

# ARTICLES OF ASSOCIATION OF OÜ REDGATE CAPITAL

## 1. TRADE NAME AND DOMICILE

### 1.1. Trade name

Trade name of this private limited company (hereinafter the “**Company**”) shall be OÜ Redgate Capital.

### 1.2. Domicile

Domicile of the Company shall be Tallinn, Estonia.

## 2. SHARE CAPITAL

### 2.1. Share Capital

The minimum share capital of the Company shall be EEK 40,000 (fourty thousand kroons) and the maximum share capital of the Company shall be EEK 160,000 (one hundred sixty thousand kroons). The amount of the share capital of the Company (hereinafter the “**Share Capital**”) may be increased and decreased within the limits of the minimum and maximum share capital without amending these articles of association (hereinafter the “**Articles of Association**”).

### 2.2. Shareholder’s Preferential Right

**2.2.1.** Upon the increase of the Share Capital, the shareholders shall have the preferential right of acquisition of the issued shares pro rata to their shares unless otherwise envisaged by the resolution on the increase of the Share Capital.

**2.2.2.** Should the shareholder not wish to exercise the preferential right, the other Shareholders shall have the right to acquire such new shares pro rata to their shares. Should the other shareholders not wish to use their preferential right to such shares, those new shares may be acquired by third persons, unless otherwise envisaged by the resolution on the increase of the Share Capital.

### 2.3. Issue of Shares with Premium.

Shares of the Company may be issued with a share premium.

### **3. SHARE**

#### **3.1. The Share**

The Share Capital shall be divided into shares (hereinafter the "**Share(s)**"). A Share shall entitle the shareholder (hereinafter the "**Shareholder**") to participate in the management of the Company and in distribution of profits and of remaining assets upon liquidation of the Company, as well as other rights provided by the law and these Articles of Association. Each Shareholder shall have one Share. No securities shall be issued for the Share.

#### **3.2. Par Value of the Share**

Minimum par value of the Share is one hundred (100) kroons, whereby each one hundred (100) kroons of the Share shall grant the owner of the Share one (1) vote at the Shareholders' Meeting of the Company. Upon the acquisition of an additional Share by the Shareholder the par value of the initial Share shall be increased accordingly.

#### **3.3. Payment for the Share**

**3.3.1.** The Shares shall be paid for in cash and/or by in-kind contribution. The terms of payment for the Share shall be established by the resolution of the Shareholders.

**3.3.2.** The value of the in-kind contribution shall be appraised by the Management Board of the Company. In case the in-kind contribution is of the type for the evaluation of which there are generally recognised experts, the object of the in-kind contribution shall be appraised by the expert. If so required by law, the appraisal of the value of the in-kind contribution shall be verified by an auditor, who shall present an opinion on whether the value of the contribution meets the requirements of the law.

**3.3.3.** The Shareholder who does not make the payment for its Share in due time shall pay to the Company late payment penalty in the annual rate of 18% from the outstanding amount. Payment of late payment penalty does not exclude or limit the claim of compensation of damages.

#### **3.4. Transfer of the Share**

**3.4.1.** Upon transfer of a Share or a part of a Share to a third party purchaser the other Shareholders shall have the pre-emptive right (hereinafter the "**Pre-emptive Right**") to purchase such Share or relevant part thereof within 1 month as of the moment of the submission to them of the relevant share transfer agreement (hereinafter the "**Transfer Agreement**") on the terms and conditions of the Transfer Agreement. The Pre-emptive Right can be exercised in accordance with the following principles:

**3.4.1.1.** If more than one Shareholder wishes to exercise its Pre-emptive Right, each such Shareholder may exercise its Pre-emptive Right with regard to such part of the Share transferred *pro rata* with the ratio of the nominal value of the Share owned by such Shareholder to the nominal value of the Shares of all Shareholders who wish to exercise their Pre-emptive Right.

**3.4.1.2.** The transferring Shareholder shall immediately notify the Management Board of the conclusion of the Transfer Agreement and the

Management Board shall immediately notify the other Shareholders thereof.

## **4. MANAGEMENT**

### **4.1. Management Bodies**

The Company shall have the following management bodies:

- (i) Shareholders' meeting of the Company (hereinafter the "**Shareholders' Meeting**");
- (ii) supervisory board of the Company (hereinafter the "**Supervisory Board**");
- (iii) management board of the Company (hereinafter the "**Management Board**").

### **4.2. Shareholders' Meeting**

**4.2.1.** Shareholders' Meeting is the superior governing body of the Company. Resolutions of the Shareholders shall be passed at the Shareholders' Meeting or without summoning a meeting in accordance with the procedure envisaged in subsection 4.2.7.

**4.2.2.** Shareholders' Meeting shall be convened by the Management Board in accordance with the provisions of law and the Articles of Association taking into account the following principles:

**4.2.2.1.** The Shareholders' Meeting where the annual report of the Company is approved shall be convened once a year in accordance with the requirements of law and of these Articles of Association. Notice of such annual Shareholders' Meeting shall be given at least 30 days in advance;

**4.2.2.2.** Any Shareholders' Meeting (other than the meeting referred to in subsection 4.2.2.1) shall be convened upon request of the Supervisory Board and in other cases set forth by these Articles of Association or law. Notice of such any other Shareholders' Meeting shall be given at least 15 days in advance;

**4.2.3.** Shareholders' Meeting shall take place at the time decided by the Management Board in Tallinn.

**4.2.4.** Shareholders' Meeting is authorized to pass resolutions if the following quorum requirements are met:

**4.2.4.1.** If the agenda of a Shareholders' Meeting includes a resolution of the Shareholders on the issues listed in Sections 4.2.5.1 - 4.2.5.9 the Shareholders' Meeting shall have the authority to pass resolutions if all the votes represented by the Shares are present at the Shareholders' Meeting. If the agenda of a Shareholders' Meeting includes a resolution of the Shareholders on the issues listed in Sections 4.2.5.10 - 4.2.5.15, the Shareholders' Meeting shall have the authority to pass resolutions if 85% of the votes represented by the Shares are present at the Shareholders' Meeting. In all other issues the Shareholders' Meeting

shall have the authority to pass resolutions if more than 50% of the votes represented by the Shares are present at the Shareholders' Meeting, unless set forth otherwise in the law or in these Articles of Association.

4.2.4.2. The Shareholders may participate in the Shareholders' Meeting through a representative, provided that such representative is granted a proxy in writing.

4.2.4.3. If the quorum requirement set out in Section 4.2.4.1 is not fulfilled at a particular Shareholders' Meeting, the Management Board shall convene a new Shareholders' Meeting with the same agenda. Such new Shareholders' Meeting shall have the authority to pass resolutions regardless of the number of votes represented at the meeting.

4.2.5. The Shareholders Meeting shall have the following competence:

4.2.5.1. amending the Articles of Association;

4.2.5.2. electing and removing members of the Supervisory Board;

4.2.5.3. increasing or decreasing the share capital of the Company;

4.2.5.4. issuing any options, depository receipts, subscriptions, pre-emptive rights, agreements or any other obligations by which the Company would be bound to issue any additional Shares;

4.2.5.5. merger, division or transformation of the Company;

4.2.5.6. dissolution of the Company;

4.2.5.7. any change in the business plan of the Company (hereinafter the "**Business Plan**") by which:

- investment products (including investment funds, investment trusts and investment pools) created, managed and/or serviced by the Company and its subsidiaries for making investments into shares, units, bonds, loans, derivatives or similar instruments or directly into underlying assets (hereinafter the "**Products**"), which the Shareholders are required to acquire, are changed; or
- conditions of such Products are changed; or
- such Products are terminated or merged; or
- such Products are repurchased or redeemed; or
- the dates on which the Shareholders are required to acquire such Products are changed.

4.2.5.8. payment of dividends by the Company;

4.2.5.9. election of the member of the Management Board managing one of the segments of fund management, private equity or property management (hereinafter the "**Business Segments**");

4.2.5.10. any application for the listing of any Shares or other securities of the Company on any stock exchange or for permission to commence

dealing in any Shares or other securities of the Company in any securities market;

- 4.2.5.11. entering by the Company into any transaction with the Shareholder or any other legal entity controlled by, controlling or under common control with the Shareholder (hereinafter the “**Affiliate**”) and appointing the representative of the Company for the purposes of dealings with such transactions;
- 4.2.5.12. raising or relinquishing claims against the Shareholder or any Affiliate of a Shareholder and appointing the representative of the Company for the purposes of dealings with such claims;
- 4.2.5.13. entering into by the Company of any transaction with the members of the Supervisory Board or the members of the managing bodies of the Shareholder or any Affiliate of the Shareholder. The provisions in this Section 4.2.5.13 do not apply in case of a transactions with the members of the Management Board in their capacity as the management board members;
- 4.2.5.14. appointing the representative of the Company for the purposes of dealings with the transactions described in Section 4.2.5.13;
- 4.2.5.15. resolving all issues referred to in Section 4.3.4 in the event such issues are submitted for decision to the Shareholders’ Meeting.

**4.2.6.** The resolutions of the Shareholders are adopted in the Shareholders’ Meeting in accordance with the following principles:

- 4.2.6.1. unless set forth otherwise in Sections 4.2.6.2 - 4.2.6.4 the resolutions of the Shareholders in the Shareholders’ Meeting are adopted by a majority of votes represented by the Shares present at the Shareholders’ Meeting;
- 4.2.6.2. resolutions of the Shareholders on the issues listed in Sections 4.2.5.1 - 4.2.5.9 are adopted by majority of 100% of the votes represented by the Shares of the Company, except in cases set out in Section 4.2.6.4;
- 4.2.6.3. resolutions of the Shareholders on the issues listed in Sections 4.2.5.10 - 4.2.5.15 are adopted by majority of 85% of the votes represented by the Shares of the Company, except in cases set out in Section 4.2.6.4;
- 4.2.6.4. in cases provided for in Section 4.2.4.3 the resolutions of the Shareholders on the issues listed in listed in Sections 4.2.5.1 - 4.2.5.9 can be adopted by majority of 100% of the votes represented in the new Shareholders’ Meeting, convened in accordance with Section 4.2.4.3, and the resolutions of the Shareholders on the issues listed in Sections 4.2.5.10 - 4.2.5.15 can be adopted by majority of 85% of the votes represented in the new Shareholders’ Meeting, convened in accordance with Section 4.2.4.3.

**4.2.7.** Shareholders shall be authorized to adopt resolutions without convening the Shareholders’ Meeting. The Management Board shall send a written resolution proposal to all Shareholders in writing, specifying the deadline, which may not be less than forty eight (48) hours from the dispatch of the notice, during which the

Shareholder has to express its position regarding the resolution proposal. Shareholder who has failed to respond within the said deadline shall be deemed to have voted against the resolution. The Management Board shall prepare the tabulation of the results of voting and shall immediately present this together with the passed decision, if any, to the Shareholders. Resolution shall be deemed passed in case all Shareholders agree unanimously to such resolutions.

### **4.3. The Supervisory Board**

- 4.3.1.** The main functions of the Supervisory Board are the strategic planning of the Company's business, the election and removal of the members of the Management Board and the supervision over the activities of the Management Board.
- 4.3.2.** The Supervisory Board of the Company comprises of three (3) to eight (8) members. The term of authorities of the Supervisory Board members is five (5) years.
- 4.3.3.** The activities of the Supervisory Board shall be organised by the chairman of the Supervisory Board (herein after "**the Chairman**"). The Chairman shall preside at any meeting of the Supervisory Board and Shareholders' Meeting at which he is present. In case the Chairman is for any reason not able to perform his duties, the activities of the Supervisory Board shall be organised and the rights of the Chairman are exercised and his obligations are performed by the deputy chairman of the Supervisory Board. The Chairman and the deputy chairman shall be elected by a resolution of the Supervisory Board adopted in accordance with Section 4.3.7.3.
- 4.3.4.** The Management Board shall take none of the actions listed below on behalf of the Company without prior consent of the Supervisory Board expressed in a resolution of the Supervisory Board, adopted in accordance with Section 4.3.7:
- 4.3.4.1.** the entering into transactions implying acquisition, transfer, transfer of possession or encumbrance (including encumbrance with rights, which are not registered in the land register like lease, commercial lease) of immovable property or registered movable property or any buildings, constructions;
  - 4.3.4.2.** the entering into of any transaction or series of transactions implying acquisition, transfer, disposal or encumbrance of other property the ordinary value of which exceeds EEK 5,000,000;
  - 4.3.4.3.** entering into transactions implying acquisition, termination, reduction or pledge of a participation (through shareholding or in any other way) in other companies and other legal entities, including waiver of the right to subscribe new shares of other company and waiver of pre-emptive right for the shares of other company, except in case of purchase of the shares of the subsidiary of the Company by the key employees of the Company or its subsidiary and except in case of any transaction related to the Products or activities related to the Products;
  - 4.3.4.4.** the entering into transactions implying acquisition or transfer of an enterprise or termination of the activities of an enterprise or merger, division or termination of the Products. The provisions of this

Section 4.3.4.4 do not apply in case of any other transaction related to the Products;

- 4.3.4.5. the raising of any indebtedness, including but not limited to the taking of or acquisition of loans, credits, bonds or other borrowings or the issuing of guarantees, which: (i) in the single case exceed an amount equal to EEK 3,000,000; or (ii) in the aggregate within a financial year exceed an amount equal to EEK 5,000,000; or (iii) causes the percentage of the Company's equity plus subordinated debt divided by total assets to fall below 40%; or the variation or termination of any agreement for the raising of any such indebtedness (including without limitation early repayment) or any guarantee;
- 4.3.4.6. entering into transactions implying acquisition, transfer or disposal of, or the creation or redemption of any mortgage, pledge or other encumbrance or security interest over any of the assets or property the ordinary value of which exceeds EEK 3,000,000;
- 4.3.4.7. adoption of the annual budget of the Company and the subsidiaries of the Company, consisting of the (i) investment budget, (ii) the cost budget, (iii) the income budget, (iv) the flow of funds, each for the forthcoming financial year, and (v) a medium-term planning for the following four financial years, including the adoption of or any amendment to the budget, or the approval or ratification of any departure from the budget and any change to any strategy set out in the budget;
- 4.3.4.8. the appointment and removal of the procurists of the Company;
- 4.3.4.9. the entering into or variation of any transaction by the Company with the member of the Management Board and handling of legal disputes with the members of the Management Board and appointment of the Company's representative for the conclusion of the aforementioned transactions and representation of the Company in the legal disputes;
- 4.3.4.10. the granting of credits, loans and other borrowings beyond regular course of business (not including the granting of customary payment terms) in the individual case, including loans to personnel;
- 4.3.4.11. the conclusion of derivative transactions, except transactions referred to in Section 4.3.4.15;
- 4.3.4.12. the amendments to the business plan of the Company, except when such amendment shall be decided by the Shareholders' Meeting in accordance with Section 4.2.5.7;
- 4.3.4.13. establishment and termination of branches;
- 4.3.4.14. any material change in the basis of accounting or accounting principles or policies employed by the Company other than as required by law;
- 4.3.4.15. establishment, merger, division, transformation or dissolution of a subsidiary of the Company, except initial establishment of the subsidiaries for each Business Segment;
- 4.3.4.16. approval of the prospectuses and price lists of the Products.

- 4.3.5.** In addition to the above, the Management Board shall notify the Supervisory Board of any material transactions entered into by the Company which do not require prior consent of the Supervisory Board in accordance with Section 4.3.4 but which create obligations to the Company with a total value of EEK 1,500,000 or more.
- 4.3.6.** Meetings of the Supervisory Board shall be held when necessary but not less frequently than once every 3 (three) months. Meetings of the Supervisory Board shall be held in Estonian unless otherwise decided by the Supervisory Board. The Chairman shall notify the members of the Supervisory Board about the convening and the agenda of the meeting at least ten (10) days prior to the relevant meeting. In circumstances reasonably deemed by the Chairman to be of an emergency this notification period can be shorter but in any case not shorter than 7 days unless all members of the Supervisory Board agree to such shorter period. The notice shall be accompanied by an agenda and a paper setting out in such reasonable detail as may be practicable in the circumstances and the subject matter of the meeting.
- 4.3.7.** The Supervisory Board adopts resolutions in its meetings, convened in accordance with Section 4.3.6. The following shall apply with respect to the resolutions of the Supervisory Board:
- 4.3.7.1.** The Supervisory Board shall have the authority to pass resolutions if there is a majority of the members of the Supervisory Board present at the meeting;
- 4.3.7.2.** In the case the quorum requirements set out in Section 4.3.7.1 are not fulfilled at the meeting of the Supervisory Board, the meeting shall be postponed and a new meeting with the same agenda shall be held not earlier than in ten (10) days, and the Chairman shall notify the members of the Supervisory Board about the convening of a new Supervisory Board meeting at least five (5) days prior to the holding of the relevant meeting.
- 4.3.7.3.** The resolution of the Supervisory Board shall be deemed adopted if the majority of Supervisory Board members present in the meeting votes in favour of that resolution. Each member of the Supervisory Board shall have one vote. The Chairman of the Supervisory Board shall not have a casting vote in case of a tied vote. A member of the Supervisory Board shall not have the right to refuse to vote or abstain from voting.
- 4.3.7.4.** The Supervisory Board shall also have the right to adopt resolutions without convening a Supervisory Board meeting with the consent of all the Supervisory Board members and according to the procedure set forth by law and the Articles of Association.
- 4.3.8.** The members of the Supervisory Board shall be entitled to invite advisors or consultants to Supervisory Board meetings for specific items where specific expertise is relevant provided that no more than two advisors or consultants invited by Supervisory Board members elected from the nominees of each Shareholder shall be entitled to attend.

#### **4.4. The Management Board**

- 4.4.1.** The Management Board shall be the executive body of the Company and, without limitation, shall:
- 4.4.1.1. be responsible for the day-to-day management and administration of the Company and its business;
  - 4.4.1.2. prepare for consideration and approval by the Supervisory Board the budget;
  - 4.4.1.3. procure that the Company does not take any of the actions set out in Section 4.2.5 without such action having received the requisite approval from the Shareholders' Meeting;
  - 4.4.1.4. procure that the Company does not take any of the actions set out in Section 4.3.4 without such action having received the requisite approval from the Supervisory Board.
- 4.4.2.** The Supervisory Board shall elect the Management Board comprising of two (2) to five (5) members for the term of three (3) years.
- 4.4.3.** The Management Board shall acquire the prior written consent of the Supervisory Board for performing acts provided in subsection 4.3.4. above.

## **5. REPRESENTATION**

The Management Board members shall be authorised to represent the Company separately in all legal acts. If the Supervisory Board decides so then certain Management Board members designated in the decision of the Supervisory Board are entitled to represent the Company only jointly with another Management Board member who is entitled to represent the Company separately in all legal acts alone.

## **6. ACCESS TO INFORMATION AND ACCOUTNS**

- 6.1.** The Company shall provide in accordance with the internal reporting regulations established in the Company (and each member of the Management Board shall procure that the Company shall provide) the Shareholder (at the cost of the Shareholder) with access to and copies of such information and records of the Company and its subsidiaries as that Shareholder may reasonably require from time to time, provided that no Shareholder shall be entitled to require the Company to restate financial or other information for the purpose of preparing that Shareholder's accounts.
- 6.2.** All records of the Company shall be retained for a period of at least 7 years from the end of the year to which such record relates, unless a longer period is stipulated by any applicable law.
- 6.3.** The Management Board will submit a monthly report concurrently to each Shareholder in writing (and within 10 days from the end of the month to which it relates) showing, *inter alia*, the revenues, operating results, overall results and relevant cash flow information regarding the Company and its subsidiaries on a monthly and year-to-date basis and performance compared to the budget.

- 6.4.** The Management Board shall provide to each Shareholder concurrently:
- 6.4.1.** audited annual accounts of the Company for each financial year (within 40 days of the end of the relevant financial year);
  - 6.4.2.** yearly forecast within 10 days from the end of the relevant quarter stating the monthly forecasts for consecutive 12 months.

## **7. BUSINESS YEAR**

The business year of the Company shall be the calendar year.

## **8. CAPITAL RESERVE**

The capital reserve shall be 1/10 of the Share Capital unless otherwise required by the law. The amount to be allocated to the capital reserve shall be decided by Shareholders for each business year

## **9. AUDITOR**

- 9.1.** The auditor of the Company will be elected by the Shareholders' Meeting upon proposal of the Supervisory Board. The Supervisory Board shall only consider internationally recognised first tier auditing companies when deciding on the proposal to the Shareholders' Meeting.
- 9.2.** The auditor can be recalled by the resolution of the Shareholders' Meeting.