors able or willing to act then any two Shareholders may summon a general meeting for the purpose of appointing Directors.

For the avoidance of doubt, there shall be no other requirements relating to the rotation of Directors, save as provided above.

70. Eligibility for Appointment

- (a) No person shall be appointed a Director unless his appointment has been approved in writing by the Central Bank.
- (b) No person shall be appointed a Director at any general meeting unless he is recommended by the Directors or, not less than seven nor more than forty two days before the date appointed for the meeting, notice executed by a Shareholder qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment stating the particulars which would be required, if he were so appointed, to be included in the Company's register of Directors together with notice executed by that person of his willingness to be appointed.

71. Appointment of Additional Directors

- (a) Subject as aforesaid, the Company by Ordinary Resolution may appoint a person to be a Director either to fill a vacancy or as an additional Director.
- (b) The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.
- (c) Any Director appointed to fill a vacancy or as an additional Director shall hold office (subject to provision of the Act and these Articles) only until the conclusion of the annual general meeting of the Company next following such appointment unless he is re-elected during such meeting or

unless he has been re-elected by an Ordinary Resolution passed prior to the occurrence of such annual general meeting.

72. Share Qualifications

A Director shall not require a Share qualification.

73. Disqualification of Directors

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

- (a) if he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director;
- (b) if, without prejudice to Article 73(a), the Central Bank has issued a prohibition notice in respect of such Director;
- (c) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (d) if in the opinion of a majority of his co-Directors, he becomes incapable by reason of mental disorder of discharging his duties as a Director;
- (e) if he resigns his office (on notice to the Company);
- (f) if he is convicted of an indictable offence and the Directors determine that as a result of such conviction he should cease to be a Director;
- (g) if by a resolution of a majority of his co-Directors he is requested to vacate office;
- (h) if, without prejudice to Article 73(g), a majority of the Directors are satisfied on reasonable grounds that he no longer complies with any standards of fitness and probity in a code issued by the Central Bank from time to time;
- (i) if the Company by Ordinary Resolution so determines; or
- (j) he shall have been absent for more than six consecutive months without permission of the Directors from meetings of the Directors held during that period and his alternate Director (if any) shall not have attended any such meeting in his place during such period, and the Directors pass a resolution that by reason of such absence he has vacated office.

74. Suspension of a Director

A Director shall comply immediately with any suspension notice issued by the Central Bank in respect of such Director and shall accordingly cease performing any or all of the functions of his office as may be specified in the notice. For so long as a suspension notice is in force any Director the subject of such notice shall not attend any meetings of the Directors and shall not be counted in the quorum thereat.

75. Ordinary Remuneration of Directors

Each Director shall be entitled to such remuneration for his services as the Directors shall from time to time resolve provided that no Director may be paid in excess of a figure set out in the Prospectus without the approval of the Board. Such remuneration shall be deemed to accrue from day to day.

76. Special Remuneration of Directors

Any Director who holds any executive office (including for this purpose the office of Chairman or Deputy Chairman whose services in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

77. Expenses of Directors

The Directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the Shareholders of any class of Shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

78. Alternate Directors

- (a) Any Director may appoint by writing under his hand any person (including another Director) to be his alternate.

- (b) An alternate Director shall be entitled to receive notices of all meetings of the Directors and of all meetings of committees of Directors of which his appointor is a Shareholder, to attend and vote at any such meeting at which the Director appointing him is not personally present and in the absence of his appointor to exercise all the powers, rights, duties and authorities of his appointor as a Director (other than the right to appoint an alternate hereunder).
- (c) Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him. The remuneration of any such alternate Director shall be payable out of the remuneration paid to the Director appointing him and shall consist of such portion of the last mentioned remuneration as shall be agreed between the alternate and the Director appointing him.
- (d) A Director may revoke at any time the appointment of any alternate appointed by him. If a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine but if a Director retires but is re-appointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.
- (e) Any appointment or revocation by a Director under this Article shall be effected by notice in writing given under his hand to the Secretary or deposited at the Office or in any other manner approved by the Directors.

PART XV - POWERS OF DIRECTORS

79. Directors' Powers

Subject to the provisions of the Act, the UCITS Regulations, the Memorandum of Association of the Company and these Articles and to any directions by the Shareholders given by Ordinary Resolution, not being inconsistent with these Articles or with the Act, the business of the Company shall be managed by the Directors who may do all such acts and things and exercise all the powers of the Company as are not by the Act or by these Articles required to be done or exercised by the Company in general meeting. No alteration of the Memorandum of Association of the Company or of these Articles and no direction made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or such direction had not been given. The powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

80. Power to Delegate

Without prejudice to the generality of the last preceding Article, the Directors may delegate any of their powers and discretions to any Managing Director or any other Director holding any other executive office or to any committee consisting of one or more Directors together with such other persons (if any) as may be appointed to such committee by the Directors provided that a majority of the members of each committee appointed by the Directors shall at all times consist of Directors and that no resolution of any such committee shall be effective unless a majority of the members of the committee present at the meeting at which it was passed are Directors. The power or discretion which may be delegated to any such committee shall include (without limitation) any powers and discretions whose exercise involves or may involve the payment of remuneration to, or the conferring of any other benefit on, all or any of the Directors. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of these Articles regulating the proceedings of Directors so far as they are capable of applying.

81. Appointment of Attorneys

The Directors, from time to time may appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit. Any such power of attorney may contain such provisions for the protection of persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Notwithstanding the generality of the foregoing, the Directors may appoint an attorney for the purpose of exercising their power to allot relevant securities as more particularly described in Article 4 hereof.

82. **Payments and Receipts**

All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all 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 shall from time to time by resolution determine.

83. **Investment Objectives**

- (a) Subject to the provisions of the UCITS Regulations the Directors shall determine the investment objectives and policies (including the permissible forms of Investments) and restrictions applying to each Fund which shall be set out in any Prospectus.
- (b) The assets of each Fund shall be invested in Investments subject to the restrictions and limits imposed under the UCITS Regulations under these Articles, and any Prospectus.
- (c) With the exception of permitted Investments in unlisted securities, each Fund will only invest in those securities and derivative instruments listed or traded on a stock exchange which meets with the Central Bank's requirements (i.e. it is regulated, operates regularly, is recognised and is open to the public) and which is listed in the Prospectus.
- (d) Subject to authorisation by the Central Bank more than 35% and up to 100% of the net assets of the Company may be invested in transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members and issued or guaranteed by any of the following:-

OECD Governments (provided the relevant issues are investment grade), Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of the People's Republic of China, Government of Singapore, 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, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority and Straight-A Funding LLC.

Each Fund must hold securities from at least six different issues with securities from any one issue not exceeding 30 per cent of its Net Asset Value.

- (e) The Company may (subject to the Regulations and the prior approval of the Central Bank) own all the issued share capital of any entity (the shares and assets of which shall be held by the Custodian) which the Directors consider it necessary or desirable for the Company, with the prior approval of the Central Bank, to incorporate or acquire or utilise in connection with the carrying on only of the business of management, advice or marketing in the country where that entity is located, in regard to the redemption of Shares at Shareholders' request exclusively on the Company's behalf. None of the limitations or restrictions referred to in paragraphs (a) or (b) above, shall apply to Investments in, loans to or deposits with any such entity, and for the purpose of paragraphs (a) and (b) above Investments or other property held by any such private company shall be deemed to be held directly for the Company.
- (f) Subject to the provisions of the UCITS Regulations, the Company may, invest up to 20% (35% in certain circumstances and only then in respect of a single issuer) of a Fund's net assets in transferable securities issued by the same body where the aim of the investment policy of the Fund is to replicate the composition of an index which is recognised by the Central Bank.
- (g) Investments made by the Company with respect to a Fund in units of a UCITS or other collective investment undertakings may not exceed, in aggregate, 10% of the assets of that Fund unless otherwise stated in the Prospectus.

84. **Borrowing Powers and Efficient Portfolio Management**

- (a) Subject as hereinafter provided the Directors may exercise all the powers of the Company to borrow or raise money (including the power to borrow for the purpose of repurchasing Shares) and to hypothecate, mortgage, charge or pledge its undertaking, property, assets or any part thereof, and to issue debentures, debenture stock or other securities, whether outright or as collateral security for any debt, liability or obligation of the Company.

- (b) Nothing herein contained shall permit the Directors or the Company to borrow other than in accordance with the provisions of the UCITS Regulations.
- (c) To achieve its investment objectives the Company may employ techniques and instruments relating to the Investments subject to the conditions and within the limits from time to time laid down by the Central Bank provided such techniques and instruments are used for efficient portfolio management or for providing protection against exchange risks.
- (d) The Company may lend securities for the purpose of efficient portfolio management, in accordance with the guidelines laid down from time to time by the Central Bank.

PART XVI - DIRECTORS' OFFICES AND INTERESTS

85. Executive Offices

- (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.
- (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 determine.

86. Directors' Interests

- (a) 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:-
 - (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or associated company thereof or in which the Company or any subsidiary or associated company thereof is otherwise interested;
 - (ii) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company or any subsidiary or associated company thereof is otherwise interested; and
 - (iii) 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.
- (b) For the purposes of this Article:-
 - (i) 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
 - (ii) 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.

87. **Restriction on Directors' Voting**

- (a) 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. 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.
- (b) 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 resolutions 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;
 - (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 and whether alone or jointly with others or by the giving of security under a guarantee or indemnity ;
 - (iii) any proposal concerning any offer of shares or debentures 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;
 - (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 or beneficially interested in 1% or more of the issued shares of any class of such company or of the voting rights available to members of such company (or of a third company through which his interest is derived) (any such holding shall be treated as a material interest for all purposes); or
 - (v) a contract, transaction, arrangement or proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons including the Directors; or
 - (vi) a contract, transaction, arrangement or proposal for the benefit of employees of the Company or any of its subsidiary undertakings (including, without limitation, an employees' share scheme) which does not award to the Director any privilege or benefit not generally awarded to the employees to whom the arrangement relates.
- (c) 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 or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under sub-paragraph (b)(iv) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (d) 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.
- (e)
 - (i) For the purposes of this Article, an interest of a connected person 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.
 - (ii) For the purposes of paragraph (e)(i) "connected person" means in respect of any Director:-
 - A. his spouse or child or step-child;
 - B. a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or step-children or any body corporate which he controls;

- C. a partner of the Director; or
 - D. a company controlled by that Director.
- (f) 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.

PART XVII - PROCEEDINGS OF DIRECTORS

88. Convening and Regulation of Directors' Meetings

- (a) Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Any Director may waive notice of any meeting and any such waiver may be retrospective.
- (b) Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing by delivery, post, cable, telegram, telex, telefax, electronic mail or any other means of communication approved by the Directors to him at his last known address or any other address given by him to the Company for this purpose.

89. Quorum for Directors' Meetings

The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum but notwithstanding that such person may act as alternate Director for more than one Director he shall not count as more than one for the purposes of determining whether a quorum is present.

90. Voting at Directors' Meetings

- (a) Questions arising at any meeting of Directors shall be decided by a majority of votes. Where there is an equality of votes, the chairman of the meeting shall have a second or casting vote. A Director who is also an alternate Director for one or more Directors shall be entitled in the absence of any such appointor from a meeting to a separate vote at such meeting on behalf of each such appointor in addition to his own vote.
- (b) Subject as hereinafter provided, each Director present and voting shall have one vote and in addition to his own vote shall be entitled to one vote in respect of each other Director not present at the meeting who shall have authorised him in respect of such meeting to vote for such other Director in his absence. Any such authority may relate generally to all meetings of the Directors or to any specified meeting or meetings and must be in writing and may be sent by delivery, post, cable, telegram, telex, telefax, electronic mail or any other means of communication approved by the Directors and may bear a printed or facsimile signature of the Director giving such authority. The authority must be delivered to the Secretary for filing prior to or must be produced at the first meeting at which a vote is to be cast pursuant thereto provided that no Director shall be entitled to any vote at a meeting on behalf of another Director pursuant to the paragraph if the other Director shall have appointed an alternate Director and that alternate Director is present at the meeting at which the Director proposes to vote pursuant to this paragraph.

91. Telecommunication Meetings

Any Director or alternate Director may participate in a meeting of the Directors or any committee of the Directors by means of conference telephone or other telecommunications equipment by means of which all persons participating in the meeting (and who are not all in one place) but each of whom is able (directly or by means of telephonic, video or other electronic communication) to speak to each of the others and to be heard by each of the others and a director or member of the committee taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in quorum accordingly. Such a meeting shall be deemed to take place in Ireland.

92. Appointment of Chairman

The Directors may from time to time elect and remove a Chairman and, if they think fit, a Deputy Chairman and determine the period for which they respectively are to hold office. The Chairman or failing him, the Deputy Chairman shall preside at all meetings of the Directors, but if there is no Chairman or Deputy Chairman, or if at any meeting the Chairman or Deputy Chairman is 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.

93. **Validity of Acts of Directors**

All acts done by any meeting of Directors or of a committee of Directors or by any person acting as a Director, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, shall be as valid as if every person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

94. **Minutes kept by Directors**

The Directors shall cause minutes to be made of :-

- (a) all appointments of officers made by the Directors.
- (b) the names of the Directors present at each meeting of the Directors and of any committee of Directors.
- (c) all resolutions and proceedings of all meetings of the Company and of the Directors and of committees of Directors.

Any such minutes 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.

95. **Director's Resolutions or Other Documents in writing**

A resolution or other document in writing signed by all the Directors entitled to receive notice of a meeting of Directors or a committee of Directors shall be as valid as if it has been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors, and such resolution or other document or documents when duly signed may be delivered or transmitted (unless the Directors shall otherwise determine either generally or in any specific case) by facsimile transmission, e-mail or some other similar means of transmitting the contents of documents. A resolution or other document signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.

PART XVIII - MANAGEMENT

96. **Manager**

- (a) Without prejudice to the generality of Article 80 of these Articles, the Directors may appoint (with the prior approval of the Central Bank) any person, firm or corporation to act as Manager to the Company in accordance with the terms of the Management Agreement and may entrust to and confer upon the Manager so appointed any of the relevant 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 and either collaterally with or to the exclusion of their own powers and in particular, the Manager shall have the right to appoint an investment manager and an Administrator. In the event that the Manager shall resign or be dismissed or his appointment shall otherwise terminate the Directors shall use their best endeavours to appoint subject to the approval of the Central Bank some other person firm or corporation to act as Manager in his place.
- (b) In consideration for its services as Manager, the Manager shall be entitled to be paid by the Company out of the property of each Fund a fee of such amount as is specified in the Management Agreement together with expenses and disbursements incurred by the Manager in the performance of its functions and all other charges and fees expressly authorised by the Management Agreement.

97. **Custodian**

- (a) The Directors shall, subject to the approval of the Central Bank, appoint a Custodian in accordance with the terms of the Custodian Agreement who shall be responsible for the safekeeping of all the assets of the Company and all of its subsidiaries (established in accordance with the UCITS Regulations), perform its duties prescribed by the UCITS Regulations and the Custodian Agreement and perform such other duties upon such terms as the Directors may from time to time agree in writing with the Custodian and the Custodian shall have power to appoint sub-custodians.

- (b) In consideration for its services as Custodian the Custodian shall be entitled to be paid by the Company out of the property of each Fund:-
- (i) fees of such amount as are specified in the Custodian Agreement (together with Valued Added Tax thereon) or any letters exchanged between the Custodian and the Directors; and
 - (ii) expenses and disbursements incurred by the Custodian in the performance of its functions as authorised by the Custodian Agreement (or any letters as aforesaid)
- and the Custodian shall not be obliged to account to the Shareholders or any of them for any payment received in accordance with the foregoing provisions.
- (c) In the event of the Custodian desiring to retire the Company may enter into a new Custodian Agreement to appoint any corporation which is approved by the Central Bank to be the Custodian in place of the retiring Custodian. The Custodian may not retire until a new custodian is appointed.
- (d) If for good and sufficient reasons the Directors are of the opinion and so state in writing to the Custodian that a change of Custodian is desirable, then subject to the approval of the Central Bank, the Custodian may be removed by notice given in writing by the Directors to the Custodian in accordance with the terms of the Custodian Agreement. In such circumstances, the Directors shall endeavour to find a new Custodian to act as Custodian to the Company and provided that such new Custodian is acceptable to the Company and to the Central Bank, the Directors shall by a new Custodian Agreement appoint such new custodian to be the Custodian in place of the removed Custodian.
- (e) Subject to paragraphs (c) and (d) the Custodian shall not cease to be custodian of the Company unless and until the authorisation of the Company has been revoked by the Central Bank at which time a general meeting will be convened at which an Ordinary Resolution to wind up the Company will be considered.

PART XIX - THE SECRETARY

98. Appointment of Secretary

Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them.

99. Assistant or Acting Secretary

Anything required or authorised by the Act or these Articles to be done by the Secretary may be done, if the office is vacant or there is for any other reason no Secretary readily available and capable of acting, by or to any assistant or acting secretary or, if there is no assistant or acting secretary readily available and capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors.

PART XX - THE SEAL

100. Use of Seal

The Directors shall ensure that the Seal (including any official securities seal kept pursuant to the Act) shall be used only by the authority of the Directors or of a committee authorised by the Directors.

101. Seal for Use Abroad

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

102. Signature of Sealed Instruments

Every instrument to which the Seal shall be affixed shall be signed by a Director and shall also be signed by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose. The Company may have, for use for sealing certificates, an official seal which is a facsimile of the Seal with the addition on its face of the word "Securities" and certificates on which the Securities Seal is used shall not require to be signed by any person.

PART XXI - DIVIDENDS AND RESERVES

103. Declaration of Dividends

Subject to the provisions of the Act, the Company may by Ordinary Resolution declare such dividends on the Participating Shares or on any class of Participating Shares as appear to the Directors to be justified by the profits of the Company or the relevant Fund and no dividend shall exceed the amount recommended by the Directors.

104. Interim Dividends

Subject to the provisions of the Act, the Directors may from time to time if they think fit declare and pay such interim dividends on Participating Shares of any class as appear to the Directors to be justified by the profits of the relevant Fund and the Company may pay Redemption Dividends in respect of Shares which have been accepted for redemption.

105. Source of Dividends

No dividend shall be payable except out of such funds as may be lawfully distributed as dividends. Dividends may be paid out of the total income of each Fund net of its expenses and/or realised gains net of realised and unrealised losses of the relevant Fund and/or realised and unrealised gains net of realised and unrealised losses of the relevant Fund/and/or capital of the relevant Fund as set out in the Prospectus to the relevant Fund.

106. Receipts

If several persons are registered as joint Shareholders of any Participating Share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the Participating Shares.

107. Dividends in Specie

A general meeting declaring a dividend may direct, upon the recommendation of the Directors, that the Directors shall satisfy any dividend or capital sum payable to Shareholders of the Participating Shares of any Class in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any Investments to which the relevant Fund is entitled.

108. Ranking of Dividends

If any Participating Share is issued on terms providing that it shall rank for dividend as and from or after a particular date, or to a particular extent, such Participating Share shall rank for dividend accordingly.

109. Payment of Dividends

- (a) Any dividend in respect of any Participating Share may be paid by telegraphic transfer (less expenses) or cheque to the bank account indicated on the Shareholder's most recent form for application for Participating Shares or other written instructions to the Company or its authorised agents. If no such instructions have been given, dividends will be sent by cheque, by post (at the Shareholder's risk) to the relevant Shareholder's address as set out in the Register and, in the case of joint Shareholders, the joint Shareholder whose name stands first in the Register. Every such cheque shall be made payable to the order of the person to whom it is sent and payment of the cheque shall be a good discharge to the Company. Any joint Shareholder or other person jointly entitled to a Participating Share as aforesaid may give receipts for any dividend or other moneys payable in respect of the Participating Share.
- (b) A dividend or other amount payable in respect of a Participating Share in uncertificated form may also be paid by means of the Relevant System if the Directors decide and the person or persons entitled to the payment has or have given written authority for the payment to be made by the Relevant System.
- (c) The Directors may deduct from any dividend or other monies payable to any Shareholder all sums of money (if any) presently payable by him to the Company in relation to the Participating Share.
- (d) Where the Company is required to pay any taxation as a consequence of making any dividend payment to a Shareholder, the Directors may deduct from the payment to be made to the relevant Shareholder an amount equal to the taxation attributable to the relevant payment(s) and pay such amount to the appropriate tax authority.

110. Dividends not to bear Interest

No dividend or other moneys payable in respect of a Participating Share shall bear interest against the Company unless otherwise provided by the rights attached to the Participating Share.

111. Payment to Shareholders on a Particular Date

Any resolution declaring a dividend on Participating Shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same may be payable to the persons registered as the Shareholders of such Participating Shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se of transferors and transferees of any such Participating Shares in respect of such dividend. The provisions of this Article shall apply, mutatis mutandis, to capitalisations to be effected in pursuance of these Articles.

112. Unclaimed Dividends

If the Directors so resolve, any dividend which has remained unclaimed for twelve years from the date of its declaration shall be forfeited and cease to remain owing by the Company and become the property of the relevant Fund. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a Participating Share into a separate account shall not constitute the Company a trustee in respect thereof.

113. Currency of Payment and Foreign Exchange Transactions

Where payments in respect of subscription or redemption of Participating Shares or dividend payments are tendered or requested in a major currency other than the base currency of the relevant Fund, any necessary foreign exchange transactions will be arranged by the Administrator for the account of, and at the risk and expense of, the applicant at the time, in the case of subscriptions at the time cleared funds are received, in the case of redemptions at the time the request for redemption is received and accepted, and in the case of dividends at the time of payment.

114. Reserves

Before recommending any dividend, whether preferential or otherwise, the Directors may carry to reserve out of the profits of the Company such sums as they think proper. All sums standing to reserve may be applied from time to time in the discretion of the Directors for any purpose to which the profits of the Company may be properly applied and at the like discretion may be either employed in the business of the Company or invested in such Investments as the Directors may lawfully determine. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they may lawfully determine. Any sum which the Directors may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Directors may also carry forward, without placing the same to reserve, any profits which they may think it prudent not to divide.

PART XXII - CAPITALISATION OF PROFITS OR RESERVES

115. Distributable Profits and Reserves

The Company in general meeting may resolve, upon the recommendation of the Directors, that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including capital reserves) or to the credit of the profit and loss account or which is otherwise available for distribution and not required for payment of dividend on any Shares with a preferential right to dividend amongst the Shareholders who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up in full unissued Shares of the Company to be allotted and distributed credited as fully paid up to and amongst such Shareholders in the proportion aforesaid, or partly in one way and partly in the other, and the Directors shall give effect to such resolution.

116. Non-Distributable Profits and Reserves

Without prejudice to any powers conferred on the Directors as aforesaid, the Company in general meeting may resolve, on the recommendation of the Directors, that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued Shares to be allotted as fully paid bonus Shares to those Shareholders of the Company who would have been entitled to that sum if it were distributable and had been distributed by way of dividend (and in the same proportions) and the Directors shall give effect to such resolution.

117. Implementation of Capitalisation Issues

Whenever such a resolution is passed in pursuance of either of the two immediately preceding Articles, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provisions as they shall think fit for payment in cash or otherwise for the case of Shares becoming distributable in fractions and to authorise any person to enter on behalf of all the Shareholders entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may become entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing Shares, and any agreement made under such authority shall be effective and binding on all such Shareholders.

PART XXIII - NOTICES

118. Notices in Writing

Any notice to be given, served or delivered pursuant to these Articles shall be in writing.

119. Service of Notices

- (a) A notice to be given in pursuance of these Articles may be given to, served on or delivered to any Shareholder:-
 - (i) by handing same to him or his authorised agent;
 - (ii) by leaving the same at his registered address;
 - (iii) by sending the same by the post in a prepaid cover addressed to him at his registered address; or
 - (iv) by sending the same by telefax or electronic means to such telefax number or electronic address as may have been provided by the Shareholder to the Company
- (b) Where a notice or document is given pursuant to sub-paragraph (a)(i) or (a)(ii) of this Article, the giving thereof shall be deemed to have been effected at the time the same was handed to the Shareholder or his authorised agent, or left at his registered address (as the case may be).
- (c) Where a notice is given pursuant to sub-paragraph (a)(iii) of this Article, the giving thereof shall be deemed to have been effected at the expiration of one day after the cover containing it was posted. In proving service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
- (d) Where a notice is given pursuant to sub-paragraph (a)(iv) of this Article, the giving thereof shall be deemed to have been effected at the time of termination of the transmission.
- (e) Every legal personal representative, committee, receiver, curator bonis or other legal curator, assignee in bankruptcy or liquidator of a Shareholder shall be bound by a notice given as aforesaid if sent to the last registered address of such Shareholder, notwithstanding that the Company may have notice of the death, lunacy, bankruptcy, liquidation or disability of such Shareholder.
- (f) Without prejudice to the provisions of sub-paragraphs (a)(i), (a)(ii) and (a)(iv) of this Article, if at any time by reason of the suspension or curtailment of postal services within the State, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same day in at least one leading national daily newspaper published in the State and such notice shall be deemed to have been duly served on all Shareholders entitled thereto at noon on the day on which the said advertisement or advertisements shall appear.
- (g) Notwithstanding anything contained in this Article the Company shall not be obliged to take account of or make any investigations as to the existence of any suspension or curtailment of postal services within or in relation to all or any part of any jurisdiction or other area other than the State.

120. Service on Joint Shareholders

A notice may be given by the Company to the joint Shareholders of a Share by giving the notice to the joint Shareholder whose name stands first in the Register in respect of the Share and notice so given shall be sufficient notice to all the joint Shareholders.

121. Service on Transfer or Transmission of Shares

- (a) Every person who becomes entitled to a Share shall be bound by any notice in respect of that Share which, before his name is entered in the Register in respect of the Share, has been duly given to a person from whom he derives his title.
- (b) Without prejudice to the provisions of these Articles allowing a meeting to be convened by newspaper advertisement a notice may be given by the Company to the persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a Shareholder, addressed to them at the address, if any, supplied by them for that purpose. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

122. Signature to Notices

The signature to any notice to be given by the Company may be written or printed.

123. Deemed Receipt of Notices

A Shareholder present, either in person or by proxy, at any meeting of the Company or the Shareholders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

124. Entitlement to Notices

Notice of every general meeting shall be given in any manner herein authorised to:-

- (a) every Shareholder;
- (b) every person upon whom the ownership of a Share devolves by reason of his being a personal representative, or the Official Assignee in bankruptcy of a Shareholder, where the Shareholder but for his death or bankruptcy would be entitled to receive notice of the meeting;
- (c) the Directors;
- (d) the Manager;
- (e) the Administrator and any registrar and transfer agent of the Company;
- (f) the Custodian; and
- (g) the Auditors.

No other person shall be entitled to receive notices of general meetings.

PART XXIV - WINDING UP

125. Termination of Funds

- (a) Any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Custodian in any of the following events:-
 - (i) if at any time the Net Asset Value of the relevant Fund shall be less than such amount as may be determined by the Directors in respect of that Fund and disclosed in the prospectus; or
 - (ii) if any Fund shall cease to be authorised or otherwise officially approved; or
 - (iii) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund; or
 - (iv) if there is a change in material aspects of the business, economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the Investments of the Fund; or
 - (v) if the Directors shall have resolved that it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, for a Fund to continue to operate having regard to prevailing market conditions or the prevailing circumstances on the secondary market; or

- (vi) if the Directors shall have resolved that it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, to enter into, continue with or maintain FDIs relating to the Benchmark Index for the relevant Fund or to invest in securities comprised within the particular Benchmark Index; or
 - (vii) if the Directors shall have resolved that it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, for a Fund to track or replicate the relevant Benchmark Index and / or to substitute another index for the Benchmark Index.
- (b) The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors shall be under no liability on account of any failure to terminate the relevant Fund pursuant to this Article 125 or otherwise.
- (c) The Directors shall give notice of termination of a Fund to the Shareholders in the relevant Fund and by such notice fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine.
- (d) With effect on and from the date as at which any Fund is to terminate or in the case of 127 (d) (i) below such other date as the Directors may determine:-
- (i) No Shares of the relevant Fund may be issued or sold by the Company;
 - (ii) The investment manager or sub-investment manager shall, on the instructions of the Directors, realise all the Assets then comprised in the relevant Fund (which realisation shall be carried out and completed in such manner and within such period after the termination of the relevant Fund as the Directors think advisable);
 - (iii) The Custodian shall, on the instructions of the Directors from time to time, distribute to the Shareholders of the relevant Fund in proportion to their respective interests in the relevant Fund all net cash proceeds derived from the realisation of the relevant Fund and available for the purpose of such distribution, provided that the Custodian shall not be bound (except in the case of the final distribution) to distribute any of the monies for the time being in its hands the amount of which is insufficient to pay €1 or its equivalent amount in the relevant currency in respect of each Share of the relevant Fund and provided also that the Custodian shall be entitled to retain out of any monies in its hands as part of the relevant Fund full provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Custodian or the Directors in connection with or arising out of the termination of the relevant Fund and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands; and
 - (iv) Every such distribution referred to above shall be made in such manner as the Directors shall, in their sole and absolute discretion, determine but shall be made only against production of the certificates or warrants relating to the Shares of the relevant Fund if issued in respect of which the same is made and upon delivery to the Custodian of such form of request for payment as the Custodian shall in its absolute discretion require. All certificates shall in the case of an interim distribution be en faced by the Custodian with a memorandum of payments made and in the case of the final distribution shall be surrendered to the Custodian. Any unclaimed proceeds or other cash held by the Custodian hereunder may at the expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Custodian to deduct therefrom any expenses it may incur in making such payment.
- (e) The Directors shall have the power to propose and implement a reconstruction and/or amalgamation and / or merger of the Company or any Fund or Funds on a cross-border basis, into or out of another Member State, or on a domestic basis, with any other collective scheme or schemes on such terms and conditions as are approved by the Directors subject to the requirements of the Central Bank and / or the UCITS Regulations.

The relevant scheme of reconstruction and/or amalgamation shall take effect upon such conditions being satisfied or upon such later date as the scheme may provide or as the Directors may determine whereupon the terms of such scheme shall be binding upon all the Shareholders and the Directors shall have the power to and shall do all such acts and things as may be necessary for the implementation thereof.

126. **Distribution on Winding Up**

- (a) If the Company shall be wound up, the liquidator shall, subject to the provisions of the Act, apply the assets of the Company on the basis that any liability incurred or attributable to a Fund shall be discharged solely out of the assets of that Fund.
- (b) The assets available for distribution among the Shareholders shall then be applied in the following priority:-
 - (i) firstly, in the payment to the Shareholders of the Participating Shares of each class of each Fund a sum in the currency in which that class is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Participating Shares held by such Shareholders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of Participating Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made, recourse shall be had to the assets of the Company (if any) not comprised within any of the Funds and not (save as provided in the Act) to the assets comprised within any of the Funds;
 - (ii) secondly, in the payment to the Shareholders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub-paragraph (b)(i) above. In the event that there are insufficient assets aforesaid to enable such payment to be made, no recourse shall be had to the assets comprised within any of the Funds;
 - (iii) thirdly, in the payment to the Shareholders of each class of Participating Shares of any asset remaining in the relevant Fund of any balance being made in proportion to the number of Participating Shares held; and
 - (iv) fourthly, in the payment to the Shareholders of the Participating Shares of any balance then remaining and not comprised within any of the Funds such payment being made in proportion to the value of each Fund and within each Fund to the value of each class and in proportion to the number of Participating Shares held in each class.
- (c) A Fund may be wound up in accordance with the Act and in such event the provisions of paragraph (b)(i) and Article 127 will apply mutatis mutandis in respect of that Fund.

127. **Distribution in Specie**

If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may, with the authority of a Special Resolution and any other sanction required by the Act, divide among the Shareholders in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Shareholder shall be compelled to accept any assets in respect of which there is liability. The Company will sell the assets if requested by a Shareholder and the cost of such sale shall be charged to the redeeming Shareholder.

PART XXV - MISCELLANEOUS

128. **Destruction of Records**

The Company shall be entitled to destroy all instruments of transfer of Shares which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all Share certificates which have been cancelled at any time after the expiration of one year from the date of cancellation thereof. It shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument or transfer or other document so destroyed was duly and properly made and a valid and effective instrument duly and properly registered and every Share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned in accordance with the recorded particulars thereof in the books or records of the Company. PROVIDED ALWAYS that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained 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 other circumstances which would not attach to the Company in the absence of this Article;
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

129. Accounts

The Directors shall cause to be kept proper accounts with respect to:-

- (a) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place;
- (b) all sales and purchases of the Company; and
- (c) the assets and liabilities of the Company.

130. Maintenance of Books of Accounts

The books of account shall be kept at the Office, or at such other place as the Directors think fit, and shall always be open to inspection by the Directors. No Shareholder (other than a Director) shall have the right of inspecting any account or book or document of the Company except as conferred by the Act or authorised by the Directors or by the Company in general meeting.

131. Approval of Accounts

- (a) The Directors shall from time to time in accordance with the provisions of the Act and the UCITS Regulations, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are specified in the Act and the UCITS Regulations made up to the accounting date in each year or such other date as the Directors may from time to time decide.
- (b) A copy of every account, balance sheet and report which are laid before the Company in general meeting in accordance with this Article together with the Auditor's and Custodian's report thereon shall not less than 21 days previous to the general meeting be sent by post, electronic mail or by other means of electronic communication to every person entitled under the provisions of the Act to receive them PROVIDED THAT this Article shall not require a copy of these documents to be sent to more than one of the joint Shareholders of any Shares. The foregoing documents shall be treated as sent to a person where upon agreement with that person the documents are made available on a website in accordance with the provisions of the Act (instead of being sent to that person).

132. Reports

- (a) The Company shall prepare an unaudited half yearly report for the first six months of each financial year. Such report shall be in a form approved by the Central Bank and shall contain the information required under the UCITS Regulations.
- (b) Copies of the half yearly report shall be made available to Shareholders in accordance with the terms of the Prospectus not later than two months from the end of the period to which it relates.
- (c) The Company shall provide the Central Bank with all reports and information to which it is entitled under the UCITS Regulations.

133. Auditors

Auditors shall be appointed and their duties regulated in accordance with the Act.

134. Dealings with Administrator and Connected Persons

Any person being the Administrator and any associate of the Administrator or a Connected Person may:-

- (a) become the owner of Participating Shares in the Company and hold dispose or otherwise deal with Participating Shares as if that person were not such a person; or

- (b) deal in property of any description on that person's individual account notwithstanding the fact that property of that description is included in the property of the Company; or
- (c) act as agent or principal in the sale or purchase of property to or from the Custodian for the account of the Company without that person having to account to any other such person, to the Shareholders or to any of them for any profits or benefits made by or derived from or in connection with any such transaction, provided that such transactions are in the best interests of Shareholders and conducted at arm's length. Such transactions are subject to:-
 - (i) a certified valuation of a person approved by the Custodian (or the Manager in the case of a transaction with the Custodian) as independent and competent;
 - (ii) the transaction being executed on best terms reasonably attainable on an organised investment exchange in accordance with the rules of such exchange; or
 - (iii) execution on terms which the Custodian (or the Manager in the case of a transaction with the Custodian) is satisfied conforms with the principle that such transactions are in the best interests of Shareholders and conducted at arm's length.

135. Restriction on Modifications to Articles

No modification shall be made to the Memorandum or Articles of Association of the Company which would result in the Company ceasing to be authorised under the UCITS Regulations.

136. Change of Name of Funds

The Directors are entitled to change the name of any Fund (subject to the prior approval of the Central Bank). The Directors shall, subject to the prior approval of the Central Bank, change the name of any Fund which includes in its name any name proprietary to any third party (including the Manager or a benchmark index provider) if the conditions under which the third party (whether contained in an agreement with the Company or otherwise) permits the use of such name include a requirement to change the name of the Fund under certain circumstances, and such circumstances occur.

In the event that the ultimate holding company of the Manager and / or the Investment Manager ceases to be BlackRock, Inc. then prior to or immediately following such change becoming effective, the Directors will arrange to convene an extraordinary general meeting to propose that the name of the Company be changed to a name which will not reflect any involvement on the part of BlackRock, Inc. (or any of its affiliates) or the iShares brand with the Company. Such a change of name will take place in accordance with the provision of the Act and the requirements of the Central Bank.

137. Indemnity

- (a) Subject to the provisions of and insofar as may be permitted by the Act and the UCITS Regulations, every Director, Secretary and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant or in any way in discharge of his duties (otherwise than in the case of fraud, negligence or wilful default), including travelling expenses, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all other claims.
- (b) Subject to the provisions of and insofar as may be permitted by the Act, the Administrator, the Manager and the Custodian shall be entitled to such indemnity from the Company under 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 the Administration Agreement, the Management Agreement and the Custodian Agreement respectively.

138. Overriding Provisions

- (a) In the event of there being any conflict between the provisions of these Articles and the UCITS Regulations, the UCITS Regulations shall prevail. The Articles shall only be amended in accordance with the requirements of the Central Bank.
- (b) Without prejudice to Section 1007(4) of the Act and save as otherwise expressly provided in these Articles, where a provision of these Articles covers substantially the same subject matter as any optional provision of the Act, any such optional provision of the Act shall be deemed not to apply to the Company and for the avoidance of doubt, these Articles shall be deemed to have effect and prevail over the terms of such optional provisions of the Act (and the expression "optional provision" shall take its meaning from Section 1007(2) of the Act).

139. **Disclaimer of Liability**

Subject to the provisions of Section 235 of the Act no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto.

140. **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.

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