

d e m i n o r
active governance fund

TERMS AND CONDITIONS

(voorwaarden van beheer en bewaring)

DEMINOR ACTIVE GOVERNANCE FUND

a mutual fund (*fonds voor gemene rekening*)
under the laws of The Netherlands

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1. DEFINITIONS

Capitalised terms used in these Terms and Conditions shall have the following meanings with plural forms including singular forms and vice versa:

Accountant	an accountant within the meaning of section 2: 393, paragraph 1 Dutch Civil Code, duly appointed from time to time as accountant of the Fund in accordance with the Placing Documents
Administrator	Fastnet Netherlands N.V. a limited liability company (<i>naamloze vennootschap</i>) under the laws of the Netherlands, or its successor duly appointed from time to time as administrator of the Fund in accordance with the Placing Documents
Framework Agreement	the agreement between the Administrator and the Manager in its capacity as Manager of the Fund
Administration Charge	the charge as referred to in chapter 7.2 of the Offering Memorandum due by the Fund to the Administrator pursuant to the Framework Agreement
Annual Accounts	the balance sheet, the profit and loss account and the notes thereto
Business Day	any day Euronext Amsterdam N.V.'s eurolist by Euronext is open for business
Custodian Bank	Kas Bank N.V., a limited liability company (<i>naamloze vennootschap</i>) under the laws of the Netherlands, with its corporate seat (<i>statutaire zetel</i>) in Amsterdam, and business address at: Spuistraat 172, 1012 VT Amsterdam, the Netherlands, or its successor duly appointed from time to time as Custodian Bank of the Fund in accordance with the Placing Documents
Custody Agreement	the custody agreement between the Custodian Bank and the Manager in its capacity as manager of the Fund and/or the Depositary in its capacity as Depositary of the Fund
Custody Charge	the charge as referred to in chapter 7.2 of the Offering Memorandum due by the Fund to the Custodian Bank pursuant to the Custody Agreement
Depositary	Stichting Bewaarder Deminor Active Governance Fund, a foundation (<i>stichting</i>) under the laws of the Netherlands, registered in the Trade Register at the Chamber of Commerce of Amsterdam under number 34288190, or their respective successor duly appointed from time to time as Depositary of the Fund in accordance with the Placing Documents
Feeder	DAGF N.V., a limited liability company (<i>naamloze vennootschap</i>) with variable capital (<i>beleggingsmaatschappij met veranderlijk kapitaal</i>) under the laws of The Netherlands
Feeder Unitholder(s)	the record owner(s) of one or more Feeder Units that have been purchased, or subscribed for, in accordance with the laws of The Netherlands and the Placing Documents

Fund	Deminor Active Governance Fund, a mutual fund (<i>fonds voor gemene rekening</i>) under the laws of the Netherlands
Fund Assets	the assets (<i>vermogensbestanddelen</i>) from time to time held by the Depositary in its capacity of Depositary (<i>bewaarder</i>) of the Fund
Manager	Deminor Investment Management B.V., a closed company with limited liability (<i>besloten vennootschap met beperkte aansprakelijkheid</i>) under the laws of the Netherlands
Management Fee	the management fee due to the Manager as set out in chapter 7.1. of the Offering Memorandum
Monthly Investor Report	the report made available to the Unitholders by the Manager on a monthly basis and containing the information and data as set out in chapter 11 of the Offering Memorandum
Net Asset Value or NAV	the intrinsic value (<i>intrinsieke waarde</i>) of the Fund Assets from time to time calculated by, or on behalf of, the Manager in accordance with the Valuation Methods
Offering Memorandum	the prospectus in relation to the Fund, including its annexes that form an integral part thereof, as amended or supplemented from time to time
Performance Fee	the performance fee due to the Manager as set out in chapter 7.2. of the Offering Memorandum
Placing Documents	the Offering Memorandum, the Terms and Conditions, the Articles of Association (as defined in the Offering Memorandum), any duly accepted Subscription Form and Redemption Form, the Custody Agreement, and any and all ancillary agreement, in relation to the Fund
Quarterly Investor Report	the report made available to the Unitholders by the Manager on a quarterly basis and containing the information and data as set out in chapter 11 of the Offering Memorandum
Redemption	a redemption (<i>inkoop</i>) of Units by the Fund
Redemption Amount	the amount due by the Fund to a Unitholder in respect of a Redemption in accordance with the Placing Documents
Redemption Charge	the charge as referred to in chapter 7.2 of the Offering Memorandum that may according to the Placing Documents be due by a Unitholder to the Fund in respect of a Redemption
Redemption Form	the instrument in such form as determined by the Manager, to be used by a Unitholder in order to apply for a Redemption
Subscription	any issue (<i>emissie</i>) of Units by the Fund
Subscription Amount	the amount due by a Unitholder to the Fund in respect of a Subscription in accordance with the Placing Documents
Suspension Event	in relation to a Subscription, Redemption or Valuation, any event according to the Placing Documents that causes a

	suspension of such Subscription, Redemption or Valuation, respectively
Subscription Form	the instrument in the form as determined by the Manager, to be used by a Unitholder in order to apply for a Subscription
Register	the register of Unitholders as maintained by the Manager, or on its behalf, by the Administrator
Terms and Conditions	these terms and conditions of management and custody (<i>voorwaarden van beheer en bewaring</i>) of the Fund, as amended from time to time in accordance with the Placing Documents
Unit(s)	the participation interest(s) in the Fund reflecting the beneficial interest of a Unitholder in the Fund Assets
Unitholder(s)	the record owner(s) of one or more Units that have been subscribed for directly or indirectly via the Feeder in accordance with the Placement Documents
Valuation	the valuation by the Manager, or to the order of the Manager by the Administrator, of the Fund Assets in accordance with the Valuation Methods
Valuation Methods	the methods of valuation of the Fund Assets as set out in chapter 8 of the Offering Memorandum, or any other method of valuation the Manager deems appropriate, adequate and in accordance with good accounting practice
Website	www.dagfund.com or any other site as notified by the Manager to the Unitholders

2. NAME AND TERM

- 2.1 The name of the Fund is: Deminor Active Governance Fund.
- 2.2 The Fund shall continue to exist for an indefinite period of time.

3. NATURE AND OBJECTS

- 3.1 The Fund is a mutual fund (*fonds voor gemene rekening*) under the laws of the Netherlands. The Fund is a contractual arrangement *sui generis* between the Manager, the Depositary and a Unitholder. The Placing Documents do not establish a partnership (*maatschap* or *vennootschap onder firma*) or limited partnership (*commanditaire vennootschap*) between the Manager, the Depositary and the Unitholders, or between any of them.
- 3.2 The Fund is established, operated and maintained exclusively for the purpose of collective investment and reinvestment of moneys in accordance with the Placing Documents.

4. MANAGEMENT

- 4.1 The Manager will act as the manager (*beheerder*) of the Fund. The Manager shall have full discretionary power and authority to manage the Fund and to cause the Fund Assets to be acquired, held or disposed of, in accordance with the Placing Document and to perform any and all (legal) acts in its own name for the account of the Unitholders that are necessary for or conducive to the attainment of the Fund's investment objective.

- 4.2 In the performance of its obligations and in the exercise of its rights, powers and authorities hereunder, the Manager shall exercise the standard of care, skill, prudence and diligence under the circumstances then prevailing that a prudent (*zorgvuldig*) person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character, risk profile and investment objectives as the Fund, having regard to the provisions hereof.
- 4.3 The Manager shall act:
(i) with due observance of the Placing Documents; and
(ii) in the interest of the Unitholders.
- The Manager shall not be permitted to represent a Unitholder and bind a Unitholder vis-à-vis third parties.
- 4.4 The Manager may delegate all or part of its duties and tasks hereunder to third parties, among others to one or more administrators, custodian banks and brokers. To the extent the Manager has so delegated such tasks and duties, it shall remain responsible for the performance or non performance of these tasks and duties.
- 4.5 The management of the Fund Assets shall be performed for the account of the Unitholders. The proceeds received and costs made in connection therewith as well as benefits and/or losses resulting therefrom shall consequently be for the benefit of, or be borne by, the Unitholders.
- 4.6 The Manager may exercise the voting rights pertaining to any of the securities comprised in the Fund assets. It shall exercise such voting rights in the interests of the Unitholders.
- 4.7 The Manager shall not resign or withdraw from the Fund.
- 4.8 The Manager shall be liable for damages to the extent such damages are the direct result of the gross negligence (*groeve schuld of toerekenbare nalatigheid*), fraud or wilful misconduct (*opzet*) of the Manager in the performance or non-performance by it under the Placing Documents. The same applies if the Manager has delegated or entrusted a third party with any of its tasks or duties. The Manager will be indemnified out of the Fund Assets for damages incurred by the Manager for which it is not liable.

5. AUTHORITY TO INVEST

- 5.1 Subject to the Placing Documents, the Manager shall have full discretionary power and authority to select investment opportunities and make investments.
- 5.2 Investments may be discharged against the aggregate Subscription Amounts received by (the Depository for the account of) the Fund, or against the proceeds of any debt financing or borrowings in accordance with the Placing Documents.
- 5.3 The Manager has the broadest power and authority to:
- (i) assume debts for the account of the Fund, including but not limited to borrowings and assuming obligations under transactions in securities. The Fund's obligations may be secured against the Fund Assets;
 - (ii) manage, acquire, hold, and dispose of, the Fund Assets;
 - (iii) enter into and perform agreements of any nature necessary or incidental to its management duties, powers and authorities pursuant to these Terms and Conditions;
 - (iv) bring, sue, prosecute, defend, settle or compromise actions at law related to the purpose of the Fund;
 - (v) employ, retain or otherwise secure or enter into agreements or other undertakings with persons or firms in connection with the management and operation of the Fund's business, including, without limitation, custodian banks, brokers, investment banks, fund administrators, auditors, attorneys, consultants, or any other agents, all on such terms and for such consideration as the Manager deems advisable;
 - (vi) exercise the statutory and contractual voting rights attached to or concerning the Fund Assets; and
 - (vii) engage in any lawful activity, and perform agreements of any nature, necessary or advisable in connection with the accomplishment of the Fund's investment objective.

6. DEPOSITARY

- 6.1 The Depositary shall act as the depositary (*bewaarder*) of the Fund. It shall be responsible for the safekeeping of the Fund Assets. It shall ascertain that the Subscription and Redemption of Units, and payment of the relevant Subscription Amount and Redemption Amount in respect thereof, are established with due observance of the terms of the Placing Documents and that the distributions to Unitholders are made in accordance with the Placing Documents.
- 6.2 The Depositary shall acquire, hold and dispose of, the Fund Assets. Legal title to the Fund Assets will be held in the name of the Depositary for the account (*rekening en risico*) of the Unitholders, subject to the terms of the Placing Documents.
- 6.3 The Depositary shall not acquire any assets or assume any obligations for its own account or for the account of third parties that are not Unitholders.
- 6.4 The Manager and the Depositary shall ascertain that the Fund Assets are managed by the Manager in accordance with the Placing Documents. The Depositary shall act:
- (i) with due observance of the Placing Documents;
 - (ii) in the interest of the Unitholders; and
 - (iii) solely upon the instructions of the Manager, unless these instructions are contrary to applicable law or the Placing Documents.

The Depositary shall not be permitted to represent a Unitholder and bind a Unitholder vis-à-vis third parties.

- 6.5 The Depositary shall be liable for damages to the extent such damages are the direct result of the gross negligence (*grove schuld of toerekenbare nalatigheid*), fraud or wilful misconduct (*opzet*) of the Depositary in the performance or non-performance by it under the Placing Documents. The Depositary will be indemnified out of the Fund Assets for damages incurred by the Depositary for which it is not liable.
- 6.6 A Unitholder's recourse for any losses, liabilities or claims incurred or allegedly incurred by it, is limited to the Fund Assets. Unitholders waive their right to take recourse on any assets, other than the Fund Assets, held in the name of the Depositary in its capacity of depositary of funds other than the Fund.
- 6.7 In the event the Depositary resigns as Depositary of the Fund and ceases to perform its duties under the placing Documents, the Manager shall appoint a successor Depositary as soon as practicably possible. The Depositary's resignation shall not become effective until a successor Depositary shall have been appointed by the Manager.
- 6.8 The Depositary hereby grants full power of attorney to the Manager to cause the Fund Assets to be acquired, held or disposed of, in the name of the Depositary (for the account of the Unitholders) and to perform any and other (legal) acts that are necessary for or conducive to the attainment of the Fund's investment objective.

7. FUND ASSETS

- 7.1 Legal title to the Fund Assets will be held in the name of the Depositary for the account (*rekening en risico*) of the Unitholders, subject to the terms of the Placing Documents. Unitholders shall have no proprietary interest in respect of the Fund Assets; Unitholders are beneficially entitled to the Fund Assets pro rata the number of their respective Units.
- 7.2 The aggregate Subscription Amounts may be held by the Depositary at the discretion of the Manager pending the selection and purchase of suitable investments and reinvestments, and to maintain liquidity to meet payment obligations which arise or may arise. Subscription Amounts held by the Depositary may be used to pay for all of the Fund's obligations and other fees and costs and expenses incurred by or charged to the Manager or Depositary in connection with the Fund Assets.
- 7.3 A Unitholder can not be held liable (i) by third parties for any of the Fund's obligations, and (ii) by the Manager and the Depositary for any of the Fund's obligations for any amount in excess to the amount of its Subscription Amount.

8. UNITS

- 8.1 The Units shall each be in registered form. No Unit certificates will be issued. Each Unit shall represent an equal interest to the Fund Assets without priority or preference of one Unit over any other.
- 8.2 A register of Unitholders that will record the names and addresses of all Unitholders and the particulars of their Units and their date of Subscription, will be maintained by the Manager, or, on its behalf, by its Administrator.
- 8.3 The Manager, or its Administrator, shall at all times be entitled to rely on the accuracy of the information provided by each Unitholder for inclusion in the Register and to treat such information as conclusive with respect to such Unitholder, and its entitlement to the Units stated therein to be held by such Unitholder. The Manager shall:
- (i) not be bound by any change in such information which has not been notified to the Manager in accordance with the terms hereof; or
 - (ii) not be required to recognise an interest or claim of any person, other than the Unitholder, whose details have been duly entered in the Register in respect thereof.
- 8.4 Each Unitholder shall notify the Manager promptly of any change in the information in respect of such Unitholder referred to in this article. The Manager shall upon receipt cause the Register to be amended accordingly within five (5) Business Days.
- 8.5 Within ten (10) Business Days upon entry (or any change in the entry relating to it) the Manager, or its Administrator, shall send to each Unitholder an extract from the Register in so far as it concerns its Unit(s). Such extract shall only serve as evidence of the entry and is non-negotiable.

9. NO TRANSFER OR ENCUMBRANCE OF UNITS

- 9.1 Units can only be purchased by, or sold and transferred to the Fund through the redemption procedure set out in these Terms and Conditions.
- 9.1 Units may not be made subject to any pledge, mortgage, usufruct, charge, lien, retention or other encumbrance (whether or not a *beperkt recht*) of any nature whatsoever.

10. ISSUE OF UNITS

- 10.1 Units may be issued at the request of a Unitholder at their respective Net Asset Value. Subject to the terms of the Placing Documents, Units are issuable on the first Business Day of each calendar month, provided no Suspension Event shall have occurred or is continuing. The Manager is authorised to fix additional dates for Subscription of Units.
- 10.2 Units will be issued against payment of the Subscription Amount. The number of Units to be issued will be calculated by dividing the Subscription Amount by the Net Asset Value per Unit as per the Business Day immediately prior to the relevant date fixed for subscription. Fractions of Units may be issued up to four decimal positions.

The minimum Subscription Amount payable by prospective investors wishing to invest in the Fund amounts to EUR 125,000. The Manager may accept investments in the Fund for any lesser amount, provided no investor be permitted to invest in the Fund for an amount that falls below EUR 25,000. Unitholders can make further applications for Units in one or more multiples of EUR 25,000. Persons subscribing for Units on behalf of others (conferring an indirect legal or economic interest in the Units on such others), such as nominees, securities giro's and special purpose custody vehicles, may only subscribe for Units if the beneficiaries of their participation will individually each (indirectly) participate in the Fund for an amount of Euro 25,000 or more and collectively for an amount of Euro 125,000 or more.

- 10.3 The Manager and the Depository, acting jointly, may determine that each of the following events qualifies as a Suspension Event:
- (i) if one or more stock markets or exchanges, on which the securities that form part of the Fund Assets are listed, is closed other than for ordinary holidays, or dealings thereon are restricted or suspended;
 - (ii) if the means of communication or calculation models that are usually available for the purpose of calculating the Net Asset Value are out of order or deficient due to any cause other than the performance or non-performance by the Manager, or if for any other reason the Net Asset Value can not be timely or prudently calculated;
 - (iii) if a political, economical, military or monetary situation outside the control of the Manager or the Administrator prevents the Manager or the Administrator from being able to calculate the Net Asset Value.

In case a Suspension Event shall have occurred or is continuing, the application to subscribe for Units shall be considered as having no (further) force and effect and the relevant Subscription Amount paid in respect thereof shall be returned without interest as soon as practically possible.

- 10.4 Applications to subscribe for Units must be received in the form of the Subscription Form by the Manager - with a copy to the Administrator - at least ten Business Days prior to the first Business Day of each calendar month, or a shorter period as determined by the Manager. Payment of the Subscription Amount must be made such that it is received in Euro in the account with the Custodian Bank (as identified in the Subscription Form) at least two Business Days prior to the first Business Day of each calendar month and otherwise made in accordance with the instructions identified in the Subscription Form, or a shorter period as determined by the Manager.

- 10.5 Subscription Forms that are duly completed and signed are irrevocable once received by the Manager. Subscription Forms are accepted by the Manager once a subscription confirmation in respect thereof has been duly signed by an authorised signatory on behalf of the Manager. The Manager reserves the right to reject any application for any or no reason. The application will be rejected if:
- (i) the Subscription Form, or the payment of the Subscription Amount in respect thereof, is not timely received; or
 - (ii) the application is made in violation of the client identification and anti-money laundering requirements pursuant to the Dutch Act on prevention of money laundering and financing of terrorism (*Wet ter voorkoming van witwassen en financiering van terrorisme*).

When an application is rejected, it shall be considered as having no (further) force and effect and the Subscription Amount paid in respect thereof will be returned without interest as soon as practicably possible.

- 10.6 If the Feeder fails to pay the Subscription Amount due in consideration of the Units or fails to fulfill any of its obligations under the Placing Documents, by reason of the failure of any of its Feeder Unitholders to make a payment to that Feeder in accordance with the Placing Documents, the applicable sanctions and penalties shall apply only to the relevant proportion of the Units held by the Feeder equal in the relevant proportion of Feeder Units in respect of which the relevant Feeder Unitholder(s) have failed to make payment to the Feeder as aforesaid. The Manager may, in its absolute discretion, give the Feeder time so as to enable the Feeder to remedy the default.

- 10.7 Upon issuance of the Units in accordance with a relevant Subscription Form, the Administrator will confirm the number and Net Asset Value per Unit of the Units so issued.

- 10.8 Units are issued in accordance with and subject to the terms of the Placing Documents by the Manager by means of registration thereof in the Register.

11. REDEMPTION OF UNITS

- 11.1 Units may be redeemed at the request of a Unitholder at their respective Net Asset Value (decreased with a Redemption Charge (if any)). Subject to the terms of the Placing Documents, Units are redeemable on the first Business Day of each calendar month, provided no Suspension Event shall have occurred or is continuing. The Manager is authorised to fix additional dates for Redemption of Units.

11.2 Unitholders wishing to redeem one or more Units shall not be required to pay a Redemption Charge, save in the event that the Units proposed to be redeemed were acquired within a period of one year prior the date of redemption. The Redemption Charge shall accrue to the Fund (and shall be set off against the amount payable by the Fund upon Redemption).

11.3 Units will be redeemed against payment of the Redemption Amount. The Redemption Amount payable by the Fund in respect of a Redemption shall be calculated by multiplying the number of Units to be redeemed with the Net Asset Value per Unit, after deduction of the Redemption Charge (if any).

The minimum Redemption Amount is EUR 25,000, save in the event the application for Redemption relates to all (but not less than all) Units of a Unitholder.

11.4 The Manager and the Depositary, acting jointly, may determine that each of the following events qualifies as a Suspension Event:

- (i) if one or more stock markets or exchanges, on which the securities that form part of the Fund Assets are listed, is closed other than for ordinary holidays, or dealings thereon are restricted or suspended;
- (ii) if the means of communication or calculation models that are usually available for the purpose of calculating the Net Asset Value are out of order or deficient due to any cause other than through the performance or non-performance by the Manager or if for any other reason the Net Asset Value of the Fund Assets can not be timely or prudently calculated;
- (iv) if a political, economical, military or monetary situation outside the control of the Manager or the Administrator prevents the Manager or the Administrator from being able to calculate the Net Asset Value;
- (v) if a proposed Redemption of Units would be prejudicial to the interests of the Unitholders as a whole or individually.

In case a Suspension Event shall have occurred or is continuing, the Redemption Form shall be considered as having no (further) force and effect.

11.5 Applications to redeem Units must be received in the form of the Redemption Form by the Manager -with a copy to the Administrator - at least one month (30 days) prior to the first Business Day of each calendar month. The Redemption Form must express the number of Units to be redeemed. Payment of the Redemption Amount must be made in Euro to the account of the Unitholder (as identified in the application form) within 10 Business Days following the relevant date of Redemption.

11.6 Redemption Forms that are duly completed and signed are irrevocable once received by the Manager. Redemption Forms are accepted by the Manager once a redemption confirmation in respect thereof has been duly signed by an authorised signatory on behalf of the Manager. The application will be rejected, or where appropriate partially rejected, if:

- (i) the Redemption Form is not timely received;
- (ii) the application would affect the fiscal status of the Fund or the Feeder;
- (iii) in the opinion of the Manager, the application would interfere or prevent the orderly liquidation of the Fund Assets proposed by the Manager upon dissolution of the Fund;
- (iv) and to the extent, the aggregate redemptions at any given date of redemption would cause the aggregate Redemption Amounts payable by the Fund to exceed 20% of the Fund's Net Asset Value. In such case the aggregate Redemption Amounts shall be reduced such that the aggregate Redemption Amounts payable by the Fund equals or falls below 20% of the Fund's Net Asset Value pro rata the number of Units held by the Unitholders that made the application;
- (v) and to the extent, the application would cause the aggregate Subscription Amounts paid by a Unitholder to fall below the minimum Subscription Amount of EUR 25,000, save in the event the application for Redemption relates to all (but not less than all) Units of a Unitholder;
- (vi) the application is made in violation of the client identification and anti-money laundering requirements pursuant to the Dutch Act for the prevention of money laundering and financing of terrorism (*Wet ter voorkoming van witwassen en financiering van terrorisme*);
- (vii) the application is otherwise made in violation of the Placing Documents.

When an application is rejected, the Redemption Form shall be considered as having no (further) force and effect.

- 11.7 The Manager and the Depositary will use their best efforts to satisfy an application for Redemption, but an application for Redemption cannot at all times be satisfied given the nature of the Fund's investments.
- 11.8 Upon a Redemption of Units in accordance with a relevant Redemption Form, the Administrator will confirm the Redemption Amount, the Redemption Charge (if any) and the Net Asset Value per Unit of the Units so redeemed.
- 11.9 The Manager and the Depositary, acting jointly, shall be entitled to redeem all, but not less than all, Units of any Unitholder, if :
- (i) said Unitholder is dissolved, becomes insolvent, is unable to pay its debts, institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy, any other relief under any bankruptcy, insolvency or similar law;
 - (ii) in the opinion of the Manager, the tax position of the Depositary, the Fund, the Feeder or any of the other Unitholders is or will become negatively affected due to the tax status or position or any change therein of the relevant Unitholder or any other circumstance concerning such Unitholder;
 - (iii) in the opinion of the Manager, the performance or non-performance of said Unitholder violates the Placing Documents;
 - (iv) in the opinion of the Manager, said Unitholder fails to comply with any requirement applicable to it by law, including the client identification and anti-money laundering requirements pursuant to the Dutch Act for the prevention of money laundering and financing of terrorism (*Wet ter voorkoming van witwassen en financiering van terrorisme*);
 - (v) in the opinion of the Manager, the participation of said Unitholder in the Fund is detrimental to the Fund's or the Manager's reputation or the general affairs of the Fund.
- 11.10 Units are redeemed in accordance with and subject to the terms of the Placing Documents by the Manager by means of registration thereof in the Register. Any and all (fractions of) Units which are redeemed shall not be held by the Depositary, but shall be automatically cancelled.

12. FEES AND EXPENSES

- 12.1 The Manager shall be entitled to receive the Management Fee.
- 12.2 Subject to the terms of the Placing Documents, the Manager shall be entitled to receive the Performance Fee.
- 12.3 The Manager will bear the fees, costs and expenses in relation to:
- (i) research, advice and execution of shareholder engagements;
 - (ii) costs for maintaining and hosting the Website;
 - (iii) litigation and indemnification expenses and extraordinary expenses incurred in connection with the execution of active engagement programs;
 - (iv) costs of service providers otherwise not explicitly mentioned herein, such as Bloomberg and other financial information service providers.
- 12.4 The Fund will bear all fees, costs and expenses set out in the Offering Memorandum that are not to be borne by the Manager.

13. NET ASSET VALUE AND VALUATION METHODS

- 13.1 The Net Asset Value (and the Net Asset Value per Unit) will be expressed in Euro and determined at the close of business on the last Business Day of each week by the Manager, or on its behalf, by the Administrator in accordance with the Valuation Methods, provided no Suspension Event shall have occurred or is continuing.
- 13.2 The Manager and the Depositary, acting jointly, may determine that each of the following events qualifies as a Suspension Event:

- (i) if one or more stock markets or exchanges, on which the securities that form part of the Fund Assets are listed, is closed other than for ordinary holidays, or dealings thereon are restricted or suspended;
 - (ii) if the means of communication or calculation models that are usually available for the purpose of calculating the Net Asset Value are out of order or deficient due to any cause other than through the performance or non-performance by the Manager or if for any other reason the Net Asset Value of the Fund Assets can not be timely or prudently calculated;
 - (iii) if a political, economical, military or monetary situation outside the control of the Manager or the Administrator is preventing the Manager or the Administrator from being able to calculate the Net Asset Value.
- 13.3 The Net Asset Value and the Net Asset Value per Unit will be notified to the Unitholders and will be published on the Website on a weekly basis, as soon as practicably possible after calculation of the Net Asset Value by the Administrator. The Net Asset Value and the Net Asset Value per Unit will also be included in the Monthly Investor Report that will be made available to the Unitholders.
- 13.4 In case of any errors in the calculation of the Net Asset Value, the Manager will within three Business Days prepare a report on the errors that were made and which correction will need to be made to the Net Asset Value. If a correction is required of more than 3% of the Net Asset Value, and the Unitholders incurred losses by a Subscription or Redemption against the erroneously calculated Net Asset Value the Manager will provide compensation (in cash or in Units) for the relevant Unitholder for the actual losses incurred, provided such damages are the direct result of the gross negligence (*grove schuld of toerekenbare nalatigheid*), fraud or wilful misconduct (*opzet*) of the Manager in the performance or non-performance by it under the Placing Documents.
- 13.5 Fund Assets will be valued in accordance with the Valuation Methods. The decision of the Manager regarding the Net Asset Value, including the determination whether a method of valuation fairly indicates fair market value, and the selection of experts for purposes of assessing the value of the Fund Assets, shall be conclusive and binding upon all Unitholders.

14. PROFITS

The proceeds on the Fund's investments and the fees and expenses allocated to a reporting period, will be debited or credited, respectively, on the Fund's profit and loss account in relation to that reporting period. The profits of the Fund comprise the (positive) balance between the Net Asset Value as per 31 December and the Net Assets Value as per 1 January in each fiscal year. Accordingly, the Valuation Methods to determine the Net Asset Value equally apply to determine the Fund's profits.

15. DIVIDEND POLICY

The Fund's profits will, to the fullest extent possible, be re-invested and not distributed. Where distributions must be made, they shall be made pro rata to the number of Units held by a Unitholder. Distributions (if any) are declared due and payable by notification to the Unitholder and publication thereof on the Website. Distributions (if any) will be made in cash.

16. REPORTING

- 16.1 In addition to the Annual Accounts, Unitholders will be informed on a monthly and quarterly basis on *inter alia* the Fund's performance, the composition of the Fund Assets, the Net Asset Value, by means of the Monthly Investor Report and the Quarterly Investor Report.
- 16.2 The fiscal year of the Fund will coincide with the calendar year. The Manager will draw up the Annual Accounts in accordance with generally accepted accounting principles in the Netherlands after the end of the fiscal year (accounting period from 1 January until 31 December). The Annual Accounts will be audited by the Auditor. The Annual Accounts will be published within four months after the end of the fiscal year.

The Manager will draw up the semi-Annual Accounts in accordance with generally accepted accounting principles in the Netherlands after the end of each half fiscal year (accounting period from 1 January until 30 June). The semi-Annual Accounts will not be audited by the Auditor. The semi-Annual Accounts will be available for inspection by the Unitholders within nine weeks after the end of each half fiscal year.

16.3 Unitholders will receive Monthly Investor Reports and Quarterly Investor Reports.

17. NOTICES AND OTHER INFORMATION

17.1 All notifications to the Unitholders will be made through e-mail, or at the request of a Unitholder by (ordinary) mail, at the address identified in the Register. Notifications in respect of a proposed dissolution or an amendment of the Placing Documents will also be made through registered mail at the address identified in the Register.

17.2 All notices to the Manager, Depositary or the Administrator shall be sent in writing and shall be addressed or directed as to the addresses set out below or such other address as may have been notified to the Unitholders in writing:

Manager:
Deminor Investment Management B.V.
Atrium Building
Strawinskylaan 3051
1077 ZX Amsterdam
The Netherlands
Tel +31-20-301.23.40
Fax +31-20-301.23.44
E-mail : dagf@deminor.com
Website : www.dagfund.com

Depositary:
Stichting Bewaarder Deminor Active Governance Fund
De Ruyterkade 6 - I
1013 AA Amsterdam
The Netherlands
Fax : + 31 20 5308 350

Administrator:
Fastnet Netherlands N.V.
De Ruyterkade 6 - I
1013 AA Amsterdam
The Netherlands
Fax : +31 20 5308 350
E-mail: nl-info@eu.fastnetgroup.com

17.3 On the Website the following information will be published:

- (i) any notification that must according to the Placing Document be made to the Unitholders and the Feeder Unitholders;
- (ii) the Net Asset Value of the Fund and the Feeder;
- (iii) any new information regarding the Units;
- (iv) this Offering Memorandum and any (proposed) amendments or supplements thereto, the Terms and Conditions and the Articles of Association of the Feeder;
- (v) the Annual Accounts of the Fund and the Feeder, the semi-Annual Accounts of the Fund and the Feeder, the Quarterly Investor Report and the Monthly Investor Report;
- (vi) the most recent Annual Accounts of the Manager and the Depositary;
- (vii) the most recent semi-annual accounts of the Manager;
- (viii) the information about the Manager, the Depositary, or the Feeder that must be published in the Trade Register;

- (ix) the permit granted by the AFM to the Manager;
- (x) the most recent registration document of the Manager.

The information published on the Website shall also be made available free of charge at the offices of the Manager.

18. MEETING OF UNITHOLDERS

- 18.1 Meetings of Unitholders may only be held when called by the Manager. The Manager will call meetings of Unitholders as follows:
- 18.2 Each year, the Manager must call a meeting of Unitholders after publication of the audited annual accounts.
- 18.3 The Manager must call a meeting of Unitholders when a request stating the issues to be discussed has been made to the Depositary by one or more Unitholders representing at least 75% of the total amount of Units issued.
- 18.4 The Manager must call a meeting of Unitholders whenever otherwise required pursuant to the Placing Documents.
- 18.5 The Manager may call a meeting of Unitholders as often as it in its sole discretion deems necessary in the interests of the Unitholders.
- 18.6 The meetings of Unitholders will be held in Amsterdam or such place as determined by the Manager. Notice for a meeting of Unitholders will be given in accordance with these Terms and Conditions at least fourteen (14) days prior to the meeting. The issues to be discussed at the meeting are mentioned in the notice, together with the date, time and place of the meeting.
- 18.7 A meeting of Unitholders will be chaired by a person appointed by the Manager.
- 18.8 Every Unitholder, as well as all other persons who have the right to do so pursuant to the law, have the right to attend the meeting, to speak at the meeting and to ask questions. A Unitholder may attend by proxy.
- 18.9 Meetings of Unitholders are informative. No initiative, veto or consensual rights are conferred upon the meeting of Unitholders.

19. AMENDMENT TO THE TERMS AND CONDITIONS

- 19.1 The Terms and Conditions may be amended by the Manager and the Depositary, acting jointly.
- 19.2 A proposed amendment of these Terms and Conditions will be notified to the Unitholders in accordance with these Terms and Conditions. The amendments and an explanation of the proposed amendments will be published on the website of the Manager.
- 19.3 An amendment of the Placement Documents causing a reduction of a Unitholder's rights or security, imposing costs on a Unitholders or causing a change to the investment policy of the Fund, only becomes effective vis-a-vis the Unitholders after the lapse of a period of three months following the date of the notification thereof. During said three months period, Unitholders have the right to redeem their Units at their respective Net Asset Value without a Redemption Charge being payable to the Fund. If the dates fixed for redemption in accordance with the Placing Documents are not sufficient to allow Unitholders to redeem their Units during such (full) three months period, the Manager will fix one or more additional dates for redemption.

20. DISSOLUTION AND LIQUIDATION OF THE FUND

- 20.1 The Manager and the Depositary, acting jointly, shall have the right to liquidate the Fund Assets, provided that it shall inform the meeting of Unitholders of the intention or proposal to dissolve and liquidate the Fund.

- 20.2 During the dissolution of the Fund the Terms and Conditions remain in force.
- 20.3 The Manager shall be the liquidator and shall prepare liquidation accounts, which shall be accompanied by a certificate of Accountant.
- 20.4 The liquidation proceeds shall be distributed among the Unitholders in proportion to the number of their Units, pursuant to which the Units shall be cancelled. The Manager will notify Unitholders:
- (i) of any liquidation proceeds that are made due and payable;
 - (ii) of the composition of the distributions, or collections, in accordance with these Terms and Conditions.
- 20.5 The Fund is considered to be dissolved if the requirements of this article have been met.

21. APPLICABLE LAW, COMPETENT COURT AND DURATION

- 21.1 The Placing Documents shall be governed by the laws of the Netherlands.
- 21.2 The competent courts of Amsterdam and its appellate courts shall have exclusive jurisdiction to decide on a dispute between the parties arising from the Placing Documents.
- 21.3 The Placing Documents shall remain in full force and effect until amended in accordance with Article 19 hereof.