Investment Management Agreement

between

Baker Steel Capital Managers (Cayman) Limited
as the Manager

and

Baker Steel Capital Managers LLP
as the Investment Manager

relating to the management of the assets of Baker Steel Resources Trust Limited and the distribution of the Fund's shares

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CONTENTS

1.	Interpretation	1
2.	Regulatory Status	3
3.	Appointment of Investment Manager	4
4.	Duties of the Investment Manager	4
5.	Appointment of Investment Advisers and Delegation	6
6.	Voting	7
7.	Execution of orders and transactions	7
8.	Operational Procedures	7
9.	Representations and Warranties of the Manager	7
10.	Representations and Warranties of the Investment Manager	8
11.	Manager Obligations	8
12.	Restrictions and Requirements	9
13.	Fees and Expenses	9
14.	Limitation of Liability	10
15.	Resignation and Termination	10
16.	Conflicts of Interest	11
17.	Complaints	12
18.	Compensation	12
19.	Side Letters	13
20.	Performance Evaluation	13
21.	Market Rules	13
22.	Use of Dealing Commissions	13
23.	No Licence	13
24.	Confidentiality	14
25.	Notices	14
26.	Assignment	14
27.	Amendments	15
28.	Reservation of Rights	15

29. Whole Agreement 15
30. Severability 15
31. Counterparts 15
32. No Partnership 15
33. Contracts (Rights of Third Parties) Act 1999 16
34. Governing Law 16
35. Jurisdiction 16
schedule 1 : Operational Procedures 17
schedule 2 : Summary of Investment Manager's order execution policy 19
schedule 3 : Use of Dealing Commissions Policy Statement 24
schedule 4 : Investment Manager's Duties as Distributor 26

THIS AGREEMENT is dated the 2010 and made

BETWEEN:

(1) **BAKER STEEL CAPITAL MANAGERS (CAYMAN) LIMITED** (the "Manager") a company incorporated in the Cayman Islands and whose registered office is at PO Box 309, George Town, Grand Cayman, KY1-1104, Cayman Islands; and

(2) **BAKER STEEL CAPITAL MANAGERS LLP**, (the "Investment Manager") a limited liability partnership incorporated in England and having its registered office at 86 Jermyn Street, London SW1Y 6JD.

BACKGROUND:

(A) Baker Steel Resources Trust Limited (the "Fund") has been established under the laws of Guernsey as a closed-ended investment company.

(A) The Fund has appointed the Manager to act as manager of the Fund and to act as a distributor in respect of the Shares and has authorised it to appoint the Investment Manager to manage and invest the Portfolio in accordance with the investment objective and policy described in the relevant Prospectus and to act as a distributor in respect of the Shares, pursuant to a Management Agreement between the Fund and the Manager, dated on or about the date of this Agreement (the "Management Agreement").

(B) The Manager wishes to appoint the Investment Manager to manage and invest the Portfolio and to act as a distributor of the Shares on the terms set out in this Agreement, which appointment the Investment Manager wishes to accept.

(C) The Investment Manager is authorised and regulated by the Financial Services Authority in the conduct of its regulated activities.

THE PARTIES AGREE THAT:

1. **Interpretation**

1.1 In this Agreement, unless the context otherwise requires, the following words have the following meanings:-

"Administrator"	means HSBC Securities Services (Guernsey) Limited or such other person for the time being appointed by the Fund as its administrator;
"Admission"	means admission of the Ordinary Shares and Subscription Shares issued and to be issued to the Official List of the London Stock Exchange and to trading on the London Stock Exchange's main market for listed securities;
"Articles"	means the memorandum and articles of incorporation of the Fund as amended, supplemented or modified from time to time;
"Associate"	means, in relation to a person, an undertaking in the same Group (as defined in section 421 of FSMA) and any other person whose business or domestic relationship with the first person or its Associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealing with third parties;

"Authorised Officer"	means any person from time to time designated by the Fund and/or the Manager as authorised to instruct the Investment Manager and whose specimen signature has been delivered to the Investment Manager;
"Baker Steel Group"	the Manager, any "subsidiary undertaking" of the Manager, any "parent undertaking" of the Manager and any subsidiary undertaking of any such parent undertaking as such terms are defined in section 1162 of the UK Companies Act 2006 and "member of the Baker Steel Group" shall be construed accordingly;
"Broker"	means a broker, dealer or other entity with which the Investment Manager places, on behalf of the Fund, an order relating to one or more Investments for execution by that broker, dealer or other entity;
"Business Day"	means as defined in the Prospectus;
"Companies Law"	the Companies (Guernsey) Law, 2008 (as amended);
"Custodian"	means HSBC Securities Services (Ireland) Limited or such other person for the time being appointed by the Fund as custodian to the Fund;
"Directors" or "Board"	means the members of the board of directors of the Fund for the time being and any duly constituted committee thereof and any successors to such members as they may be appointed from time to time;
"Disclosure Rules"	means the Disclosure and Transparency Rules of the FSA Rules;
"Execution Factors"	has the meaning given to it in the FSA Rules;
"FSA"	means the Financial Services Authority of the United Kingdom;
"FSA Rules"	means the rules, guidance, principles and codes comprised in the Handbook of Rules and Guidance issued by the FSA;
"FSMA"	means the Financial Services and Markets Act 2000;
"Fund"	means Baker Steel Resources Trust Limited;
"Investment Advisers"	each of AWR Lloyd Limited and Rock Capital Partners Limited;
"Investment Objectives"	means as defined in Clause 3.1;
"Investments"	means any asset, right or interest falling within any paragraph of the Order and any spot or forward foreign exchange transaction or other asset, right or interest in which the Fund may invest directly or indirectly from time to time, including units and other interests in unregulated collective investment schemes;
"Limit Order"	has the meaning given to it in the FSA Rules;
"Listing Rules"	means the listing rules issued by the London Stock Exchange;
"Management	means a Management Agreement between the Fund and the

Agreement"	Manager, dated on or about the date of this Agreement;
"Management Ordinary Shares"	means as defined in the Prospectus;
"MTF"	has the meaning given to it in the FSA Rules;
"Net Asset Value"	means as defined in the Prospectus;
"Offer"	means as defined in the Prospectus;
"Order"	means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;
"Ordinary Shares"	means as defined in the Prospectus;
"POI Law"	means the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended;
"Portfolio"	means all the assets and Investments of the Fund at any time under the management of the Investment Manager hereunder, including, for the avoidance of doubt, any uninvested cash;
"Prospectus"	means the prospectus relating to the Fund as amended from time to time;
"Regulated Market"	has the meaning given to it in the FSA Rules;
"Regulatory System"	means arrangements for regulating a firm or other person in or under the FSMA including the FSA Rules, codes and guidance issued from time to time by the FSA;
"Shares"	means the Ordinary Shares and/or the Management Ordinary; Shares; and
"Subscription Shares"	means as defined in the Prospectus.

1.2 References to statutory provisions, regulations, notices or the FSA Rules shall include those provisions, regulations, notices or FSA Rules as amended, extended, consolidated, substituted, re-issued or re-enacted from time to time;

1.3 References to Clauses are to clauses of this Agreement and headings are inserted for convenience only and shall not affect the construction of this Agreement;

1.4 Unless the context otherwise requires and except as varied or otherwise specified in this Agreement words and expressions contained in this Agreement shall bear the same meaning as in the Prospectus or the Articles provided that if there is any conflict between words defined in the Articles or the Prospectus, the Articles shall prevail.

1.5 The Schedules to this Agreement form part of it.

2. Regulatory Status

2.1 The Investment Manager is authorised and regulated by the FSA.

2.2 The Investment Manager has categorised each of the Fund and the Manager as a professional client (as defined in the FSA Rules) and the Investment Manager will provide its services hereunder on that basis.

2.3 The parties agree that each of the Fund and the Manager has the right to request the Investment Manager to categorise it as a retail client (as defined under the FSA Rules) either generally or in specific circumstances. However, it is the Investment Manager's policy not to agree to such requests from fund clients.

3. Appointment of Investment Manager

3.1 The Manager hereby appoints the Investment Manager with immediate effect to manage and invest the Portfolio on a discretionary basis, in accordance with the investment objective and policy as set out in the Prospectus and subject to the investment limits set out in the Prospectus (the "Investment Objectives") and to act as a distributor of the Shares in accordance with schedule 4 until its appointment shall be terminated as hereinafter provided, and the Investment Manager hereby accepts such appointment and agrees to assume the obligations set forth herein.

3.2 This Agreement will come into force on the date hereof.

3.3 Except as expressly provided in this Agreement, or as the Investment Manager may be otherwise authorised, the Investment Manager has no authority to act for or represent the Manager or the Fund and the Investment Manager shall not be deemed an agent of the Manager or the Fund.

4. Duties of the Investment Manager

4.1 Subject to the overall control and supervision of the Manager or as stipulated by the Manager and/or the Directors, the Investment Manager will manage and invest the Portfolio on a discretionary basis in accordance with the Investment Objectives. Subject to such Investment Objectives, the Investment Manager will have complete discretion to manage the Portfolio for the account on behalf of the Fund (and without prior reference to the Fund or the Directors) and otherwise act as the Investment Manager judges appropriate in relation to the management and investment of the Portfolio.

4.2 The Manager confirms that the Investment Objectives do not include:

(A) any limits or restrictions on the length of time for which it wishes to hold any particular Investment;

(B) any preferences regarding risk taking;

(C) any particular risk profile; or

(D) any particular purpose for its investment activities.

4.3 The Investment Objectives shall not be deemed to have been breached as a result of any appreciation or depreciation in value, changes in exchange rates or by reason of the receipt of any right, bonus or benefit in the nature of capital or by reason of any other action affecting every holder of the relevant investment. If any such Investment Objectives are exceeded as a result of such events or otherwise or are breached, the Investment Manager shall:

(A) so notify the Manager and the Fund as soon as practicable;

(B) acquire or dispose of, as the case may be, no further Investments for the account

of the Fund which at the date of acquisition or disposal would result in the Investment Objectives being further exceeded or breached; and

(C) consult with the Manager and the Directors as to the steps to be taken to remedy the situation,

PROVIDED THAT the Investment Manager shall always be entitled to acquire or dispose of Investments with a view to remedying any such excess or breach.

4.4 The Investment Manager is authorised to give the Administrator, Custodian, brokers, dealers or counterparties any instructions on behalf of the Fund which may be necessary or desirable for the proper performance of the Investment Manager's duties under this Agreement and the Manager shall procure that the Fund confirms such authority to such parties on request.

4.5 The Investment Manager shall, without prejudice to the generality of the foregoing, also provide the following services to the Manager and/or the Fund (as appropriate):

(A) analysis of the progress of all Investments and other assets within the Portfolio;

(B) the provision of written reports in accordance with the Operational Procedures in schedule 1;

(C) preparation of material relevant to the services provided under this Agreement for inclusion in the yearly, half-yearly and other reports of the Fund whenever the Directors shall reasonably require such material;

(D) keeping or causing to be kept such books, records and statements as shall be necessary to give a complete record of all transactions which the Investment Manager carries out for the account of the Fund, which the Fund and persons authorised in writing by the Fund shall be entitled to inspect at all reasonable times;

(E) as and when reasonably requested by the Fund, to arrange for an officer of the Investment Manager to attend board meetings of the Fund to report on the services provided by the Investment Manager pursuant to this Agreement;

(F) to provide such reasonable information and documentation in relation to the Portfolio in its possession or control so as to enable the Fund to comply with its obligations under the Listing Rules and the Disclosure Rules and under any other applicable laws and regulations, including without limitation the laws and regulations of each of Guernsey and the United Kingdom;

(G) provide reasonable assistance to the Fund with the preparation of all notices, letters, circulars and other documents which are required from time to time to be despatched to shareholders of the Fund pursuant to the Listing Rules and the Disclosure Rules and any other applicable legal or regulatory requirements;

(H) at the reasonable request of the Fund or its auditors, provide reasonable assistance to the Fund with the preparation of the interim management statements and the interim and annual reports of the Fund and liaise with the Administrator and auditors in relation thereto;

(I) at the request of the Fund, assist with administration and management of the rights and obligations of the Fund against and to third parties after their creation including, without limitation, liaising with the Administrator, Custodian, company secretary, bankers and professional advisers of the Fund from time to time and

providing them with such reasonable information and instructions as may be reasonably necessary for the performance of their roles;

(J) at the request of the Fund or the Fund's auditors provide reasonable assistance with the preparation of all tax returns, if any, required to be filed by the Fund; and

(K) if required by the Directors, negotiation of borrowing arrangements and, if authorised by the Directors, implementation of such arrangements.

4.6 The Investment Manager shall observe, comply with and (only insofar as the same are relevant or applicable to the Investment Manager's role as discretionary Investment Manager of the Fund's assets) ensure that the Fund complies with the Articles, all applicable laws and rules and regulations, including without limitation those of the Guernsey Financial Services Commission, the POI Law, the Companies Law, the UK Listing Authority, the London Stock Exchange, the City Code on Takeovers and Mergers, the FSMA and the FSA Rules.

4.7 The Manager and the Investment Manager agree that in the event that the Investment Manager shall make any acquisitions or disposals of any Investments which will or may give rise to any obligations of disclosure imposed on the Fund by any applicable legislation or regulatory requirement with respect to the Fund's interest therein, the Investment Manager, on behalf of the Fund, shall to the extent permitted by applicable law make the appropriate disclosures or, if not so permitted, notify the Manager and the Fund as soon as possible of the obligation of disclosure and the transaction giving rise to such obligation.

4.8 Without prejudice to the duties of the Investment Manager set out in clause 4.1, the Investment Manager shall take such care as may be reasonably expected of a reputable investment manager to ensure that:

(A) the Fund shall not become subject to tax in any jurisdiction (other than Guernsey) by reason of being resident for tax purposes in such jurisdiction or having a branch, agency or permanent establishment for tax purposes in such jurisdiction;

(B) in respect of each Investment made or proposed to be made by the Fund, all liabilities to tax in any relevant jurisdiction arising from the acquisition, ownership or disposal of such Investment are identified and the Fund makes proper provision in respect of such tax in its accounts (including its audited accounts) and in calculating any figure for net asset value that is made available to investors by or on behalf of the Fund; and

(C) where a liability of the Fund to tax in any jurisdiction arises in respect of any of its Investments, the Fund makes or causes to be made on its behalf, within applicable time limits, all such notices, reports and returns for tax purposes and all payments of or on account of taxes as may be required.

5. Appointment of Investment Advisers and Delegation

5.1 The parties agree that the Investment Manager shall be entitled to appoint each of the Investment Advisers as investment advisers to the Investment Manager.

5.2 The parties agree that the Investment Manager may engage Brokers for the Fund's account and may also engage third parties to advise in relation to the performance by it of any services to be provided under this Agreement.

6. **Voting**

6.1 In the absence of specific instruction from the Board, the Investment Manager may exercise, or refrain from the exercise of, any voting or other rights attaching to the Investments comprised in the Portfolio as the Investment Manager shall in its absolute discretion think fit.

7. **Execution of orders and transactions**

7.1 The parties agree that, when executing transactions in Investments on behalf of the Fund or placing orders relating to Investments on behalf of the Fund with Brokers for execution by those Brokers, the Investment Manager shall (except to the extent that it is following a specific instruction from the Fund in relation to the execution of an order) owe to the Fund a duty to take all reasonable steps to obtain the best possible result for the Fund, taking into account the Execution Factors that are relevant to the execution or placing of that order under the terms of the Investment Manager's order execution policy.

7.2 A summary of the Investment Manager's order execution policy is set out in schedule 2 to this Agreement.

7.3 By signing this Agreement, the Manager hereby expressly consents to:

(A) the Investment Manager's order execution policy as described in the summary set out in schedule 2 (and for the avoidance of doubt, the Investment Manager undertakes to notify the Fund and the Manager of any material changes thereto); and

(B) the execution outside of a Regulated Market or MTF of the Fund's orders relating to Investments.

7.4 Subject to the FSA Rules, the Investment Manager may when executing transactions in Investments on behalf of the Fund or placing orders relating to Investments on behalf of the Fund with Brokers for execution by those Brokers, aggregate those transactions or orders with those of one or more of the Investment Manager's other clients. The parties acknowledge that aggregation, which will be subject to the Investment Manager's conflicts of interest policy, may on some occasions operate to the disadvantage of the Fund.

7.5 To the extent that the Investment Manager places a Limit Order for the sale or purchase of equities on behalf of the Fund with a Broker for execution by that Broker, the Manager expressly instructs the Investment Manager on behalf of the Fund not to make public (and to use reasonable endeavours to procure that the Broker does not make public) the details of that Limit Order unless the Investment Manager considers, in its absolute discretion, that it is in the interests of the Fund for such details to be made public (which shall, without limitation, be deemed to include where the relevant Broker makes the relevant details of that Limit Order public in circumstances where the Investment Manager has given the Broker the discretion to do so).

8. **Operational Procedures**

8.1 The Investment Manager shall comply with the Operational Procedures set out in schedule 1.

9. **Representations and Warranties of the Manager**

9.1 The Manager represents and warrants to the Investment Manager that as at the date of this Agreement and on an ongoing basis:-

(A) it is and will be validly existing, duly empowered and authorised to execute, deliver and perform this Agreement and to give effect to the transactions contemplated hereby;

(B) this Agreement is and will be binding upon it and enforceable in accordance with its terms except insofar as enforcement may be limited by bankruptcy, insolvency or other laws relating to or affecting enforcement of creditors' rights or general principles of equity; and

(C) it has complied with and will continue to comply with all laws, rules and regulations or court and governmental orders by which it is bound or to which it is subject in connection with the execution and performance of this Agreement.

9.2 The Manager will notify the Investment Manager promptly if there is any change in the above.

10. Representations and Warranties of the Investment Manager

10.1 The Investment Manager represents and warrants to the Manager that as at the date of this Agreement and on an ongoing basis:-

(A) it is and will be validly existing, duly empowered and authorised to execute, deliver and perform this Agreement and to give effect to the transactions contemplated hereby and is duly qualified, authorised or licensed under the laws of each jurisdiction where the conduct of its business requires, or the performance of its obligations under this Agreement would require, such qualification, authorisation or licence;

(B) this Agreement is and will be binding upon it and enforceable in accordance with its terms except insofar as enforcement may be limited by bankruptcy, insolvency or other laws relating to or affecting enforcement of creditors' rights or general principles of equity;

(C) it has complied with and will continue to comply with all laws, rules and regulations or court and governmental orders by which it is, or they are (as the case may be), bound or to which it is, or they are (as the case may be), subject in respect of the execution and performance of this Agreement;

(D) it is and will use best endeavours to continue to be authorised by the FSA; and

(E) there is no charge, investigation, action, suit or proceeding before or by any court or regulator which is current or pending or, to the reasonable knowledge of the Investment Manager, threatened that, if determined adversely to the Investment Manager would have a material adverse effect upon the ability of the Investment Manager to perform its duties under, or upon the validity or enforceability of, this Agreement.

10.2 The Investment Manager will notify the Manager and the Fund promptly if there is any change in the above.

11. Manager Obligations

11.1 The Manager will supply or procure the supply to the Investment Manager of a copy of the Articles and all amendments thereto, the Prospectus and all other information as the Investment Manager shall reasonably require to enable it to perform its duties hereunder.

12. **Restrictions and Requirements**

12.1 In carrying out its duties hereunder, the Investment Manager shall comply with all instructions of the Manager and/or the Directors and/or the Fund in connection therewith to the extent that such instructions are not inconsistent with any provision of this Agreement, the Investment Objectives, the FSA Rules or applicable law. Such instructions may be given by letter or by facsimile, in either case, signed by an Authorised Officer or by telephone provided that telephone instructions shall be confirmed in writing by an Authorised Officer. The Investment Manager shall, on request, acknowledge the instructions of the Directors however such instructions may be received. Instructions must be clear and legible when received by the Investment Manager and the Manager shall clarify such instructions when requested to do so by the Investment Manager.

13. **Fees and Expenses**

13.1 The Manager shall pay the Investment Manager by way of remuneration for its services hereunder such management and performance fees as may be agreed from time to time (the "Investment Management Fees").

13.2 The Investment Management Fees payable pursuant to Clause 13.1 shall be exclusive of any value added tax payable in relation thereto which, if payable, shall be borne by the Manager.

13.3 The Investment Management Fee payable to the Investment Manager hereunder will be correspondingly reduced by any other remuneration receivable by the Investment Manager in connection with any transactions effected by the Investment Manager for the Manager or the Fund.

13.4 The Investment Management Fee payable pursuant to this Agreement will be payable from the date of Admission.

13.5 Subject to sub-Clause 13.6, the Investment Manager will be responsible for its expenses under this Agreement including the fees and expenses of any person to whom functions and duties are delegated under Clause 5, but for the avoidance of doubt not the fees and expenses of the Custodian, the Administrator or any auditor appointed by the Fund or any other service provider or adviser appointed directly by the Fund.

13.6 The Manager shall reimburse to the Investment Manager such expenses as are agreed between the Manager and the Investment Manager (including the reasonable charges for legal and consultancy advice and assistance provided by the Investment Manager through its internal legal counsel/consultant in respect of the Fund), but subject thereto the Investment Manager will be responsible for its expenses under this Agreement and for the fees and expenses of the Investment Manager and any agents and/or employees the Investment Manager may appoint pursuant to Clause 5 but for the avoidance of doubt not the fees of any of the Administrator, Custodian, valuation agent or any auditor.

13.7 The Investment Manager may, in its absolute discretion, from time to time waive or rebate all or any part of its Investment Management Fees hereunder to the Fund, the Manager or to any third party.

13.8 The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to some or all Shareholders (or their agents, including the Directors) or to intermediaries, part or all of the Investment Management Fee provided that the Investment Manager will notify the Manager of any such arrangements.

14. **Limitation of Liability**

14.1 The Investment Manager hereby agrees to use reasonable skill and care and act diligently, devote such time and attention and have all necessary, competent and efficient personnel and equipment as may be required to enable it to properly and efficiently perform its obligations and provide the services in carrying out its duties under this Agreement, provided that in the absence of fraud, negligence or wilful default on the part of the Investment Manager or a breach of its obligations and duties hereunder, the Investment Manager shall not be liable for any loss suffered by the Fund or the Manager in connection with the performance by the Investment Manager of its obligations and duties hereunder.

14.2 Nothing in this Agreement shall exclude or restrict any duty or liability to the Fund which the Investment Manager may have under FSMA or the Regulatory System.

15. **Resignation and Termination**

15.1 This Agreement shall continue and remain in force unless and until terminated by either party giving to the other party not less than 12 months' written notice PROVIDED THAT this Agreement may be terminated forthwith by notice in writing by either party, in the event of (i) the termination of the Management Agreement, (ii) in the event of the Investment Manager ceasing to be authorised by the FSA, or (iii) by the giving of 90 days' notice in writing by a party if the other party shall commit any material breach of its obligations under this Agreement and, if such breach is capable of being made good, shall fail to make good such breach within 30 days of receipt of such written notice requiring it so to do.

15.2 On termination of this Agreement in accordance with its terms, the Investment Manager shall be entitled to receive:

(A) the Investment Management Fee due up to the date of termination, pro-rated on a daily basis; and

(B) all other monies accrued and due up to the date of termination,

but the Investment Manager shall not, save as provided by this Clause, be entitled to compensation in respect of such termination.

15.3 Termination of this Agreement will not affect accrued rights, indemnities or any contractual provision intended to survive termination and shall be without prejudice to the completion of transactions in respect of which the Investment Manager, on behalf of the Fund, has made a legally binding commitment. Such transactions will be completed by the Investment Manager as soon as practicable. The parties acknowledge that the Fund will bear any losses necessarily incurred by it in settling or concluding outstanding obligations.

15.4 On termination of this Agreement the Investment Manager shall provide reasonable co-operation with respect to the orderly migration of the Investment Manager's functions under this Agreement to any replacement investment manager, and shall deliver or procure to be delivered to the Manager or the Fund (or as otherwise directed by the Manager) all books of account, records, other registers, correspondence, documents and assets relating to the affairs of or belonging to the Fund in the possession of or under the control of the Investment Manager or its nominees or delegates (provided that the Investment Manager may retain copies thereof) and shall take all necessary steps to vest in the Manager, the Fund or any new investment manager any assets previously held in the name of or to the order of the Investment Manager on behalf of the Fund.

15.5 Upon termination of this Agreement the discretions, authorities and powers granted to the Investment Manager hereunder shall cease and the Investment Manager will not make any further investment for the Fund.

15.6 Upon termination in accordance with this Clause 15 the rights and obligations of the parties under the Agreement shall terminate and be of no future effect, except that Clauses 14, 24, 33, 34 and 35 shall remain in full force and effect.

16. Conflicts of Interest

16.1 The services of the Investment Manager hereunder are not to be deemed exclusive. The Manager acknowledges that the Investment Manager and its Associates or partners, directors, officers and employees may, in their sole discretion, from time to time act as manager, investment manager, investment adviser or dealer in relation to, or be otherwise involved in, investment funds other than the Fund or other investment products which have similar objectives to that of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund.

16.2 The Investment Manager has and will comply with a conflicts of interest policy which specifies the procedures that it follows and the measures that it has adopted in order to avoid such conflicts or to manage such conflicts in a way that ensures fair treatment for the Fund.

16.3 The Investment Manager will (having regard in such event to its obligations to the Manager and the Fund under this Agreement and, in particular, to its obligations to act in the best interests of the Fund so far as is practicable, having regard to its obligations to other clients), allocate investment opportunities on an equitable basis between the Fund, the Manager and its other clients. Subject always to its compliance with any such obligations and to the FSA Rules, the Investment Manager or any of its Associates or any of their partners, directors, officers and employees or any person connected with the Investment Manager may invest in, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Fund. Neither the Investment Manager nor any of its Associates nor any of their partners, directors, officers and employees nor any person connected with them shall be under any obligation to offer investment opportunities of which any of them become aware to the Fund or the Manager or to account to the Fund or the Manager in respect of (or share with the Fund or the Manager or inform the Fund or the Manager of) any such transaction or any benefit received by any of them from any such transaction.

16.4 Subject always to the FSA Rules, the Investment Manager will not and will procure that none of its Associates nor any of their partners, directors, officers and employees will deal, as principal or agent for a third party, with the Fund and the Manager except where dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis and provided also that, subject to its conflicts of interest policy:

(A) the Investment Manager and any Associate or any of their partners, directors, officers and employees may, without prior reference to the Fund and the Manager, buy, hold and deal in any Investments upon its individual account notwithstanding that similar Investments may be held by the Fund; and

(B) nothing herein contained shall prevent the Investment Manager or any Associate or any of their partners, directors, officers and employees without prior reference to the Fund and/or the Manager from contracting or entering into any financial or other transaction with any member of the Fund and/or the Manager or with any company or body any of whose shares or securities are held by or for the account

of the Fund and/or the Manager or from being interested in any such contract or transaction.

16.5 For the avoidance of doubt, the Investment Manager and any of its directors, employees or their related entities may invest in the Fund through the direct or indirect acquisition of Shares. The Manager shall immediately notify the Fund of such acquisition of Shares by notice in writing.

16.6 The parties hereto acknowledge that:

(A) directors, officers, agents and shareholders of the Fund and/or the Manager are or may be interested in the Investment Manager and/or Associates thereof as partners, officers, shareholders or otherwise, and that partners, officers, shareholders and agents of the Investment Manager and its Associates are or may be interested in the Fund and/or the Manager as directors, officers, shareholders, or otherwise;

(B) no person so interested shall be liable to account for any benefit to the other parties by reason solely of such interest; and

(C) the services being supplied by the Investment Manager or any of its Associates to the Fund and/or the Manager under this Agreement or otherwise may at the option of the Investment Manager or Associate be supplied through partners, officers or agents who are so interested, subject to prior notification from the Fund.

17. Complaints

17.1 The Investment Manager has in operation a written procedure in accordance with the FSA Rules for the effective consideration and proper handling of complaints from customers.

17.2 Any complaints should be referred to the Compliance Officer of the Investment Manager.

17.3 The parties agree that each of the Fund and the Manager, as a professional client, has no right of complaint to the Financial Ombudsman Service in respect of any act or omission of the Investment Manager which is or is alleged to be in breach of the FSA Rules.

18. Compensation

18.1 FSA-regulated business conducted by the Investment Manager pursuant to this Agreement is covered by the Financial Services Compensation Scheme to the extent that the Manager and/or the Fund is an "eligible claimant" (as defined in the FSA Rules). The Financial Services Compensation Scheme compensates eligible claimants for losses suffered as a result of the inability of an FSA-regulated firm to pay monies due, or satisfy obligations owed, to them (typically as a result of the firm's insolvency). Most types of designated investment business are covered for 100 per cent of the sum owed, to a maximum compensation of £50,000 per eligible claimant.

19. Side Letters

19.1 The Manager agrees that the Investment Manager may as it considers necessary or appropriate in connection with its regulatory obligations, make disclosure in accordance with applicable regulatory requirements of the existence of side letters and/or the terms thereof to which it is a party or which it is aware have been entered into by the Fund and/or the Manager.

20. **Performance Evaluation**

20.1 Under the FSA Rules the Investment Manager is required to establish an appropriate method of evaluation and comparison, based on the investment objectives and approach of the Fund and the types of Investments included in the Portfolio, so as to enable the Fund to assess the Investment Manager's performance. Given the wide investment objectives of the Fund, the intention (underlying the investment approach) to achieve absolute returns and the lack of a meaningful benchmark, the Investment Manager will evaluate and compare its performance by reference to whether it has achieved absolute returns after deduction of fees.

21. **Market Rules**

21.1 All transactions in Investments shall be subject to the FSA Rules, so far as they are applicable, and to any applicable law, rules or regulations. If there is any conflict between this Agreement and any such rules, customs or applicable law, the latter shall prevail.

22. **Use of Dealing Commissions**

22.1 The Investment Manager may effect transactions with or through the agency of another person with whom it has an arrangement under which that person will from time to time provide to, procure for it or bear the cost of, the provision of services in relation to:

(A) the execution of transactions on behalf of customers of the Investment Manager; and

(B) the provision of research services

and for which the Investment Manager makes no direct payment but instead is provided with such services in consideration of executing such transactions with or through the agency of that person.

22.2 The Investment Manager's Policy Statement relating to such arrangements is set out in schedule 3.

23. **No Licence**

23.1 The Manager and the Investment Manager each acknowledge for the benefit of the other that:

(A) no provision of this Agreement grants either of them any rights, except as contained herein, in any intellectual property belonging to or developed by either of the parties; and

(B) this Agreement does not constitute a licence in respect of any such intellectual property.

23.2 The Investment Manager on behalf of itself and its Associates acknowledges and agrees that use of the name "Baker Steel" by the Fund or its Associates does not infringe the Investment Manager's intellectual property rights (or the intellectual property rights of its Associates) and the Investment Manager shall not (and shall procure that its Associates shall not), during the term of this Agreement, object to such use.

23.3 The Manager agrees that on termination of this Agreement and if so requested by the Investment Manager, the Manager will use reasonable endeavours to procure that as

soon as reasonably practicable the Fund changes its name to a name that does not include "Baker Steel".

24. **Confidentiality**

24.1 The parties agree that neither the Investment Manager nor any Associate is obliged to disclose to the Fund and/or the Manager, or, in making any decision or taking any step in connection with the investment management of the Portfolio, to take into consideration information the disclosure of which by it would or might be a breach of duty or confidence to any other person.

24.2 The Investment Manager and the Manager shall at all times respect and protect the confidentiality of information acquired in consequence of this Agreement except pursuant to any right or obligation to or by which the relevant party may be entitled or bound to disclose information or under compulsion of law, pursuant to the requirements of any competent regulatory or other authorities (including, without limitation, the Guernsey Financial Services Commission and the FSA) or to any service provider appointed by the Fund.

24.3 Nothing in this Clause 24 shall prevent the disclosure of information by either party to its auditors, legal or other professional advisers in the proper performance of their duties.

24.4 Neither of the parties hereto shall do or commit any act, matter or thing which would or might prejudice or bring into disrepute in any manner the business or reputation of the other party or any director or partner of such party.

25. **Notices**

25.1 Any notice given hereunder shall be in writing and may be delivered by hand, or sent by electronic mail facsimile or by pre-paid airmail or first class post as appropriate to the registered office or principal place of business for the time being of the party to whom it is addressed or to such other address as may, from time to time be notified.

25.2 Notices given by hand, electronic mail or facsimile shall be deemed to have been given contemporaneously. Notices given by pre-paid airmail or first class post as appropriate shall be deemed to have been given seven days after posting. Evidence that the notice was properly addressed, stamped and put in the post shall be conclusive evidence of posting. Evidence that the facsimile or electronic mail was duly despatched to a current facsimile number or electronic mail address of the addressee shall be conclusive evidence of transmission.

26. **Assignment**

26.1 This Agreement may not be assigned by either party without the written consent of the other party.

27. **Amendments**

27.1 The Investment Manager may amend this Agreement by giving the Manager not less than seven days' written notice of the relevant amendments, to the extent that the Investment Manager reasonably considers such amendments to be necessary in order to comply with applicable laws or regulations. Subject to the foregoing, this Agreement may only be amended by written agreement between the Investment Manager and the Manager, subject to having obtained consent from the Fund (where required by the terms of the Management Agreement). No variation of this Agreement shall be effective unless made in writing and signed by the parties hereto and notified in writing to the Fund.

28. **Reservation of Rights**

28.1 The rights, powers, privileges and remedies provided in this Agreement are cumulative and are not exclusive of any rights, powers, privileges or remedies provided by law or otherwise.

28.2 No failure to exercise nor any delay in exercising by either party to this Agreement of any right, power, privilege or remedy under this Agreement shall impair or operate as a waiver thereof in whole or in part.

28.3 No single or partial exercise of any right, power, privilege or remedy under this Agreement shall prevent any further or other exercise thereof or the exercise of any other right, power, privilege or remedy.

29. **Whole Agreement**

29.1 This Agreement together with the Schedules and any document annexed hereto or referred to herein constitutes the entire agreement between the parties in relation to the subject matter hereof and supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature, whether in writing or oral, relating to such subject matter.

30. **Severability**

30.1 If any provision of this Agreement shall be held to be illegal, void, invalid or unenforceable under the laws of any jurisdiction, such provision shall be deemed to be deleted from this Agreement as if it had not originally been contained in this Agreement and the legality, validity and enforceability of the remainder of this Agreement in that jurisdiction shall not be affected and the legality, validity and enforceability of the whole of this Agreement in any other jurisdiction shall not be affected. Notwithstanding the foregoing in the event of such deletion the parties shall negotiate in good faith in order to agree the terms of a mutually acceptable and satisfactory alternative provision in place of the provision so deleted.

31. **Counterparts**

31.1 This Agreement may be executed in any number of counterparts, which shall together constitute one Agreement. Either party may enter into this Agreement by signing any such counterpart.

32. **No Partnership**

32.1 Nothing in this Agreement shall constitute or be deemed to constitute a partnership, joint venture or similar relationship between the parties and/or any other person nor, except as expressly provided, shall it constitute, or be deemed to constitute, either party the agent of the other party for any purpose.

33. **Contracts (Rights of Third Parties) Act 1999**

33.1 Except as provided in Clause 12.1 in respect of the right of the Directors and the Fund to give instructions and otherwise as expressly set out in this Agreement, no person who is not a party to this Agreement shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

34. **Governing Law**

34.1 This Agreement and any non-contractual obligations arising from or connected with it ~~shall~~ be governed by English law and this Agreement shall be construed in accordance with English law.

35. **Jurisdiction**

35.1 In relation to any legal action or proceedings arising out of or in connection with this Agreement (whether arising out of or in connection with contractual or non-contractual obligations) ("Proceedings"), each of the parties irrevocably submits to the non-exclusive jurisdiction of the English courts and waives any objection to Proceedings in such courts on the grounds of venue or on the grounds that Proceedings have been brought in an inappropriate forum.

IN WITNESS whereof the parties hereto have caused this Agreement to be signed as of the day and year first above written.

SIGNED by)
for and on behalf of)
BAKER STEEL CAPITAL MANAGERS)
(CAYMAN) LIMITED)

SIGNED by)
for and on behalf of)
BAKER STEEL CAPITAL MANAGERS LLP)

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(CAYMAN) LIMITED)

SIGNED by)
for and on behalf of)
BAKER STEEL CAPITAL MANAGERS LLP)

31. Mar. 2010 7:52 THE PIER (FIRST CLASS LOUNGE) No. 3279 P. 3

SCHEDULE 1: OPERATIONAL PROCEDURES

1. The Investment Manager will not hold client money. Money within the Portfolio shall be held in accordance with the custody arrangements agreed with the Custodian or with banks, or other brokers and dealers, approved and appointed by the Fund and on terms agreed by the Fund.

2. The Investment Manager shall not have authority to hold or have possession of any Investments or other assets of the Fund and, unless otherwise directed by the Fund generally or in any particular respect, custody of all Investments and other assets of the Portfolio shall be entrusted to the Custodian. In the exercise of its discretionary investment management of the Portfolio the Investment Manager shall itself be responsible for reviewing, and taking such action as it may consider appropriate, in respect of rights, other than income, conferred in respect of any Investments or other assets within the Portfolio.

3. On each day that the Investment Manager effects a purchase or sale of Investments or concludes any transaction which in any way affects the assets or liabilities of the Portfolio, either directly or indirectly, the Investment Manager shall:

   (A) advise the Administrator by facsimile or computer transmission no later than close of business on the following day, giving details as follows:

   (1) the name and address of the broker, dealer or agent through whom each transaction is carried out;

   (2) the date of each transaction;

   (3) the name of the security, asset or liability;

   (4) the price or rate at which each transaction is effected;

   (5) the number of securities or other assets traded; and

   (6) any other details necessary in order to facilitate the proper recording and valuation of each transaction;

   (B) in respect of each transaction organise settlement and immediately advise the Custodian or other person responsible for settlement (the "Settlement Agent") by facsimile or computer transmission of all details of the transaction, or confirm the accuracy of such details if such details are provided to the Investment Manager by the Settlement Agent, specifically:

   (1) the settlement date;

   (2) price or rate at which the deal is effected;

   (3) commission and stamp duty or other charges incurred;

   (4) the total cost of or net receipt from the transaction; and

   (5) the number of securities or other assets traded;

   (C) if appropriate, instruct the broker, dealer or other agent to send copies of the relevant confirmation, contract note or other formal documentation to the Settlement Agent, together with any instructions or information necessary to facilitate the settlement of the transaction;

(D) instruct the Settlement Agent to make payment against delivery of the securities or other assets and to send copies of the relevant confirmation, contract note or other formal documentation to the Administrator;

(E) instruct the broker, dealer or agent effecting such transaction immediately to advise the Administrator by telex or facsimile or computer transmission of all details of each transaction, specifically:

(1) the settlement date;

(2) the price or rate at which the deal is effected;

(3) commission and stamp duty or other charges incurred; and

(4) the total cost of or net receipt from the transaction.

4. Investments comprised in the Portfolio will be valued by the Administrator in accordance with the Prospectus and the Articles.

5. The Investment Manager shall provide to the Manager and the Fund such periodic reports on the Portfolio as the Manager and/or the Fund may reasonably require. In addition, in accordance with the FSA Rules the Investment Manager shall provide the Manager and the Fund with a periodic statement (or shall procure that such a statement is provided to the Manager and the Fund by another person) at least once in every calendar year. The contents of any such periodic statement shall be at the discretion of the Investment Manager. Without prejudice to the generality of the foregoing, upon reasonable request at any time, the Investment Manager shall promptly provide performance information relating to the Portfolio during the term of this Agreement in accordance with such measures of performance as may be reasonably requested by the Manager and/or the Fund.

SCHEDULE 2: SUMMARY OF INVESTMENT MANAGER'S ORDER EXECUTION POLICY

1. Introduction

The FSA Rules require investment firms when executing orders on behalf of clients to take reasonable steps to obtain the best possible result. The Investment Manager has established and implemented an order execution policy setting out the most important and/or relevant aspects of the arrangements that the Investment Manager has put in place to comply with this obligation. The purpose of this summary is to provide clients with information on the Investment Manager's order execution policy (the "**Policy**").

2. Order Execution and Order Passing

As a portfolio manager, the Investment Manager makes, and then gives effect to, decisions to deal in financial instruments on behalf of the Fund. There are two methods of giving effect to those decisions that are distinguished for the purposes of the FSA rules. First the Investment Manager can place an order with a third party (e.g. a stockbroker or investment bank) for that third party to execute on behalf of the Fund. Such third parties are referred to in this summary as "**Brokers**". Secondly, the Investment Manager can execute the relevant transaction on behalf of the Fund directly with a counterparty or on an exchange or other trading system (for example by dealing directly with a market maker on a "request for quote" basis). The counterparty, exchange or trading system with whom the Investment Manager chooses to execute such a transaction is referred to in this summary as an "**Execution Venue**".

As a portfolio manager, the Investment Manager is required:

- to act in accordance with the best interests of the Fund when placing orders with Brokers for execution that result from decisions by the Investment Manager to deal in financial instruments on behalf of the Fund; and

- to take all reasonable steps to obtain the best possible result for the Fund, when directly executing orders with or on an Execution Venue on behalf of the Fund.

Both of these requirements result in an obligation for the Investment Manager to take all reasonable steps to obtain the best possible result for the Fund by reference to the "Execution Factors" (see below).

If the Manager or the Fund gives the Investment Manager a specific instruction (for example, to execute an order on or with a particular Execution Venue), the Investment Manager will follow that instruction and any Best Execution Obligation will be treated as satisfied in respect of that part or aspect of the order to which the specific instruction relates.

3. Instrument Classes

In the Policy, the Investment Manager differentiates between four different types of instrument (each an "**Instrument Class**"). The four Instrument Classes are: cash equities, bonds, OTC derivatives and exchange-traded derivatives.

For each type of Instrument Class, the Policy sets out, the process for deciding which Execution Factors the Investment Manager should take into account when effecting transactions in the relevant instruments (see below) and also lists the Brokers and Execution Venues that the Investment Manager uses to effect those transactions.

4. Execution Factors

The factors (the "**Execution Factors**") that the Investment Manager will take into account when executing orders on behalf of the Fund will include price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of the order in question (including market impact). The best possible result for a particular transaction will be determined by the relative importance given by the Investment Manager to the Execution Factors, which will in turn determine the choice of Broker or Execution Venue. In determining the relative importance of the Execution Factors, the Investment Manager will take into account the following criteria:

- the client's own characteristics, including its categorisation as a professional client;
- the characteristics of the relevant order;
- the characteristics of the instruments or products that are the subject of the relevant order; and
- the characteristics of the Broker through which and the Execution Venues on or with which the order can be executed.

Because of the nature of the Investment Manager's business, the Policy, while giving guidance as to which Execution Factors are likely to be important for the relevant Instrument Class, affords the relevant portfolio manager or trader a degree of flexibility in deciding precisely which execution factors are to be taken into account.

5. Brokers and Execution Venues

The Investment Manager includes in the Policy the Brokers and Execution venues that it believes will enable it to obtain on a consistent basis the best possible result when it executes orders on behalf of its clients. One issue relevant to this selection is that, as a portfolio manager, the Investment Manager is not, itself, a member of any regulated markets or any trading platforms having multilateral trading facility ("MTF") status under the Markets in Financial Instruments Directive.

6. Choosing the Broker or Execution Venue

The Investment Manager will seek to use the experience of Brokers where the use of such Brokers may improve the terms on which the Investment Manager is able to trade on behalf of the Fund. The choice as to whether the Investment Manager, when implementing a decision to trade on behalf of the Fund, passes orders to a Broker for execution or executes the order directly with an Execution Venue will be made having regard to the relative importance of the Execution Factors for the Instrument Class in question. For some Instrument Classes, there will be no choice (for example, where the financial instrument falls within the OTC Derivatives Instrument Class, the transaction will always be effected by way of direct execution).

The Investment Manager chooses the particular Broker or Execution Venue for the transaction from the list of Brokers and Execution Venues in the Policy

For specific products the Investment Manager may have access to only one type of Execution Venue or only a single Execution Venue or Broker.

7. Review and Monitoring

The Investment Manager has established a Broker Review Committee and adopted guidelines for

the evaluation of Execution Venues. The Investment Manager monitors the effectiveness of its order execution arrangements (including the Policy) to identify and, where appropriate, correct any deficiencies. The Investment Manager reviews on a regular basis whether the Execution Venues included in the Policy provide the best possible result and whether it needs to make any changes. The Investment Manager undertakes a review of its order execution arrangements and the Policy on an annual basis and also whenever a material change occurs that affects its ability to continue to obtain the best possible result for its clients. The Investment Manager will notify the Manager of any material changes to its execution arrangements or the Policy.

SCHEDULE 3: USE OF DEALING COMMISSIONS POLICY STATEMENT

1. The Investment Manager may execute transactions on behalf of the Fund with a number of selected brokers and dealers.

2. In the normal course of business, the Investment Manager has entered or may enter into arrangements ("Commission Arrangements") whereby the broker or dealer agrees to set aside a proportion of the commission earned on transactions and to use this to discharge the cost of certain permitted services related to the execution of transactions on behalf of customers of the Investment Manager and the provision of investment research received by the Investment Manager. The services received under such arrangements are directly relevant to and assist in the cost-effective provision of management services generally by the Investment Manager to its customers and are consistent with practices in the markets in which the Investment Manager does business.

   The Investment Manager may agree that a broker or dealer shall be paid a commission in excess of the amount another broker or dealer would have charged for effecting the transaction so long as, in the good faith judgement of the Investment Manager, the amount of the commission is reasonable in relation to the value of the brokerage and other services provided or paid for by such broker or dealer under the Commission Arrangements. The services paid for under Commission Arrangements may be used by the Investment Manager in connection with transactions in which the Fund will not participate.

2.1 In accordance with the Rules, the Investment Manager will not enter into such Commission Arrangements on behalf of the Fund unless the types of goods and services provided to the Investment Manager

   (A) are:

   (1) related to the execution of trades on behalf of the Fund; or

   (2) comprise the provision of research;

   (B) do not constitute goods or services which the FSA has specified do not satisfy the requirements of the Rules in respect of such arrangements (which are listed in paragraph (4) below); and

   (C) will reasonably assist the Investment Manager in the provision of its services to the client on whose behalf orders are being executed and do not, and are not likely to, compromise the ability of the Investment Manager to comply with its duty to act in the best interests of the Fund or its best execution obligations; and

   (D) the receipt of which, and the payment for which using Commission Arrangements, would not result in the Investment Manager being in breach of the Rules relating to the receipt of inducements

2.2 Where the goods and/or services relate to the execution of trades on behalf of the Fund, the Investment Manager shall ensure that the relevant goods and/or services are:

   (A) linked to the arranging and conclusion of a specific investment transaction (or series of related transactions); and

   (B) provided between the point at which the Investment Manager makes an investment or trading decision and the point at which the investment transaction (or series of related transactions) is concluded.

2.3 Where such goods and/or services relate to the provision of research, the Investment Manager shall ensure that the relevant research:

(A) is capable of adding value to the investment or trading decisions by providing new insights that inform the Investment Manager when making such decisions about the Fund's portfolio;

(B) whatever form its output takes, represents original thought, in the critical and careful consideration and assessment of new and existing facts and does not merely repeat or repackage what has been presented before;

(C) has intellectual rigour and does not merely state what is commonplace or self-evident; and

(D) involves analysis or manipulation of data to reach meaningful conclusions.

3. A list of the Commission Arrangements into which the Investment Manager has entered from time to time is available from the Investment Manager.

4. The Investment Manager shall not enter into Commission Arrangements for the provision of the following goods and/or services to it:

(A) services relating to the valuation or performance measurement of portfolios;

(B) computer hardware;

(C) connectivity services such s electronic networks and dedicated telephone lines;

(D) seminar fees;

(E) subscriptions for publications;

(F) travel, accommodation or entertainment costs;

(G) order and execution management systems;

(H) office administrative computer software, such as word processing or accounting programmes;

(I) membership fees to professional associations;

(J) purchase or rental of standard office equipment or ancillary facilities;

(K) employees' salaries;

(L) direct money payments;

(M) publicly available information; and

(N) custody services relating to designated investments belonging to, or managed for, customers other than those services that are incidental to the execution of trades.

5. The Investment Manager shall provide the Fund with an annual statement setting out the details of the goods and services that it has received during the preceding year under Commission Arrangements.

6. This schedule 3 constitutes prior disclosure by the Investment Manager to the Fund as required under rule 11.6.12R of the FSA's Conduct of Business Sourcebook.

SCHEDULE 4: INVESTMENT MANAGER'S DUTIES AS DISTRIBUTOR

This Schedule sets out the terms and conditions under which the Investment Manager has agreed to act as a distributor in respect of the Shares.

1. **Appointment of the Investment Manager**

1.1 It is expressly agreed that the services of the Investment Manager provided pursuant to this Schedule are not exclusive to the Manager or the Fund and the Investment Manager shall be permitted to act in any capacity whatsoever, for or on behalf of, and to be involved, as distributor or otherwise, in the incorporation of, or promotion and sale of shares or securities or other interests in, any company, partnership, mutual fund or other investment body, corporate or unincorporated, in addition to the Fund (provided that the provision of its services hereunder are not impaired thereby) and the Investment Manager shall not be liable to account for any profit earned from any such activity.

1.2 All activities engaged in under the provisions of this Schedule by the Investment Manager shall be subject to the overall policies, directions and control of the Directors as notified by the Manager to the Investment Manager from time to time, and the Investment Manager shall at all times in the performance of its duties hereunder observe and comply with the provisions of the Articles and the Prospectus.

2. **Appointment of Sales Agents by the Investment Manager**

2.1 The Investment Manager shall be entitled to appoint and delegate all or part of its duties and functions as distributor of the Shares hereunder to one or more sales agents upon such terms as to remuneration and otherwise as it shall determine. The Investment Manager shall not be liable for the acts and omissions of such sales agents provided such appointment shall have been made in good faith.

2.2 The Manager shall procure that the Fund shall, on the reasonable request of the Investment Manager, join in any sales agent agreement to be entered into between the Investment Manager and any sales agent and, for the avoidance of doubt, shall, if requested by the Investment Manager, make to such sales agent any of the representations and warranties made by the Manager in this Schedule.

3. **Duties as Distributor**

3.1 The Investment Manager shall (subject to Paragraph 3.2) promote the sale of the Shares and in particular (without limiting the generality of the foregoing) the Investment Manager shall use all reasonable endeavours to:-

(A) promote the sale of and to procure subscribers for the Shares;

(B) promote investment interest in the Fund;

(C) provide and maintain any necessary and relevant investor services;

(D) advise the Manager or the Fund concerning all actions which it appears to the Investment Manager that the Fund should consider taking to achieve effective promotion of investment interest in the Fund; and

(E) attend, if so requested by the Manager or the Directors, meetings held by the Fund for the discussion of marketing strategy and progress in respect of the sale of the Shares.

3.2 Without limiting the generality of Paragraph 3.1, the Investment Manager:-

(A) shall not in connection with its duties and functions as distributor incur any liability on behalf of the Manager or the Fund or in any way pledge or purport to pledge the credit of the Fund or accept or make any contract binding upon the Fund;

(B) shall not make or purport to make any representation or give or make or purport to give or make any warranty on behalf of the Manager or the Fund other than with the consent of the Directors or as contained in the Prospectus or otherwise as envisaged by this Schedule;

(C) shall observe the terms and conditions relating to the promotion of the Fund and to the issue and sale of the Shares whether attached by sales documentation issued by the Fund (including, without limitation, the Prospectus) or by any directions of the Fund notified to the Investment Manager by the Manager or the Directors, or imposed by law or regulations having the force of law in the relevant jurisdiction and in particular, but without limitation, the Investment Manager shall not promote the Fund or procure or seek to procure subscriptions for the Shares from any person (whether an individual, firm or corporation) which is ineligible by reason of nationality or otherwise, to invest in the Fund; and

(D) shall comply with and assist in any investigation or other acts as shall be required under any law or regulation relating to the prevention of money laundering affecting the Fund.

4. **Duties of the Manager**

4.1 The Manager shall procure that the Fund shall provide the Investment Manager with (or otherwise procure the provision to the Investment Manager of) such information or advice relating to or in connection with the Fund which it is reasonably necessary for the Investment Manager to receive with a view to the proper discharge of its duties and functions hereunder or which the Investment Manager shall reasonably request for such purpose.

4.2 The Manager shall procure that the Fund shall use reasonable endeavours to effect such registrations and undertake such other acts as may be reasonably practicable to increase the marketability of Shares in such jurisdictions as the Manager and the Investment Manager shall from time to time agree and shall otherwise use reasonable endeavours to co-operate with the Investment Manager in expanding the marketing opportunities for the Fund. The Manager shall bear the costs and expenses of all such registrations and other acts referred to above.

4.3 The Manager shall provide the Investment Manager (at the cost of the Manager) with such copies of the Prospectus, half-yearly and annual reports and such other documents issued by or relating to the Fund from time to time as the Investment Manager shall reasonably request.

4.4 The Manager shall procure that the Fund will notify the Investment Manager immediately if any of the information or advice provided by or on behalf of the Fund under this Clause 4 (including any document provided under Paragraph 4.3) shall cease to be true and accurate in any material respect or shall have become misleading in any material respect.

4.5 The Manager shall procure that the Fund will require the Administrator:

(A) to send to the Investment Manager (or any sales agent notified by the Investment Manager), if requested, by facsimile transmission a copy of every application for Shares (or notice of proposed transfer of Shares) received by the Administrator immediately upon receipt of the same;

(B) to liaise and co-operate generally with the Investment Manager (or any sales agent) to enable it to fulfil the obligations set out in Paragraph 3; and

(C) not to accept any application for Shares or proposed transfer of Shares until the Administrator is satisfied as to the identity of any applicant and such applicant has made the certification, warranties and declaration required of all investors on the relevant Application Form.

5. **Announcements**

5.1 As far as reasonably practicable the Manager shall procure that the Fund will procure that no public announcement or communication to any person concerning the Fund will be made or despatched by the Fund without prior consultation with the Investment Manager as to the content, the timing and the manner of making or despatch thereof and as to the person or persons to whom the same may be made or despatched and the Manager will procure that the Fund will take into account all reasonable requirements on the Investment Manager's part in relation thereto.

6. **Representation, Liability and Indemnities**

6.1 In addition to the warranties provided by the Manager in Clause 4, the Manager hereby represents and warrants to the Investment Manager that:-

(A) the Fund is not engaged in and does not have pending or threatened against it any legal or arbitration proceedings and, to the best of the knowledge, information and belief of the Fund and its directors, there are no circumstances that are likely to give rise to any such legal or arbitration proceedings;

(B) all consents, approvals, authorisations or other orders of any regulatory authorities required by the Fund for or in connection with the issue or marketing of the Shares or execution of, or compliance with the terms of, this Agreement or the carrying on by the Fund of its current business have been obtained and are in full force and effect;

(C) no circumstance has arisen or, to the best of the knowledge, information and belief of the Fund, is likely to arise such that it would constitute or result in a default or the acceleration or breach of any obligation under any agreement, instrument or arrangement to which the Fund is a party or by which it or its property, revenues or assets are bound and which would in any such case have a material adverse effect on the business or prospects of the Fund;

(D) the Fund has power under its Articles to issue the Shares and to enter into and perform its obligations under this Agreement and to carry on its current business without any further sanction or consent by members of the Fund or any class of them;

(E) there are in force no options or other agreements which call for the issue of or accord to any person the right to call for the issue of any shares in the capital of the Fund or any securities convertible into (or carrying rights to subscribe for) such shares;

(F) neither the issue of the Shares nor the entering into and performance of this Agreement by the Fund will infringe, or exceed any limitations on, any powers of or restrictions on the Fund or its directors imposed or granted by its Articles or otherwise howsoever, or conflict with or constitute a breach of the terms of any contract, security, obligation, or arrangement (whether or not relating to indebtedness) binding upon the Fund, its directors, its properties or assets; and

(G) the Fund has not taken any action nor, to the best of the knowledge, information and belief of the Fund and the Directors, have any other steps been taken or legal proceedings commenced or threatened against the Fund for its winding up or dissolution or for it to enter into any arrangement or composition with its creditors, or for the appointment of an administrative receiver, administrator, trustee or similar officer of it or any of its properties, revenues or assets.

6.2 The Manager undertakes to procure that the Fund notifies the Investment Manager immediately of any and all information of which it is or becomes aware at any time which would, or might, indicate that any of the warranties set out in Clause 4 and this Schedule are not, or have ceased to be, or would not be if then repeated with reference to the facts and circumstances then prevailing, true and accurate in all material respects or are or have become misleading in any material respects (or any information which would have affected any of the same if this Agreement had been entered into immediately thereafter) and to take such steps as may be reasonably requested by the Investment Manager to remedy and/or publicise the same.

6.3 The Manager undertakes to indemnify and hold the Investment Manager harmless from and against all or any claims, actions, liabilities, demands, proceedings or judgments ("Proceedings") brought or established against the Investment Manager in its capacity as distributor by any subscriber or purchaser of any of the Shares or any subsequent purchaser or transferee of any of the same, or by any other person, governmental agency or regulatory body whatsoever (including without limitation any person to whom the Investment Manager delegates its functions, powers and duties hereunder) and against all losses and all reasonable costs, charges and expenses (including legal fees) which the Investment Manager may suffer or incur (including, but not limited to, all such losses, costs, charges or expenses reasonably suffered or incurred in disputing or defending any Proceedings and/or in establishing its right to be indemnified pursuant to this Paragraph 6 and/or in seeking advice in relation to any Proceedings) and which in any such case arise directly or indirectly in connection with or out of any breach or alleged breach by the Manager of any of its obligations and undertakings under this Schedule or as a result of any of the information or advice provided by or on behalf of the Manager pursuant to Paragraph 4 being untrue, inaccurate or misleading in any material respect and which does not arise from the wilful default, bad faith or negligence of the Investment Manager.

7. Selling Restrictions

7.1 The Investment Manager agrees with and undertakes to the Manager that it has not offered, sold or effected a placement of, and agrees not to offer, sell or effect a placement of, the Shares save upon the terms of this Schedule and in compliance with applicable laws and regulations in the relevant jurisdiction and (without prejudice to the generality of the foregoing) acknowledges and agrees that:-

(A) The Investment Manager will comply, and will use all reasonable endeavours to procure that any sales agents which it may appoint pursuant to this Agreement will comply, with all applicable laws and regulations in the relevant jurisdiction. Furthermore, it has not, directly or indirectly, offered, sold or delivered and will not, directly or indirectly, offer, sell or deliver any Shares or distribute or publish any prospectus, application form, offering circular, advertisement or other offering material in the relevant jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations, and all offers, sales and deliveries of Shares by it have been and will be made on the same terms.

(B) The Investment Manager is not authorised to give and will procure that any sales agent it may appoint will not give any information or make any representation in

connection with the offering, issue, subscription and sale of the Shares other than information contained in the Prospectus and any other document approved by the Fund from time to time or required solely to comply with applicable law. The Investment Manager undertakes with the Manager to indemnify, defend and hold harmless the Manager and the Fund against any losses, liabilities, claims, charges, expenses, actions and demands which the Manager and the Fund may incur or which may be made against the Manager or the Fund arising out of, or in connection with, (a) the making by it of any unauthorised representation or the giving by it of any information of a type not described above or (b) any failure by it to observe any of the restrictions or agreements contained in this Clause 7.

7.2 References in this Clause 7 to Shares include any interest in the Shares.