

# AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

~~between~~

BETWEEN

~~FIM~~ GRESHAM HOUSE TIMBERLAND GENERAL PARTNER LIMITED  
~~and~~

AND

THE LIMITED PARTNERS  
~~and~~

AND

GRESHAM HOUSE ASSET MANAGEMENT LIMITED

~~in respect of~~ IN RESPECT OF

**FIM**GRESHAM HOUSE TIMBERLAND LP

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26561615v3

26561615v10

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## AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT AMONGST

- (1) ~~(1)~~ **FIM GRESHAM HOUSE TIMBERLAND GENERAL PARTNER LIMITED** a company incorporated under the Companies Act 2006 (registered number 09461251) whose registered office is at ~~Glebe Barn, Great Barrington, Burford, Oxon, OX18 4US~~ (the **"General Partner"**);
- ~~(2) FIM SERVICES LIMITED a company incorporated in England & Wales under number 01418579 whose registered office is at 5 New Street Square, London, England, England, EC4A 3TW ("FIM Services" the "General Partner");~~
- (3) ~~2~~ **GRESHAM HOUSE ASSET MANAGEMENT LIMITED** a company incorporated in England & Wales under number 09447087 whose registered office is at 5 New Street Square, London, EC4A 3TW (the **"Manager"**); and
- (4) ~~3~~ The other Limited Partners, as defined herein.

### BACKGROUND:

- (A) The Partnership was registered in Scotland as FIM Timberland LP, a limited partnership under the Limited Partnerships Act 1907 with number SL19763, and ~~h~~was ~~been~~initially governed by a limited partnership agreement dated 23 June 2015 (the **"2015 Agreement"**) which was amended and restated on 24 June 2019 (the "2019 Agreement").
- (B-) The Partnership changed its name from FIM Timberland LP to Gresham House Timberland LP on 7 September 2020.
- (C) The parties are entering into this Agreement to amend and restate the terms of the 2015~~9~~ Agreement in order to ~~document the amendments to the 2015 Agreement which came into effect on 2 May 2019, in accordance with resolutions duly passed by the Limited Partners~~(i) make certain administrative updates and (ii) include certain provisions necessary to enable the General Partner and the Manager to implement the Fund Merger (as defined below). This Agreement supersedes and replaces the 2015~~9~~ Agreement. ~~FIM Services is a party to this Agreement for the sole purpose of documenting its agreement to the amendment and restatement of the 2015 Agreement.~~
- ©(D) Pursuant to the novation effective from 1 January 2019 of the management agreement between FIM Services Limited, the Manager and others dated 23 June 2015, the Manager ~~has~~ agreed

to be appointed by the Partnership as its AIFM (as defined below) in accordance with the Management Agreement.

~~D — The Partnership is proposing raise capital through an offering of "D" Partnership Shares to certain investors for the purpose of carrying on the business as defined in the Investment Objectives.~~

(E) The General Partner and the Manager desire to enter into this Agreement and the Limited Partners desire to be bound by it, which shall constitute the terms of the Partnership.

## 1 ~~GENERAL PROVISIONS~~ GENERAL PROVISIONS

### 1.1 Definitions

As used herein the following terms have the meanings given below:

"2019 Agreement" shall have the meaning given in the recitals hereto;

**"2015 Agreement"** shall have the meaning given in the recitals hereto;

**"AC Covered Person"** shall mean each Person serving, or who has served, as a member of the Advisory Committee (and, with respect to Claims or Damages arising out of or relating to such service only, the Limited Partner that such Person represents and each of such Limited Partner's officers, directors, employees, partners, members, managers, agents and other representatives);

**"Accounting Period"** shall have the meaning given in clause ~~1.6~~ 1.6;

**"Acquisition Cost"** shall mean, with respect to any ~~Investment~~ Partnership Asset, the acquisition cost of such ~~Investment~~ Partnership Asset, together with any expenses related to the acquisition of such ~~Investment~~ Partnership Asset;

**"Act"** shall mean the Limited Partnerships Act 1907 of the United Kingdom, as amended, supplemented or replaced from time to time;

**"Additional Partnership Shares"** shall mean Partnership Shares which are created after the Commencement Date which are not Founder Partnership Shares;

**"Advisory Committee"** shall have the meaning given in clause ~~3.5~~ 3.5;

**"Affiliate"** shall mean with respect to any specified Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the Person specified, provided that the Manager shall be deemed to be an Affiliate of the General Partner and vice versa. For the purposes of this definition, the term ~~"control"~~ and its

corollaries shall mean (a) the direct or indirect ownership of in excess of 50% of the equity interests (or interests convertible into or otherwise exchangeable for equity interests) in a Person or (b) the possession of the direct or indirect right to vote in excess of 50% of the voting securities or elect in excess of 50% of the board of directors or other governing body of a Person (whether by securities ownership, contract or otherwise);

**"Affiliated Partner"** shall mean any Limited Partner that is an Affiliate of the Manager or the General Partner;

**"Agreement"** shall mean this amended and restated limited partnership agreement, as amended, supplemented or restated from time to time;

**"AIFM"** has the meaning given in the AIFMD;

**"AIFMD"** means Directive 2011/61/EU on Alternative Investment Fund Managers including where the context so requires any delegated acts and implementing legislation, rules, regulations, technical standards and guidance made thereunder or in relation thereto as from time to time applicable to the Manager, including any legislation that in respect of the United Kingdom modifies or replaces the AIFMD as a consequence of the United Kingdom leaving the European Union;

**"Alternative Investment Fund"** shall have the meaning given in Article 4(i) of AIFMD;

**"Annual Meeting"** shall have the meaning given in clause ~~9.3.19.3.1~~;

**"Application Form"** means the Application Form to be entered into by each new Limited Partner in relation to their admission to the Partnership in the form determined by the Manager from time to time;

**"Auditors"** shall mean the auditors of the Partnership from time to time;

**"Authorised Person"** shall mean a Person who holds the necessary authorisation (if any) required to carry on in the jurisdiction in which it carries on business the activities it is appointed to carry out on behalf of the Partnership, the General Partner or the Manager as the case may be, and who, in the case of the Manager and Depositary respectively, is a person authorised and permitted to act as the AIFM or Depositary (as the case may be) of the Partnership in accordance with the AIFMD;

**"B Partnership Share"** means a Partnership Share issued by the Partnership on a date after the Initial Closing Date and before the Second Closing Date;

**"Business Day"** shall mean any day (other than Saturday and Sunday) on which banks are open for normal commercial business in Edinburgh and London;

**"Capital Account"** shall have the meaning given in clause ~~6.4~~6.1;

**"Capital Contribution"** shall mean, with respect to any Partner, the amount of such Partner's capital contribution to the Partnership as provided for in this Agreement and evidenced by that Partner's execution of this Agreement or as in the case of any Limited Partner which adheres after the Commencement Date, such capital contribution as is stated in the Deed of Adherence of such Partner as accepted by the Manager and as given in the Register (or, in the case of the General Partner as stated in the Register only), as such amount may be increased by such Partner pursuant to clause ~~11.2~~11.2;

**"Capital Gain"** shall mean, with respect to any ~~Investment~~Partnership Asset, the amount (if any) by which the proceeds of disposal of such ~~Investment~~Partnership Asset (after deduction of the expenses of the Partnership associated with such disposal) exceed the Acquisition Cost of such ~~Investment~~Partnership Asset;

**"Capital Loss"** shall mean, with respect to any ~~Investment~~Partnership Asset, the amount (if any) by which the Acquisition Cost of such ~~Investment~~Partnership Asset exceeds the proceeds of disposal of such ~~Investment~~Partnership Asset after deduction of the expenses of the Partnership associated with such disposal;

**"Claims"** shall have the meaning given in clause ~~10.1.4~~10.1.1;

~~"C Partnership Share"~~ means a Partnership Share issued by the Partnership on a date after the Second Closing Date and before the Third Closing Date;

**"Closing Dates"** shall mean the Initial Closing Date, the Second Closing Date, the Third Closing Date, the Fourth Closing date and any other date at which Limited Partners are admitted to the Partnership in accordance with the terms of clause ~~11.2~~11.2 and ~~"Closing Date"~~ shall be construed accordingly;

**"COBS"** has the meaning given in clause ~~3.6.2~~3.6.2;

~~"the Code"~~ shall mean the United States Internal Revenue Code of 1986 as amended;

~~"Commencement Date"~~ shall mean 23 June 2015;

**"Consult"** and its corollaries shall mean, with respect to the Advisory Committee, provide details to the Advisory Committee of the matter in relation to which the Advisory Committee is being consulted, give full and due consideration of the resolutions of the Advisory Committee with respect to such matter and act reasonably in relation to such resolutions and in any action to be taken or not taken as a result;

**"Covered Person"** shall mean the General Partner, the Manager and each of their respective Affiliates; each of the current and former shareholders, officers, directors, employees, partners,



members, managers and agents of any of the General Partner, the Manager and each of their respective Affiliates and each AC Covered Person;

**"CPI"** shall mean the most recent Consumer Price Index figure published by the Office for National Statistics (or any successive producer of official statistics for the UK) that is available prior to the adjustment in question (or such other appropriate successive index selected by the General Partner in its discretion);

**"Current Account"** shall have the meaning given in clause ~~6.1~~6.1;

**"D Partnership Share"** means a Partnership Share issued by the Partnership on a date after the Third Closing Date and before the Fourth Closing Date;

**"Damages"** shall have the meaning given in clause ~~10.1.1~~10.1.1;

**"Deed of Adherence"** shall mean the Deed of Adherence (in the form contained in ~~Part 2~~Part 1 of the Schedule relative to the creation of new Partnership Shares and in the form contained in ~~Part 3~~Part 2 of the Schedule relative to the assignation of existing Partnership Shares) executed by a Limited Partner whether personally or by its attorney in connection with its admission to the Partnership to include a power of attorney in favour of the General Partner;

**"Depository"** shall mean ~~Argentius~~IQ EQ Depository Company (UK) Limited or such other depository appointed by the Manager, or by the Partnership or General Partner on the direction of the Manager, from time to time pursuant to clause ~~8~~8;

**"Disabling Conduct"** shall mean (a) with respect to any Person other than an AC Covered Person, fraud, wilful misconduct, bad faith or gross negligence by or of such Person; reckless disregard of the obligations and duties of such Person in relation to the Partnership; a material violation of this Agreement by such Person that, if curable, is not cured within 30 days after a written notice describing such violation has been given to such Person; or, in the case of the Manager, a material violation of FSMA binding upon it that causes material financial harm to the Partnership and/or any Limited Partner; and (b) with respect to any AC Covered Person, fraud, bad faith or wilful misconduct by or of such AC Covered Person;

**"Distributable Cash"** shall mean Profits of the Partnership represented by cash after payment of the General Partner's Share and available for Distribution as determined by the Manager in accordance with the ~~Investment~~Partnership Objectives;

**"Distribution"** shall mean any distribution to Partners made in accordance with this Agreement;

**"FFI"** shall mean [Gresham House Forest Fund I LP, a Scottish private fund limited partnership \(registered number SL006597\) whose principal place of business is at C/O Brodies LLP, Capital Square, 58 Morrison Street, Edinburgh EH3 8BP;](#)

**"Final Termination Date"** shall mean 31 July 2040;

**"First Termination Date"** shall mean 31 July 2032;

**"FCA"** shall mean the Financial Conduct Authority for the United Kingdom;

**"FCA Handbook"** shall mean the Handbook of rules and guidance of the FCA in force from time to time;

**"FOI Laws"** shall mean the Freedom of Information Act 2000 or any similar public disclosure laws, statutory instruments, regulations or policies applicable in any relevant jurisdiction from time to time;

**"Fourth Closing Date"** means 30 November 2019 or such alternative date as may be notified by the Manager in its sole discretion;

**"Founder Partnership Share"** means a Partnership Share issued by the Partnership on a date between the Commencement Date and the Initial Closing Date;

**"FSMA"** shall mean the Financial Services and Markets Act 2000 of the United Kingdom and any delegated legislation, rules and guidance promulgated thereunder, as amended or supplemented from time to time;

**"Fund Merger"** shall mean [the process by which certain Limited Partners, as Merging Limited Partners, elect to transfer all of their Interest in the Partnership to FFI, in exchange for the issue to such Merging Limited Partners of limited partnership interests in FFI, together with any related or ancillary steps, arrangements or agreements implemented in order to effect such process, as described in the Proposals for Fund Amalgamation Memorandum issued to Limited Partners on or around 30 June 2026;](#)

**"Gazette"** shall have the meaning given in section 10(2) of the Act;

**"General Partner"** shall mean ~~FIM~~[Gresham House](#) Timberland General Partner Limited, a limited liability company incorporated in England, in its capacity as the general partner of the Partnership, or any additional or successor general partner admitted to the Partnership as a general partner thereof in accordance with the terms hereof, in its capacity as a general partner of the Partnership, in each case as the context requires;

**"General Partner's Share"** shall have the meaning given in clause ~~6.36.3~~;

**"Indebtedness"** shall mean (a) all indebtedness of the Partnership for borrowed money and all other similar obligations contingent or otherwise, including surety bonds, letters of credit, bankers' acceptances, hedges and other similar financial contracts, (b) all obligations of the Partnership evidenced by notes, bonds, debentures or other similar financial instruments and (c) all guarantees by the Partnership of indebtedness described in (a) and (b) above;

**"Independent Valuation Date"** shall mean 31 July 2016 and two yearly thereafter for the duration of the Partnership and **"First Independent Valuation Date"** shall be construed accordingly;

**"Initial Closing Date"** shall mean 23 June 2015;

**"Interest"** shall mean, with respect to any Partner, the interest of such Partner in, or with respect to, the Partnership in accordance with the terms of this Agreement, including such Partner's share in the profits and the capital of the Partnership and all other rights that such Partner has in, or with respect to, the Partnership;

**"Internal Valuation Date"** shall mean 31 July 2017 and two yearly thereafter for the duration of the Partnership;

~~**"Investment"** means any investment or business asset acquired or proposed to be acquired by the Partnership, including (without limitation) any securities, Temporary Investments, contractual rights or benefits, choses in action or other assets;~~

~~**"Investment Objectives"** shall have the meaning given in clause 1.4;~~

**"Limited Partners"** shall mean the Persons admitted as limited partners of the Partnership, which limited partners shall be listed in the Register, and shall include their successors and permitted assigns to the extent admitted to the Partnership as limited partners in accordance with the terms hereof, in their capacities as limited partners of the Partnership, and shall exclude any Person that ceases to be a Partner in accordance with the terms hereof;

**"Majority in Interest"** shall mean Limited Partners, other than Affiliated Partners aggregating in excess of 50% (or such other specified percentage as set out in this Agreement) by Nominal Value of the Partnership Shares of those Limited Partners, other than Affiliated Partners, who have voted on the resolution in question at the meeting of the Limited Partners;

**"Management Agreement"** shall mean the agreement between the Partnership and the Manager providing for the Partnership's management by the Manager;

**"Manager"** shall mean Gresham House Asset Management Limited and any successor thereto;

**"Manager and General Partner Expenses"** shall mean the costs and expenses incurred by the Manager and the General Partner in providing for their respective normal operating overheads, including the profit shares of their respective members or partners (as the case may be) and the salaries of their respective employees, rent and other expenses incurred in maintaining their respective places of business, but not including Organisational Expenses or Partnership Expenses;

**"Merging Limited Partners"** shall mean those Limited Partners who, as part of the Fund Merger, elect to transfer the whole of their Interest in the Partnership to FFI in exchange for a limited partnership interest in FFI;

**"Net Asset Value"** of the Partnership means the value of the ~~Investments~~Partnership Assets as valued in accordance with clause ~~43~~13, subject always to the addition or subtraction (whichever is applicable) of the value of any additional assets and/or liabilities of the Partnership as quantified in the audited accounts of the Partnership as at the same date;

**"Net Income" or "Net Income Loss"** shall mean the amount of net income or net income loss, respectively, calculated by subtracting (a) the expenses and losses (other than Capital Losses, expenses included in the Acquisition Costs of ~~Investments~~Partnership Assets and expenses associated with the disposal of ~~Investments~~Partnership Assets) from (b) the gross income of the Partnership, being amounts other than Capital Gains which are determined by the General Partner to be in the nature of income;

**"Nominal Value"** shall mean the nominal value of £1,000 per Partnership Share, as referred to in the definition of that term in this clause ~~4.4~~1.1;

**"Organisational Expenses"** shall mean all costs and expenses incurred in connection with the establishment and organisation of the Partnership and the sale of Interests, as determined in good faith by the General Partner, including all out-of-pocket legal, travel and filing fees and expenses;

**"Partners"** shall mean the General Partner and the Limited Partners (and, not, for the avoidance of doubt, the Manager unless from time to time the General Partner and Manager are the same Person);

**"Partnership"** shall mean ~~FIM~~Gresham House Timberland LP, a limited partnership under the Limited Partnerships Act 1907 with number SL19763;

**"Partnership Asset"** means ~~any investment or business asset acquired or proposed to be acquired by the Partnership, including (without limitation) any securities, Temporary Investments~~Assets, contractual rights or benefits, choses in action or other assets;

**"Partnership Expenses"** shall mean the costs, expenses and liabilities that are determined by the General Partner in its ~~reasonable~~ discretion to be reasonably and properly incurred by or arise out of the operation and activities of the Partnership (where reasonably and properly incurred) including:

- (a) the fees and expenses relating to ~~consummated Investments~~the acquisition of Partnership Assets, proposed but unconsummated ~~Investments~~acquisition of Partnership Assets, indebtedness or guarantees (including interest) and Temporary ~~Investments~~Assets, including the evaluation, acquisition, holding and disposition thereof, to the extent that such fees and expenses are not reimbursed by any third Person;
- (b) premiums for insurance protecting the Partnership and any Covered Persons from liabilities to third Persons in connection with Partnership affairs, to the extent that the cost of such premiums is not reimbursed by any third Person;
- (c) the fees and expenses of the Manager, the Depositary, legal, custodial, administrative and accounting expenses (including, without limitation, expenses associated with the preparation of the Partnership's financial statements and tax returns and reports) including expenses paid or incurred in connection therewith;
- (d)- auditing, accounting, banking and consulting expenses;
- (e)- expenses of the Advisory Committee;
- (f)- costs and expenses that are classified as extraordinary expenses under generally accepted accounting principles;
- (g)- taxes and other governmental charges, fees and duties payable by the Partnership (including VAT);
- (h)- subject to clause ~~10.1~~10.1, Damages;
- (i)- costs of winding up and liquidating the Partnership; and
- (j)- interest on and fees and expenses related to or arising from any Indebtedness of the Partnership; but not including Organisational Expenses or Manager and General Partner Expenses;

**"Partnership Law"** shall mean the Act and the Partnership Act 1890 (insofar as it applies to limited partnerships established under the Act), in each case as amended, supplemented or replaced from time to time and, in particular, as supplemented by the Limited Partnerships Act 1907;

**"Partnership Objectives"** shall have the meaning given in clause 1.4;

**"Partnership Share"** shall mean Founder Partnership Shares and Additional Partnership Shares, each of which shall have a Nominal Value of £1,000 and shall comprise an Interest in the Partnership;

**"Person"** shall mean any individual or entity, including any body corporate, partnership, limited partnership, limited liability partnership, association, limited company, open-ended investment company, joint-stock company, trust, unit trust, unincorporated association, government or governmental agency or authority;

**"Pounds"** or **"£"** means the currency of the United Kingdom;

**"Proceeding"** shall have the meaning given in clause ~~10.1.1~~10.1.1;

**"Profits"** shall mean, in relation to an Accounting Period, the Net Income and Capital Gains for the Accounting Period;

**"Register"** shall have the meaning given in clause ~~4.44~~1.11;

**"Registrar"** shall mean the Registrar of Limited Partnerships in Scotland;

**"Regulated Activities Order"** shall mean the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, as amended, supplemented or replaced from time to time;

**"Removal Conduct"** shall mean, with respect to any Person, (a) conduct constituting fraud, wilful misconduct, bad faith, gross negligence, or reckless disregard of its obligations and duties, and any conduct amounting to a criminal offence in connection with the investment, management, operation or winding up of the Partnership or (b) a material violation of this Agreement that, if curable, is not cured within 30 days after written notice describing such violation has been given to such Person, or (c) the entry of a verdict, judgment, order or injunction that prohibits or materially impairs the management of the Partnership by the General Partner or the Manager;

**"Second Closing Date"** means 31 July 2016.

**"Second Termination Date"** shall mean 31 July 2036;

**"Schedule"** means the schedule of ~~3~~2 parts annexed and executed as relative hereto;

**"Substitute Limited Partners"** shall mean the Persons admitted as Limited Partners of the Partnership in accordance with the assignation provisions set out in clauses ~~11 and 12~~11 and 12;

**"Tax Information Provisions"** shall mean Sections 1471 through 1474 of the Code ("FATCA") or any successor provision that is substantively comparable thereto and any other current or future similar or related US or Non-US legislation (and in each case, any official interpretations thereof (including any published administrative guidance issued in connection therewith), along with, for the avoidance of doubt, any legislation, intergovernmental agreements or regulations arising as a result of any intergovernmental approach to any of the foregoing including any legislation pursuant to which the disclosure of information relating to investors or their tax position or status is necessary or desirable;

**"Temporary Investment Asset"** shall mean cash or cash equivalents;

**"Term"** shall mean the duration from the Commencement Date to the termination of the Partnership in accordance with clause 4.5.1.5;

**"Third Closing Date"** means 28 February 2017;

**"Transfer"** shall mean such permitted (in terms of this Agreement) sale, assignment, transfer, exchange, pledge, encumbrance or other disposition, whether legal or beneficial, of all or any part of any Interest whether voluntary or involuntary and whether for value or not;

**"Transferee"** shall mean the person to whom the Transferor proposes to Transfer any Interest to in accordance with this Agreement;

**"Transferor"** shall mean the Partner who proposes to Transfer any Interest in accordance with this Agreement;

**"United Kingdom" or "UK"** shall mean the United Kingdom of Great Britain and Northern Ireland;

**"VAT"** shall mean value added tax and any equivalent tax chargeable in the United Kingdom or elsewhere, including interest and penalties thereon;

## 1.2 Interpretation

In this Agreement (unless the context otherwise requires):

- 1.2.1 the words "including" and "include" and words of similar effect shall not be deemed to limit the general effect of the words which precede them;
- 1.2.2 reference to any agreement, contract, document or deed shall be construed as a reference to it as varied, supplemented or novated;
- 1.2.3 obligations undertaken by a party which comprises more than one person shall be deemed to be made by them jointly and severally;

- 1.2.4 words importing persons shall include firms, companies and bodies corporate and vice versa;
- 1.2.5 words importing the singular shall include the plural and vice versa;
- 1.2.6 words importing any one gender shall include either other gender;
- 1.2.7 construction of this Agreement shall ignore the headings, contents list and front-sheet (all of which are for reference only);
- 1.2.8 references to a numbered clause are references to the clause of or to this Agreement so numbered;
- 1.2.9 any reference to any legislative provision shall be deemed to include any subsequent re-enactment or amending provision;
- 1.2.10 a reference to a time of day is a reference to the time in Edinburgh;
- 1.2.11 an obligation to do something includes an obligation to procure it to be done; and
- 1.2.12 an obligation not to do something includes an obligation not to allow it to be done.
- 1.2.13 where the General Partner or the Manager have conferred upon either of them a discretion in relation to any matter however expressed (including as regards matters expressed to be within their sole discretion) such discretions shall be exercised -in good faith -in what the General Partner or the Manager respectively consider to be in the best interests of the Partnership.

### 1.3 Name and Place of Business

- 1.3.1 The name of the Partnership is ~~FIM~~Gresham House Timberland LP. Upon the termination of the Partnership, all of the Partnership's right, title and interest in and to the use of the name "~~FIM~~Gresham House Timberland LP" and any variation thereof, including any name to which the name of the Partnership may be changed, shall become the property of the General Partner, and the Limited Partners shall have no right and no interest in and to the use of any such name.
- 1.3.2 The Partnership shall have its principal place of business at ~~15 Atholl Crescent~~C/O Brodies LLP, Capital Square 58 Morrison Street, Edinburgh, EH3 ~~8HA~~8BP or an alternative address in Scotland selected by the Manager.

### 1.4 Purposes; Registration Pursuant to the Act

- 1.4.1 The purposes of the Partnership ("~~the Investment~~Partnership Objectives") are:



- 1.4.1.1 To invest in a portfolio of diversified, large scale UK commercial forests, and manage the forest assets to achieve a balance between income and capital growth, increasing income when timber prices are high but reducing felling when prices are low, with the objective of maximising the overall total return to Limited Partners from the forest assets;
- 1.4.1.2 To utilise gearing to provide working capital or permit the Partnership to acquire additional assets when the General Partner, on advice from the Manager, considers it advantageous, such gearing in total being limited to a maximum of 10% of the Net Asset Value of the Partnership at the date of the gearing being employed;
- 1.4.1.3 To make Distributions in accordance with clause ~~66~~, subject to the overall objective of maximising the total return to Limited Partners, to include a balance between income and capital growth, with target Distributions as follows:
  - 1.4.1.3.1 up to (and including) the Accounting Period ending 31 July 2020, an annual distribution at a rate of 3% per annum on the Nominal Value of each Partnership Share, adjusted with effect from 31 July 2016 to 3% of the Fund's Net Asset Value as established at each Independent Valuation Date; and
  - 1.4.1.3.2 from (and including) the Accounting Period ending 31 July 2021, the last annual distribution per Partnership Share shall increase annually at a rate of 0.5% over the rate of inflation, as measured by the increase in CPI for the year to April or, if April's figure is not available the latest annual increase in CPI that is available two Business Days before the distribution is due to be paid.
- 1.4.1.4 To reinvest surplus funds arising from normal commercial operations less Distributions made in accordance with these ~~Investment~~Partnership Objectives;
- 1.4.1.5 To engage in such other activities as the General Partner deems necessary, advisable, convenient or incidental to the foregoing purposes in clauses ~~1.4.1.1 to 1.4.1.4~~1.4.1.1 to 1.4.1.4 above.

- 1.4.2 The Partnership is a limited partnership that has been registered in Scotland pursuant to the Act. In accordance with the Act, the General Partner shall cause each Limited Partner's Capital Contribution to be registered as the amount of capital contributed to the capital of the Partnership by such Limited Partner. The General Partner shall provide a written statement to the Registrar notifying it of any change that may occur in the particulars required to be provided under the Act and specifying the date and nature of such change.

## 1.5 Commencement and Duration

- 1.5.1 The provisions of this Agreement shall, subject to any further amendment and restatement, continue until the Partnership is wound up in accordance with its terms and the Act. This Agreement supersedes and replaces the 2015~~59~~ Agreement.
- 1.5.2 The Partnership shall continue until the First Termination Date and thereafter until terminated in accordance with the remainder of this clause:
- 1.5.2.1 If at the duly convened Annual Meeting of Limited Partners occurring in the twelve months prior to the First Termination Date, which meeting is to be held not less than three months prior to the First Termination Date, a resolution is passed by a 75% Majority in Interest resolving that the Partnership should continue, the Partnership shall continue for a further period of four years up to the Second Termination Date.
- 1.5.2.2 If at the duly convened annual meeting of Limited Partners occurring in the twelve months prior to the Second Termination Date, which meeting is to be held not less than three months prior to the Second Termination Date, a resolution is passed by a 75% Majority in Interest resolving that the Partnership should continue, the Partnership shall continue for a further period of four years to the Final Termination Date.
- 1.5.3 Should the Annual Meetings of the Limited Partners referred to in clause ~~1.5.2.1 or 1.5.2.2~~1.5.2.1 or 1.5.2.2 above not vote in such manner as results in a continuation of the Partnership, the General Partner shall immediately inform the Limited Partners of the outcome of such vote and forthwith convene a meeting of Limited Partners to wind up the Partnership at which all Limited Partners shall be bound to vote in favour of the resolution to wind up the Partnership.
- 1.5.4 In the event that the Partnership is to terminate in accordance with the provisions of this clause ~~1.5.1~~1.5 and certain Limited Partners have informed the General Partner of their interest in having an ongoing investment in the Partnership's

portfolio of ~~Investments~~Partnership Assets, the General Partner shall use commercially reasonable efforts to consult with such Limited Partners to explore whether or not such an ongoing investment is achievable. Nothing in this clause ~~1.5.4~~1.5.4 shall prejudice the General Partner's duties to the Limited Partners under this Agreement nor the obligations of the Manager, or any other person appointed as liquidating trustee, in dealing with the winding up of the Partnership pursuant to clause ~~14.2~~14.2.

## 1.6 Accounting Period

The accounting period of the Partnership shall begin on 1 August in each year (except that the first accounting period shall begin on the date on which the Partnership was registered) and in each case shall end on 31 July in each year (the "**Accounting Period**") except that the first accounting period shall be to 31 July 2016.

## 1.7 Power

Subject to clauses ~~2.1 and 7.1~~2.1 and 7.1 and the other provisions of this Agreement, the General Partner (or, pursuant to clauses ~~2.1 and 7.1~~2.1 and 7.1 the Manager, as applicable) shall be and hereby is authorised and empowered to do or cause to be done any and all acts determined by it to be necessary, advisable, convenient or incidental in furtherance of the purposes of the Partnership, without any further act, approval or vote of any Person, including any Limited Partner; and without limiting the generality of the foregoing, the General Partner (or, pursuant to clauses ~~2.1 and 7.1~~2.1 and 7.1, the Manager, as applicable) shall have full power and authority, on behalf of the Partnership and so as to bind the Partnership thereby:

- 1.7.1 to investigate and analyse potential ~~Investments~~Partnership Assets and to structure and negotiate their acquisition;
- 1.7.2 to acquire, hold, transfer, manage, finance, refinance, vote and dispose of ~~Investments~~Partnership Assets and any other assets held by the Partnership, in accordance with and subject to the ~~Investment~~Partnership Objectives;
- 1.7.3 to manage the Partnership in accordance with the Management Agreement;
- 1.7.4 to open, maintain and close bank, brokerage and money market accounts, to draw cheques or other orders for the payment of moneys, and to invest such funds as are temporarily not otherwise required for Partnership purposes in Temporary ~~Investments~~Assets;
- 1.7.5 to set aside funds for reasonable reserves, anticipated contingencies and working capital, including, without limitation, for expenses and liabilities of the Partnership;

- 1.7.6 to bring, defend, settle and dispose of Proceedings;
- 1.7.7 to engage consultants, depositaries, custodians, fund administrators, lawyers, accountants and other agents and employees, including Persons that may be Limited Partners or Affiliates thereof or Affiliates of the General Partner, and to authorise each such agent and employee (who may be designated as officers) to act for and on behalf of the Partnership;
- 1.7.8 to retain (directly or indirectly, including by delegation to its general partner or acting through its general partner) the Manager to render managerial services to the Partnership as contemplated by clause ~~7.4~~7.1;
- 1.7.9 to execute, deliver and perform its obligations under the Management Agreement referred to in clause ~~7.4~~7.1;
- 1.7.10 to amend or supplement such agreement, provided that such amendment or supplement is not inconsistent with the provisions of clause ~~7.4~~7.1 and would not be reasonably likely to have an adverse effect on the Limited Partners;
- 1.7.11 to execute, deliver and perform its obligations under contracts and agreements of every kind, and amendments thereto, necessary or incidental to the offer and sale of Interests, to the acquisition, holding and sale of ~~Investments~~Partnership Assets, or otherwise to the accomplishment of the Partnership's purposes, and to take or omit to take such other actions in connection with such offer and sale, with such acquisition, holding or sale, or with the ~~investment and other~~ activities of the Partnership, as may be necessary, advisable, convenient or incidental to further the purposes of the Partnership;
- 1.7.12 to borrow money (subject to the limitations set out in clause ~~1.4.1.2~~1.4.1.2), issue guarantees or otherwise incur Indebtedness, and to enter into agreements with respect to obligations of the Partnership, to pledge assets of the Partnership and to enter into any instrument or arrangements in connection therewith, including entering into any pledge, security, lien, assignation or indemnity agreement and any modification, extension or renewal thereof.
- 1.7.13 to prepare and file all tax returns of the Partnership; to make such elections under applicable tax laws as to the treatment of items of Partnership income, gain, loss, deduction and credit, and as to all other relevant matters as the General Partner deems necessary or appropriate; and, subject to clause ~~9.19~~9.1, to select the method of accounting and book-keeping procedures to be used by the Partnership;

- 1.7.14 to take all action that may be necessary, advisable, convenient or incidental for the continuation of the Partnership's valid existence as a limited partnership under the Act and in each other jurisdiction in which such action is necessary to protect the limited liability of the Limited Partners or to enable the Partnership, consistent with such limited liability, to conduct the ~~investment and other~~ activities in which it is engaged; and
- 1.7.15 to carry on any other activities necessary to, in connection with, or incidental to any of the foregoing or the Partnership's ~~investment and other~~ activities.

## 1.8 Specific Authorisation

Notwithstanding any other provision of this Agreement, the Manager, on behalf of the Partnership, may execute, deliver and perform any agreements in connection with the acquisition by any Person of Interests, any amendments to such agreements and all agreements contemplated thereby, all without any further act, approval or vote of any Partner or other Person. The Manager is hereby authorised to enter into and perform on behalf of the Partnership the agreements described in the immediately preceding sentence, but such authorisation shall not be deemed a restriction on the power of the Manager to enter into other agreements on behalf of the Partnership (subject to compliance with FSMA, any other applicable financial services and securities laws and regulations and any other restrictions expressly given in this Agreement including, without limitation, the restriction given in clause ~~7.2~~7.2).

## 1.9 Admission of Limited Partners ~~and withdrawal of the Founder Limited Partner~~

- 1.9.1 A Person shall be admitted at as a Limited Partner at such time as such Person (a) has signed and delivered to the Manager an Application Form (if required by the Manager) and Deed of Adherence (and the Manager shall have absolute discretion whether or not to accept such Application Form and Deed of Adherence) (b) has made a Capital Contribution to the Partnership in accordance with clause ~~5.1.4~~5.1.1 and (c) is listed by the General Partner as a Limited Partner of the Partnership on the Register. Persons shall be admitted as Limited Partners of the Partnership as provided in clauses ~~11 and 12~~11 and 12 and 13.
- 1.9.2 No Person may be admitted as a Partner except as expressly permitted under this Agreement.
- ~~1.9.3 Immediately following the admission of new Limited Partners in accordance with clause 11.2, the Founder Limited Partner shall transfer its Capital Contribution to the General Partner and shall immediately retire as, and cease to be, a Partner and~~

~~the General Partner shall make the appropriate notifications in accordance with the Act.~~

## 1.10 Expenses

1.10.1 Subject to clause ~~4.10.2~~1.10.2, all Organisational Expenses and all Partnership Expenses shall be paid by the Partnership. To the extent that any of the General Partner, the Manager or any of their respective Affiliates pays any Organisational Expenses or Partnership Expenses, the Partnership shall reimburse such Person upon request. Manager and General Partner Expenses shall not be borne by the Partnership.

1.10.2 Any such Organisational Expenses in excess of £50,000 plus applicable VAT shall be met by the Manager.

## 1.11 Register

The General Partner shall cause to be maintained at the principal office of the Manager the books and records of the Partnership, which shall include, among other things, the name, address and amount of the Capital Contribution of each Partner and such other information as the General Partner may deem necessary or desirable (the "Register"). Where one or more Persons are entered as a Limited Partner the Partnership will only be required to recognise the first name detailed on that Limited Partner's application for admission to the Partnership. ~~The Register shall not be part of this Agreement. The General Partner shall from time to time update the Register as necessary to reflect accurately the information therein. Any reference in this Agreement to the Register shall be deemed a reference to the Register as in effect from time to time. Subject to the terms of this Agreement, the General Partner may take any action authorised hereunder in respect of the Register without any need to obtain the consent of any other Partner. No action of any Limited Partner shall be required to amend or update the Register.~~

## 2 ~~THE GENERAL PARTNER~~THE GENERAL PARTNER

### 2.1 Management of the Partnership, etc

Subject to clause ~~7.17.1~~7.17.1, the management, control and operation of and the determination of policy with respect to the Partnership and its ~~investment and other~~ activities shall be vested in the General Partner (or, in relation to the matters referred to in clause ~~7.17.1~~7.17.1, an Authorised Person who shall, as of the date hereof, be the Manager), in each case acting directly or through its duly appointed agents, and each of which is hereby authorised and empowered, within the scope of such authority, on behalf and in the name of the Partnership and in its own name, if necessary or appropriate, but subject to the other provisions of this Agreement, to carry out any and all of the purposes of the Partnership and to perform all acts and enter into and perform all

contracts and other undertakings that it may deem necessary, advisable, convenient or incidental thereto. Subject to clause [7.47.1](#), the General Partner and the Manager (within the scope of its appointment as set out in clause [7.47.1](#)) may exercise on behalf of the Partnership all of the powers given in clauses [1.7](#) and [1.8](#) [7.1](#) and [1.8](#) and otherwise in this Agreement.

## 2.2 Reliance by Third Parties

In dealing with the General Partner and its duly appointed agents, including the Manager, no Person shall be required to inquire as to the General Partner's or any such agent's authority to bind the Partnership.

## 2.3 Conflicts of Interest, etc

2.3.1 The Partnership may enter into contracts and transactions with any of the General Partner, the Manager and their respective Affiliates expressly authorised or contemplated by this Agreement in which the General Partner or any Affiliate may have an actual or potential conflict of interest provided:

2.3.1.1 the Arm's Length Test is satisfied in the manner set out in clause [2.3.22.3.2](#) below; or

2.3.1.2 the Manager acts in a manner, or pursuant to standards or procedures, approved by the Advisory Committee as set out in Clause [2.3.42.3.4](#) below.

2.3.2 The General Partner, the Manager and their respective Affiliates may enter into contracts and transactions with the Partnership authorised or contemplated by this Agreement provided that the General Partner has Consulted with the Advisory Committee with respect to such contract or transaction and the Advisory Committee has determined that the terms of any such contract or transaction are no more favourable to the General Partner, the Manager or any of their respective Affiliates than would be obtained by them in arm's-length negotiations with an unrelated third Person for similar services ("the Arm's Length Test").

2.3.3 While the General Partner and the Manager intend to avoid situations involving conflicts of interest, each Limited Partner acknowledges that there may be situations in which the interests of the Partnership, in ~~an Investment~~ [a Partnership Asset](#) or otherwise, may conflict with the interests of any of the General Partner, the Manager or their respective Affiliates. Each Limited Partner agrees that the activities of the General Partner, the Manager and their respective Affiliates expressly authorised or contemplated by this clause [2.32.3](#) or in any other provision of this Agreement may be engaged in by the General Partner, the Manager or any such Affiliate, as the case may be, and will not, in any case or in the aggregate, be deemed a breach

of this Agreement or any other agreement contemplated herein or any duty that might be owed by any such Person to the Partnership or to any of the Partners at law or otherwise provided that in relation to each such conflict or potential conflict the Advisory Committee has been Consulted as provided for in sub clause ~~2.3.2~~2.3.2 and confirmed to the General Partner or as the case may be the Manager that in its opinion the "Arm's Length Test" has been satisfied and so long as all relevant legal requirements (including all conduct of business requirements) applicable to the Manager in that regard when acting in that capacity have been observed.

- 2.3.4 On any matter involving a conflict of interest (a) each of the General Partner and the Manager will be guided by its good faith judgement as to the best interests of the Partnership and shall take such actions as are determined by the General Partner or the Manager, as the case may be, to be necessary or appropriate to avoid or diminish such conflicts of interest and (b) the General Partner or the Manager will Consult with the Advisory Committee with respect to any matter as to which the General Partner or the Manager, as the case may be, determines in good faith that such a conflict of interest exists. If the General Partner or the Manager Consults with the Advisory Committee with respect to a matter giving rise to a conflict of interest, and if the Advisory Committee waives such conflict of interest or the General Partner or the Manager acts in a manner, or pursuant to standards or procedures, approved by the Advisory Committee with respect to such conflict of interest, then none of the General Partner, the Manager or any of their respective Affiliates shall have any liability to the Partnership or any Partner for such actions in respect of such conflict of interest taken in good faith by them, including actions in the pursuit of their own interests, and such actions shall not constitute a breach of this Agreement or any other agreement contemplated herein or of any duty or obligation of such Person at law or in equity or otherwise.

## 2.4 **Liability of the General Partner and Other Covered Persons**

- 2.4.1 Except as otherwise provided in Partnership Law, the General Partner has the liabilities of a partner in a general partnership to (i) Persons other than the Partnership and the other Partners and (ii) subject to the other provisions of this Agreement, the Partnership and the other Partners. No Covered Person shall be liable to the Partnership or any Partner, and each Partner does hereby release such Covered Person, for any act or omission, including any mistake of fact or error in judgement, taken, suffered or made by such Covered Person in good faith and in the belief that such act or omission is in or is not contrary to the best interests of the Partnership and is within the scope of authority granted to such Covered Person by this Agreement, provided that such act or omission does not constitute Disabling



Conduct by the Covered Person. No Partner shall be liable to the Partnership or any Partner for any action taken by any other Partner. To the extent that, at law or in equity, a Covered Person has duties and liabilities relating thereto to the Partnership or to the Partners, any Covered Person acting under this Agreement shall not be liable to the Partnership or any Partner for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Partners to replace such other duties and liabilities of such Covered Person.

2.4.2 A Covered Person shall incur no liability in acting in good faith upon any signature or writing believed by such Covered Person to be genuine, may rely in good faith on a certificate signed by an executive officer of any person in order to ascertain any fact with respect to such person or within such person's knowledge, and may rely in good faith on an opinion of counsel selected by such Covered Person with respect to legal matters, except to the extent that such belief, reliance or selection constitutes Disabling Conduct by such Covered Person. Each Covered Person may act directly or through such Covered Person's agents or lawyers. Each Covered Person may consult with counsel, valuers, accountants and other skilled Persons selected by such Covered Person and shall not be liable for anything done, suffered or omitted in good faith in reliance upon the advice of any of such Persons, except to the extent that such selection or reliance constitutes Disabling Conduct by such Covered Person. No Covered Person shall be liable to the Partnership or any Partner for any error of judgement made in good faith by a shareholder, partner, member, director, officer, employee or agent of such Covered Person, provided that such error does not constitute Disabling Conduct of such Covered Person.

2.4.3 Neither the General Partner nor any of its Affiliates shall be liable for the return of the Capital Contributions of any Partner and each Limited Partner hereby waives any and all claims that it may have against the General Partner or any Affiliate thereof in this regard.

## 2.5 **Removal of the General Partner for Cause**

Without prejudice to the rights of the General Partner under this clause ~~2.52.5~~, the Manager confirms that it will without delay inform both the General Partner and the Advisory Committee of the Partnership if the Manager shall commit or may have committed a material breach of the terms of this Agreement and the Manager and the General Partner shall consult fully with the Advisory Committee (and have proper regard to its views) with regard to all such steps as the Manager proposes to take at the direction of the General Partner on behalf of the Partnership to remedy such breach within the period referred to in clause 9.1.2 of the Management Agreement. Further, if a court of competent jurisdiction determines that the General Partner

or the Manager has engaged in Removal Conduct in respect of the Partnership, then within 120 days after such court determination, a resolution which is passed by a 50% Majority in Interest may, by written election, remove the General Partner as the general partner of the Partnership, at which time a replacement general partner and manager, as the case may be, of the Partnership shall be designated by the written election of a Majority in Interest. Upon such election:

- 2.5.1 the General Partner shall thereupon cause a notice to be placed in the Gazette in accordance with section 10(1) of the Act to the effect that it has ceased to be the general partner of the Partnership and shall become, without any further action being required of any Person, a Limited Partner and shall cease being the general partner of the Partnership, but shall not thereafter be required to fund any ~~Investments~~Partnership Assets, Organisational Expenses, Partnership Expenses or the General Partner's Share;
- 2.5.2 the replacement general partner of the Partnership shall be admitted to the Partnership as a general partner of the Partnership pursuant to clause ~~2.5.4~~2.5.4 and shall promptly provide a written statement to the Registrar notifying it of the changes in the particulars required to be provided under the Act and shall promptly amend this Agreement without any further action, approval or vote of any Person, including any other Partner, to reflect (i) the admission of such replacement general partner, (ii) the withdrawal of the General Partner as the general partner of the Partnership and (iii) the change of the name of the Partnership so that it does not include the word "FIM", "Gresham" or any variation thereof, including any name to which the name of the Partnership may have been changed;
- 2.5.3 the replaced General Partner, the Manager and their respective Affiliates (and any members, partners, officers or employees thereof) shall continue to be Covered Persons and to be entitled to indemnification hereunder pursuant to clause ~~4010~~10, but only with respect to Damages (i) relating to ~~Investments~~Partnership Assets made prior to the removal of the General Partner or the Manager or (ii) arising out of or relating to their activities during the period prior to the removal of the General Partner as the general partner of the Partnership or the Manager as Manager of the Partnership;
- 2.5.4 for all other purposes of this Agreement, the replacement general partner of the Partnership shall be deemed to be the "General Partner" hereunder and shall be admitted as the general partner of the Partnership without any further action, approval or vote of any Person, including any other Partner, upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of the Agreement, effective immediately prior to the removal of the replaced General

Partner and shall continue the ~~investment and other~~ activities of the Partnership without dissolution;

- 2.5.5 the appointment of the Manager pursuant to clause ~~7.4~~7.1, the right of the replaced General Partner to receive from the Partnership future instalments of the General Partner's Share and the Management Agreement shall terminate; and
- 2.5.6 the General Partner shall promptly notify the Limited Partners of any determination by a court of competent jurisdiction that the General Partner or the Manager has engaged in Removal Conduct in respect of the Partnership.

## 2.6 Removal of the General Partner without Cause

The Limited Partners may by resolution passed by 75% Majority in Interest and without giving any reason therefore at any point on or after 31 July 2032 require the General Partner to vacate its position on not less than 12 months prior notice. The General Partner shall in that event be entitled to an amount equal to the share of the General Partner in the immediately preceding Accounting Period in addition to the General Partner's Share applicable for the period of 12 months or for any lesser period in which by agreement the General Partner remains in that position. Clauses ~~2.5.1 to 2.5.6~~2.5.1 to 2.5.6 shall apply accordingly. Removal of the General Partner pursuant to this clause ~~2.6~~2.6 shall not prejudice any right available by the Manager to claim compensation pursuant to the Management Agreement.

## 2.7 Withdrawal of the General Partner

The General Partner shall not withdraw as general partner of the Partnership prior to the dissolution of the Partnership, except pursuant to clause ~~2.5, 2.6 or 14.1.3~~2.5, 2.6 or 15.1.3.

## 2.8 Payment by the General Partner of its Private Debts

The General Partner undertakes to pay and discharge the private debts which it incurs which arise otherwise than by reason of or in connection with its acting in its capacity as the general partner of the Partnership.

# 3 THE LIMITED PARTNERS

## 3.1 No Participation in Management, etc

No Limited Partner shall take part in the management of the Partnership's business, transact any business in the Partnership's name or have the power to sign documents for or otherwise bind the Partnership. Except as expressly provided herein, no Limited Partner shall have the right to vote for the election, removal or replacement of the General Partner. No provision of this Agreement shall require any Limited Partner to refer investments to the Partnership or restrict any investments that a Limited Partner may make. The exercise by any Limited Partner

of any right conferred herein shall not be construed to constitute participation by such Limited Partner in the control of the ~~investment or other~~ activities of the Partnership so as to make such Limited Partner liable as a general partner for the debts and obligations of the Partnership for purposes of the Partnership Law or otherwise. No Limited Partner shall owe any fiduciary duty to the Partnership or any Partner as a result of entering into this Agreement.

### 3.2 **Limitation of Liability**

Except as may otherwise be required by the Act or as expressly provided for herein, the liability of each Limited Partner is limited to its Capital Contribution.

### 3.3 **No Priority**

Except as otherwise provided in this Agreement, no Limited Partner shall have priority over any other Limited Partner as to the return of the amount of its Capital Contribution or the receipt of any other Distributions.

### 3.4 **Insolvency, Dissolution or Withdrawal of a Limited Partner**

The insolvency, dissolution or withdrawal of a Limited Partner shall not in and of itself dissolve or terminate the Partnership. A Limited Partner can withdraw from the Partnership only in accordance with clause ~~12~~12.

### 3.5 **Advisory Committee**

- 3.5.1 The General Partner shall establish prior to or within a reasonable time after the Commencement Date an advisory committee (the "**Advisory Committee**"). From time to time the General Partner may appoint up to four members to the Advisory Committee. Each voting member of the Advisory Committee shall be a representative of a Limited Partner (other than an Affiliated Partner), provided that no Limited Partner shall have more than one representative on the Advisory Committee. In addition, the General Partner shall have the right to appoint one representative of the General Partner to serve as a non-voting member and the Chairman of the Advisory Committee. Any member of the Advisory Committee may resign by giving the General Partner 30 days' prior written notice, and shall be deemed removed if the Limited Partner that the member represents ceases to be a Limited Partner, upon the death or resignation of a member of the Advisory Committee or the removal of such member at the request of the General Partner or the Limited Partner that such member represents. Upon the deemed removal of a member of the Advisory Committee, the General Partner may appoint a replacement for such member.
- 3.5.2 The Advisory Committee shall be authorised (i) to provide advice and counsel as requested to the General Partner, in particular, but without prejudice to the generality on changes to the calculation methodology or timing of Distributions as described in clauses ~~1.4.1.3~~1.4.1.3 and 6.4 (ii) to consent to, approve, review or waive any matter requiring the consent, approval, review or waiver of the Advisory Committee as given in this Agreement and (iii) to provide such advice and counsel as is requested by the General Partner or required pursuant to this Agreement in connection with potential conflicts of interest (pursuant to clause ~~2.32.3~~ or otherwise), valuation matters and other matters relating to the Partnership. The Advisory Committee shall constitute a committee which provides advisory services to the Partnership as an independent contractor each of whose members serves in an individual capacity and not in a capacity as a representative of a Limited Partner. Neither the Advisory Committee nor any of its members (by reason of being appointed to the Advisory Committee) shall owe any fiduciary or other similar duty to the Partnership or any Partner. The members so appointed shall act as members of the Advisory Committee exercising their sole and absolute discretion and shall be entitled to consider only such interests and factors as they deem appropriate. The Advisory Committee shall take no part in the control or management of the Partnership, nor shall it have any power or authority to act for or on behalf of the Partnership, and all ~~investment or other~~management decisions, as well as all responsibility for the management of the Partnership, shall, subject to clause ~~7.17.1~~, rest with the General Partner. For the avoidance of doubt, the Advisory Committee

shall not be a Partner and no action undertaken by the Advisory Committee, nor any action by any member thereof, shall constitute participation in the control of the business of the Partnership under the Act. Except for those matters for which the consent, approval, review or waiver of the Advisory Committee is required by this Agreement, any actions taken by the Advisory Committee shall be advisory only, and, subject to the obligation to Consult with the Advisory Committee in relation to the matters set out in this Agreement, none of the General Partner, the Manager or any of their respective Affiliates shall be required or otherwise bound to act in accordance with any decision, action or comment of the Advisory Committee or any of its members. Notwithstanding the foregoing, each of the General Partner, the Manager and their respective Affiliates shall give full and due consideration to all resolutions of the Advisory Committee and shall not act or omit to act in relation to any actual or potential conflict of interest unless such conflict has been waived by the Advisory Committee. Nothing in this Agreement authorises, allows, requires or represents the agreement of the Advisory Committee or any member thereof to carry on a regulated activity for the purposes of FSMA.

- 3.5.3 The Partners acknowledge that the members of the Advisory Committee (i) will not be required, to the fullest extent permitted by applicable law, to act in a fiduciary capacity with respect to the Partnership or any Partner, other than to act in good faith, (ii) have substantial responsibilities in addition to their Advisory Committee activities and are not required to devote any fixed portion of their time to the activities of such Committee and (iii) other than any non-voting member appointed by the General Partner, will not be subject to the restrictions given in clause ~~2.32.3~~ and will not be prohibited from engaging in activities that compete or conflict with those of the Partnership, nor shall any such restrictions apply to any of their respective Affiliates.
- 3.5.4 Meetings of the Advisory Committee may be called by the General Partner at any time to consider matters for which the consent, approval, review or waiver of the Advisory Committee is required by this Agreement or is requested by the General Partner. Notice of each such special meeting shall be given by telephone, hand delivery or courier service or sent by facsimile or other electronic means to each member of the Advisory Committee at least five Business Days prior to the date on which the meeting is to be held. Attendance at any meeting of the Advisory Committee shall constitute waiver of such notice. The quorum for a meeting of the Advisory Committee shall be a minimum of one of its voting members. Members of the Advisory Committee may participate in a meeting of the Advisory Committee by means of conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear each other. All actions taken by the Advisory Committee shall be by a vote of a majority of the voting members

present at a meeting thereof at which a quorum is present or by a written consent setting forth the action so taken and signed by a majority of the voting members of the Advisory Committee. Except as expressly provided in this clause ~~3.5~~3.5, the Advisory Committee shall conduct its business in such manner and by such procedures as a majority of its members deems appropriate, including consenting to actions without the benefit of a special meeting at which a quorum is present.

### 3.6 Status of Limited Partners and the Partnership

- 3.6.1 The Manager shall not be responsible for advising any prospective or existing Limited Partner on the suitability of ~~an investment into~~their participation in the Partnership.
- 3.6.2 The Partnership shall be a "Professional Client" of the Manager for the purposes of Chapter 3 of the Conduct of Business Sourcebook ("COBS") forming part of the FCA Handbook.

## 4 ~~INVESTMENTS~~PARTNERSHIP ASSETS

### 4.1 Temporary ~~Investments~~Assets

To the extent commercially reasonable, the General Partner shall cause the Partnership to invest cash held by the Partnership in Temporary ~~Investments~~Assets pending investment in ~~Investments~~Partnership Assets, distribution, funding or payment of the General Partner's Share (and drawings and advances in respect thereof), Organisational Expenses or Partnership Expenses.

## 5 CAPITAL CONTRIBUTIONS

### 5.1 Capital Contributions

- 5.1.1 Each Limited Partner shall, upon its admission to the Partnership, make a Capital Contribution to the Partnership equal to 100% of such Partner's Capital Contribution.
- 5.1.2 Capital Contributions shall be denominated and made in Pounds Sterling. No interest shall be paid or payable by the Partnership upon any Capital Contribution. Except as specifically provided elsewhere in this Agreement, the Partnership shall return Capital Contributions only on the termination or earlier liquidation of the Partnership.

## 6 PARTNERS' ACCOUNTS; GENERAL PARTNER'S SHARE; DISTRIBUTIONS

### 6.1 Partners' Accounts and Allocation of Income and Gains

For each Partner the Partnership will maintain a Capital Account and a Current Account.

- 6.1.1 A Partner's Capital Contributions shall be credited to that Partner's Capital Account.
- 6.1.2 The Net Income and realised Capital Gains allocated to each Partner shall be credited to that Partner's Current Account and the Net Income Losses and realised Capital Losses so allocated shall be debited to that Partner's Current Account together with Distributions made to the Partner.
- 6.1.3 All Net Income, Net Income Losses, realised Capital Gains and realised Capital Losses shall be allocated among the Partners in a manner consistent with that in which Distributable Cash is to be distributed between the Partners pursuant to clause ~~6.4~~6.4.

### 6.2 Variation of Partnership's Accounting Structure

The General Partner may vary the accounting structure of the Partnership and may determine or vary the allocation of any item as it determines appropriate to reflect the intention of the Partners as stated in this Agreement, provided that such variation does not adversely affect the amounts distributable to the Partners pursuant to clause ~~6.4~~6.4.

### 6.3 General Partner's Share

The General Partner shall, beginning as of the Commencement Date and continuing throughout the Term (subject to and in accordance with the provisions of this Agreement), be entitled to receive, and in each Accounting Period there shall be allocated to the General Partner as a first charge on the Profits in respect of such Accounting Period, a priority share of the Profits (the "**General Partner's Share**"). The General Partner's Share for each Accounting Period shall be £5,000 payable annually in arrears, such fee to increase annually in line with RPI as from the Commencement Date. If the General Partner is replaced under Clause 2.5 of this Agreement the General Partner shall be entitled to a pro rata payment for any part year period.

### 6.4 Distributions

- 6.4.1 The General Partner will cause the Manager to make distributions in line with the ~~Investment~~Partnership Objectives, the target being to make annual distributions to Limited Partners in accordance with clause ~~1.4.1.3~~1.4.1.3. Where a Distribution is



calculated as 3% (or some other percentage) of the Partnership's Net Asset Value as established at each Independent Valuation Date, the amount to be distributed shall be allocated to those Limited Partners entitled to receive the Distribution in the proportion which the number of Partnership Shares held by each such Limited Partner bears to the total number of Partnership Shares in the Partnership.

6.4.2 The objective of the Partnership is to make Distributions in respect of each class of Partnership Share as follows:

6.4.2.1 To Limited Partners in respect of Founder Partnership Shares, an annual distribution for the Accounting Year ended 31 July 2017 onwards, to be paid in the final month of each Accounting Year;

6.4.2.2 To Limited Partners in respect of B Partnership Shares, an annual distribution for the Accounting Year ended 31 July 2018 onwards, to be paid in the final month of each Accounting Year;

6.4.2.3 To Limited Partners in respect of C Partnership Shares, an annual distribution for the Accounting Year ended 31 July 2019 onwards, to be paid in the final month of each Accounting Year.

6.4.2.4 To Limited Partners in respect of D Partnership Shares, an annual distribution for the Accounting Year ended 31 July 2022 onwards, to be paid in the final month of each Accounting Year.

~~6.4.2.5~~ Distributions in respect of any other class of Partnership Share which may be issued shall be determined prior to the admission of such additional Limited Partners in accordance with clause ~~11.2.5~~11.2.5.

## 6.5 General Distribution Provisions

6.5.1 Notwithstanding any other provision of this Agreement, Distributions shall be made only to the extent of Distributable Cash and in compliance with Partnership Law and other applicable law, and any Distributions of cash to the Partners shall be in Pounds Sterling. In no event shall any Distribution be made (a) which would render the Partnership insolvent or (b) which would leave the Partnership in the reasonable opinion of the Manager with insufficient funds to meet any current or future contemplated obligations, liabilities or contingencies, including in respect of obligations owed to the Manager or in respect of the indemnification obligations under clause ~~10~~10. No Distribution shall be made by the General Partner which would give rise to breach of any covenant given by the Partnership to any lender under any finance documents in relation to the financing of any ~~Investment~~Partnership Asset.

- 6.5.2 At the request of the Manager, any Partner that is in receipt of a Distribution made in contravention of clause ~~6.5.4~~6.5.1 shall repay such amount to the Partnership forthwith, provided that the manager makes such request prior to the earlier of (i) the second anniversary of date of the relevant Distribution(s) to be returned or (ii) the second anniversary of the dissolution of the Partnership (in which event the request may be made by the liquidating trustee).
- 6.5.3 Subject to clause ~~6.5.4~~6.5.4, the share of each Limited Partner of the amount of Distribution to be returned to the Partnership under this clause ~~6.5.3~~6.5.3 (the ~~"Return Amount"~~) shall be pro rata to the share of Distributions made by the Partnership to such Limited Partner, taking such Distributions in the reverse order in which they were made up to an amount equal to the Return Amount.
- 6.5.4 The obligation of each Limited Partner (including following dissolution of the Partnership as a former Limited Partner) to return Distributions under clause ~~6.5.3~~6.5.3 shall not exceed 25% of the aggregate amount of Distributions received by each Limited Partner.
- 6.5.5 In the event that Limited Partners (including following dissolution of the Partnership, as former Limited Partners) are required by the Manager or the liquidating trustee of the Partnership to return Distributions made to such Limited Partners or former Limited Partners for the purpose of meeting the Partnership's indemnification obligations under clause ~~10.1~~10, then:
- 6.5.5.1 if, at the end of the period referred to in clause ~~6.5.2~~6.5.2 there is pending or threatened any legal action, suit or proceedings or any claim has been made, in either case, against the Partnership or a Covered Person or any liability actual or contingent exists which may entitle the Covered Person to be indemnified by the Partnership under clause ~~10.1~~10.1 in respect of any Claim;
- 6.5.5.2 the General Partner or liquidating trustee shall so notify the Limited Partners and former Limited Partners at such time (which notice shall include a brief description of each Claim) and the obligation of the Limited Partners to return any distributions for the purpose specified in clause ~~6.5.5~~6.5.5 shall survive such period with respect to each such Claim set forth in the notice (or any related action, suit, proceeding, claim or liability based upon the same or a similar Claim) until the date that such Claim is ultimately resolved and satisfied.
- 6.5.6 Any Distribution by the Partnership pursuant to clause ~~6.4~~6.4 to the Person shown on the Register as a Partner or to such Person's legal representatives, or to the

Transferee of such Person's right to receive such distributions as provided herein, shall discharge the Partnership and the General Partner of all liability to any other Person that may be interested in such distribution by reason of any Transfer of such Person's Interest for any reason (including a Transfer of such Interest by reason of the death, incompetence, insolvency or liquidation of such Person).

## **6.6 No Withdrawal of Capital**

Except as otherwise expressly provided in this Agreement, no Partner shall have the right to withdraw capital from the Partnership or to receive any distribution of or return on such Partner's Capital Contribution.

# **7 OPERATION OF THE FUND; APPOINTMENT OF THE MANAGER**

## **7.1 Operation of the Partnership; Appointment of the Manager**

7.1.1 Insofar as any power, discretion, authority or obligation of the General Partner in relation to its appointment may constitute managing an Alternative Investment Fund, establishing, operating or winding up a collective investment scheme or any other regulated activity for the purposes of the Regulated Activities Order, the General Partner shall appoint an Authorised Person, which shall, as of the date hereof, be the Manager, to carry out or exercise (as the case may be) each such power, discretion, authority and obligation, to the exclusion of the General Partner, who shall not exercise or carry out (as the case may be) any such power, discretion, authority or obligation, provided that the Manager shall be directly responsible to the General Partner and the Limited Partners in relation to the exercise or carrying out (as the case may be) of each such power, discretion, authority and obligation. Subject to the preceding sentence, the General Partner hereby appoints the Manager to provide operational and management services to the Partnership as follows:

7.1.1.1 The Manager shall operate and manage the Partnership and shall have the right to execute and deliver documents on behalf of the General Partner and the Partnership, and otherwise bind the Partnership in lieu of the General Partner, and shall have discretionary authority with respect to **InvestmentsPartnership Assets** of the Partnership, including (without limitation) the authority to investigate, analyse, structure, negotiate and effect the acquisition of potential **InvestmentsPartnership Assets** and to evaluate, monitor, exercise voting rights and dispose of **InvestmentsPartnership Assets** and take other appropriate action with respect to **InvestmentsPartnership**

Assets on behalf of the Partnership. Other than as provided herein (including, without limiting the generality of the foregoing, as provided in this clause ~~7.1.1~~7.1.1), the appointment of the Manager by the General Partner shall not relieve the General Partner from its obligations to the Partnership hereunder or under the Partnership Law.

7.1.1.2 The Manager shall act in conformity with this Agreement and the Management Agreement, and in no event shall the Manager be considered a general partner of the Partnership by agreement, estoppel, as a result of the performance of its duties or otherwise. The engagement by the Partnership of the Manager contemplated hereby is given in a Management Agreement specifying in further detail the rights and duties of the Manager. – The appointment of the Manager pursuant to this clause ~~7.1.1~~7.1.1 and the engagement of the Manager given in the Management Agreement referred to in the preceding sentence shall terminate upon the earlier of the dissolution of the Partnership and the removal of the General Partner, and in the other circumstances set out in such Management Agreement.

## 7.2 Restrictions on the Partnership and the General Partner

Notwithstanding any other provision hereof, neither the Partnership nor the General Partner shall, or shall be required by the terms of this Agreement to, carry on any ~~investment~~-business or operations or any other regulated activity which is required by FSMA to be carried on by a person appropriately authorised by the FCA (unless it is itself so authorised). For the avoidance of doubt, all such activities will be undertaken by or on behalf of the Manager or such other duly authorised person(s) whom the General Partner may have appointed pursuant to this Agreement. Notwithstanding anything in this Agreement to the contrary, the General Partner shall not do or be authorised to do anything (including acting or offering or agreeing to act as the operator or ~~investment~~-manager of the Partnership) which would or might constitute a regulated activity unless it is authorised so to do under FSMA. To the extent that any of the functions, duties, obligations, discretions, powers and rights to be performed or exercised by the General Partner under or in connection with this Agreement (including, without limitation, the matters referred to at clause ~~4.7.1~~4.7.1) are or may constitute regulated activities or otherwise require authorisation under FSMA, the General Partner shall (to the extent permitted by FSMA) if it performs or exercises the same, be deemed to perform or exercise the same as the duly appointed representative of the Manager or such other person authorised under FSMA and appointed to manage and operate the Partnership for the purposes of FSMA.

## 8 APPOINTMENT OF DEPOSITARY

8.1 ~~8.1~~—The Manager shall have full power and authority, on behalf of and so as to bind the Partnership, to (or to direct the Partnership, acting through the General Partner to):

8.1.1 ~~8.1.2~~—select and appoint a depositary which is an Authorised Person to carry out the functions required under the AIFMD on such terms as the Manager considers appropriate and in accordance with the AIFMD and this Agreement provided that (i) the Depositary and its delegates may not be discharged from liability or indemnified if and to the extent that the AIFMD does not permit such discharge of liability or indemnification; and (ii) the appointment of the Depositary shall not impose any liability on the Partnership or the Partners except as contemplated by this Agreement;

8.1.2 ~~8.1.3~~—represent the Partnership in its dealings with the Depositary;

8.1.3 ~~8.1.4~~—terminate the appointment of the Depositary in accordance with the terms of its appointment and appoint a replacement.

8.2 ~~8.2~~—The Depositary shall be required to follow the instructions of the Manager in relation to the Partnership and Partnership assets and shall be entitled to rely on information and instructions given to it by the Manager.

## 9 BOOKS AND RECORDS; REPORTS TO PARTNERS; ETC

### 9.1 Maintenance of Books and Records

The General Partner shall keep or cause to be kept at the address of the General Partner (or at such other place as the General Partner or the Manager shall determine and, if during the Term, shall advise the Limited Partners in writing) full and accurate accounts of the transactions of the Partnership in proper books and records of account, during the Term and for a period of at least six years thereafter, which shall give all information required by the Act. Such books and records shall be maintained in accordance with United Kingdom generally accepted accounting principles. The books and records of the Partnership as so maintained shall be the basis for the preparation of the financial reports to be provided to current and former Partners pursuant to clause ~~9.2~~9.2. Such books and records shall be available, upon five Business Days' notice to the General Partner, for inspection and copying at reasonable times during business hours by a Limited Partner or its duly authorised agents or representatives for any purpose reasonably related to such Limited Partner's interest as a limited partner in the Partnership.

### 9.2 Audits and Reports

9.2.1 The books and records of account of the Partnership shall be audited as of the end of each Accounting Period by such independent public accounting firm as shall be selected by the General Partner, provided that the General Partner will Consult with

the Advisory Committee if it intends to replace the auditor of the Partnership. The General Partner shall prepare and provide an audited financial report at the end of each Accounting Period and an unaudited report at the end of each intervening six monthly period. These reports shall be provided to each Limited Partner within 90 days after the end of each Accounting Period or intervening six monthly period as applicable (or as soon as practicable thereafter) during the Term, setting forth for such Accounting Period or intervening six monthly period:

9.2.1.1 the assets and liabilities of the Partnership as of the end of such Accounting Period or six monthly period; and

9.2.1.2 the net profit or net loss of the Partnership for such Accounting Period or six monthly period.

9.2.2 The General Partner shall use commercially reasonable efforts to cause to be prepared and mailed or delivered by facsimile or other electronic means to each Limited Partner at least 20 Business Days in advance of the Annual Meeting referred to in clause ~~9.3.1~~9.3.1, with the financial reports described in clause ~~9.2.1~~9.2.1, descriptive ~~investment~~ information for each ~~Investment~~Partnership Asset and such other information as the General Partner may determine to provide. Notwithstanding any obligation under this clause ~~9.2.2~~9.2.2, the General Partner shall not provide information where disclosure thereof is prohibited under a confidentiality agreement.

9.2.3 The General Partner shall use commercially reasonable efforts to provide to a Limited Partner such other information as is reasonably requested by such Limited Partner for any purpose reasonably related to such Limited Partner's interest as a limited partner in the Partnership to the extent that any such efforts shall not impose any undue cost or burden on the General Partner or the Partnership, subject in each case to the rights of the General Partner concerning confidential information contained in clause ~~16.9~~16.9.

### 9.3 **Limited Partners' Meetings**

9.3.1 The General Partner shall cause the Partnership to have a meeting of the Limited Partners once each calendar year beginning in the year after the year of the Commencement Date (the "**Annual Meeting**") with the first such meeting being after 31 July 2016. At the Annual Meeting the General Partner will review the ~~investment~~ performance of the Partnership. The Partnership's ~~investments~~ Assets or potential ~~investments~~Partnership Assets will not be submitted for discussion and none of the Limited Partners shall play any role in the Partnership's governance or participate in the control of the ~~investment or other~~ activities of the Partnership. The

Annual meeting shall be held within six months of the end of each Accounting Period of the Partnership. The General Partner shall give written notice of such meeting to each Partner at least 20 Business Days in advance thereof.

- 9.3.2 In addition to Annual Meetings, Limited Partners aggregating in excess of 50% by Nominal Value of all Partnership Shares may, by written notice to the General Partner, requisition a meeting of the Limited Partners to consider and vote on matters arising under this Agreement. Any such notice shall (i) contain sufficient detail of the matters to be considered and voted on (ii) disclose the names of the Limited Partners making the request and (iii) be duly signed by such Limited Partners. On receipt of a valid notice of requisition, the General Partner shall convene a meeting of the Limited Partners to be held within 30 Business Days of receipt the notice. In the event of any insufficiency or defect in the notice of requisition, the General Partner shall make such enquiries as it considers necessary and consult with the relevant Limited Partners, and the notice of requisition shall be deemed to have been received by the General Partner at the conclusion of such enquiries and consultations.
- 9.3.3 The General Partner will notify Limited Partners of (i) meetings required to consider and vote on matters arising under this Agreement and (ii) any meetings duly requisitioned under clause ~~9.3.29.3.2~~, giving written notice of any such meeting and providing details of the matters to be considered and voted on at the meeting. Such notice shall be given not less than 20 Business Days in advance of the meeting.
- 9.3.4 Each Partner shall be permitted to appoint the General Partner or another Person as their proxy to vote on any resolution arising under this clause ~~9.39.3~~, either as directed by such Partner or at the discretion of the General Partner.

#### 9.4 Tax Information and FATCA

- 9.4.1 The Manager shall, promptly and with due care upon the request of any Limited Partner, furnish to such Limited Partner any information in its possession that is reasonably required in order for such Limited Partner to file tax returns and reports or to furnish tax information to any of its Partners for the same purposes. The cost of any audits or adjustments of a Limited Partner's tax return shall be borne solely by the affected Limited Partner.
- 9.4.2 Each Limited Partner shall on request of the Manager provide such information required for the purposes of any tax returns which the Partnership or the General Partner is obliged to file in relation to the activities of the Partnership or to facilitate the assessment of any Partner in respect thereof.

- 9.4.3 The General Partner and Manager shall be entitled to disclose to any governmental (including tax) authorities in connection with the Partnership such information about the identity of the Limited Partners and their respective interests in the Limited Partnership as any such authorities may require it to disclose provided that insofar as legally permitted it shall notify the Limited Partner(s) concerned with as much advance notice as reasonably possible and allow such Limited Partner to liaise with the relevant authority.
- 9.4.4 The General Partner, the Manager and the Partnership (each a **“Relevant Entity”**) are expressly authorised by each Limited Partner to:
- 9.4.4.1 enter into, maintain or otherwise comply with any agreement as contemplated by any Tax Information Provisions and to enter into and maintain any registration in respect of any such Tax Information Provisions applicable to it;
  - 9.4.4.2 satisfy any information reporting requirements pursuant to any Tax Information Provisions, (including but not limited to personal data for the purpose of data protection legislation);
  - 9.4.4.3 satisfy any requirements necessary to avoid withholding taxes under any Tax Information Provisions with respect to any payments to be received or made by any Relevant Entity; and
  - 9.4.4.4 provide to any taxation authority or person making a payment to any Relevant Entity any information where the Manager reasonably considers such disclosure to be necessary, desirable or advisable having regard to the interests of the Partnership and the Partners generally, or where required by law, including, for the avoidance of doubt, to enable the Partnership or any person to receive any amounts free from, or subject to a reduced rate of tax, including withholding taxes, in connection with FATCA, any Tax Information Provisions and any other applicable legislation,
  - 9.4.4.5 and each Partner hereby waives (including, to the extent it is legally able to do so, for and on behalf of its beneficial owners) the application of any law, to the extent such law would prevent the Partnership or the Partner from reporting to any applicable taxation authority any information required to be reported under any Tax Information Provisions with respect to such Partner and its beneficial owners.



- 9.4.5 Each Limited Partner shall promptly supply to the Manager such information, affidavits, certificates, representations and forms (including without limitation information about such Limited Partner's direct and indirect owners including but not limited to any beneficial owners) that may be requested by the Manager in order for any Relevant Entity to comply with applicable legal or regulatory requirements (including where such information is required to assist it in obtaining any exemption, reduction or refund of any withholding tax, or to take any other of the actions set out in clause ~~9.4.39.4.3~~ above) whether in connection with ~~Investments~~Partnership Assets or proposed ~~Investments~~Partnership Assets, or in relation to the taxation of the Partnership or any Partner, or otherwise. Each Limited Partner also consents to the disclosure of such information to the relevant authorities.
- 9.4.6 If requested by the Manager, the Limited Partner shall promptly execute any and all documents, opinions, instruments and certificates, or take such other actions as the Manager may require.
- 9.4.7 A Limited Partner who is in breach of any of clauses ~~9.4.2 to 9.4.6~~9.4.2 to 9.4.6 shall indemnify and hold harmless the Relevant Entities and the other Limited Partners in relation to any penalties, interest or other costs imposed on the Partnership or the other Partners as a result of such breach.
- 9.4.8 In the event that any Limited Partner fails to comply with any of the requirements set out in clauses ~~9.4.2 to 9.4.6~~9.4.2 to 9.4.6 in a timely manner or if the Manager reasonably considers that it is necessary or advisable, having regard to the interests of the Partnership and Partners generally, the Manager shall have full authority (but shall not be obliged) to take any and all of the following actions:
- 9.4.8.1 withhold any withholding tax required to be withheld pursuant to any applicable legislation, regulations, rules or agreements;
  - 9.4.8.2 require such Limited Partner to withdraw from the Partnership;
  - 9.4.8.3 transfer such Limited Partner's Interest to a third party (including but not limited to any existing Limited Partner) in exchange for the consideration negotiated by the Manager in good faith for such Interest (from which the Manager is authorised to deduct any penalties, interest, fees or other costs imposed on the Relevant Entities or the other Limited Partners as described in clause ~~9.4.79.4.7~~); and/or
  - 9.4.8.4 take any other action that the Manager deems in good faith to be reasonable to mitigate any adverse effect of such failure on the Relevant Entities or any other Limited Partner.

## 10 INDEMNIFICATION

### 10.1 Indemnification of Covered Persons

10.1.1 The Partnership shall and hereby does, to the fullest extent permitted by applicable law, indemnify and hold harmless each Covered Person from and against any and all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions ("Claims"), that may accrue to or be incurred by any Covered Person, or in which any Covered Person may become involved, as a party or otherwise, or with which any Covered Person may be threatened, relating to or arising out of the ~~investment or other~~ activities of the Partnership, activities undertaken in connection with the Partnership, or otherwise relating to or arising out of this Agreement, including amounts paid in satisfaction of judgments, and counsel fees and expenses reasonably and properly incurred in connection with the preparation for or defence or disposition of any investigation, action, suit, arbitration or other proceeding of a civil nature (a "Proceeding"), (all of such Claims, amounts and expenses referred to in this clause ~~10~~10 are referred to collectively as "Damages"), except to the extent that it shall have been determined by a court of competent jurisdiction that such Damages arose directly from Disabling Conduct of such Covered Person. The termination of any Proceeding by settlement shall not, of itself, create a presumption that any Damages relating to such settlement or otherwise relating to such Proceeding arose primarily from Disabling Conduct of any Covered Person. The General Partner shall promptly notify the Advisory Committee in writing of any proposed exercise by it of the right to indemnity on the part of a Covered Person (including the General Partner itself) and shall consult with the Advisory Committee prior to the payment of any such amount within the scope of this indemnity to any person and such consultation shall allow the Advisory Committee not less than 10 Business Days to consider the issue (or such longer period as in the reasonable opinion of the Advisory Committee is required for the purpose) so that the Advisory Committee has full and adequate time to consider the exercise of the right of indemnity which is proposed and the circumstances which have led to it.

10.1.2 Subject to advance consultation with the Advisory Committee and within such parameters in respect of such matters as the Advisory Committee may determine, reasonable expenses (including legal fees) properly incurred by a Covered Person in defence or settlement of any Claim that may be subject to a right of indemnification hereunder (other than in defence of an action brought by Limited Partners constituting at least a Majority in Interest) may be advanced by the Partnership to such Covered Person prior to the final disposition thereof upon receipt of an undertaking by or on behalf of such Covered Person to repay such

amount if it shall be determined ultimately by a court of competent jurisdiction that the Covered Person was not entitled to be indemnified hereunder. The General Partner shall notify the Advisory Committee of any such expenses advanced by the Partnership. Subject to clause ~~40.2~~10.2, judgements against the Partnership and either or both of the General Partner or the Manager, in respect of which the General Partner or the Manager is entitled to indemnification, shall first be satisfied from Partnership assets, before the General Partner or the Manager, as the case may be, is responsible therefor.

- 10.1.3 Promptly after receipt by a Covered Person of notice of the commencement of any Proceeding, such Covered Person shall, if a claim for indemnification in respect thereof is to be made against the Partnership, give written notice to the Partnership of the commencement of such Proceeding, provided that the failure of any Covered Person to give such notice as provided herein shall not relieve the Partnership of its obligations under this clause ~~40~~10. If any such Proceeding is brought against a Covered Person (other than a derivative suit in right of the Partnership), the Partnership will be entitled to participate in and to assume the defence thereof to the extent that the Partnership may wish, with counsel reasonably satisfactory to such Covered Person. After notice from the Partnership to such Covered Person of the Partnership's election to assume the defence of such Proceeding, the Partnership will not be liable for expenses subsequently incurred by such Covered Person in connection with the defence thereof. The Partnership will not consent to entry of any judgement or enter into any settlement of such Proceeding that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Covered Person of a release from all liability in respect of such Proceeding and the related Claim.
- 10.1.4 The General Partner shall notify the Limited Partners in writing at least seven Business Days prior to making any payment with respect to any material indemnification obligation pursuant to this clause ~~40~~10.
- 10.1.5 The provisions of this clause ~~40~~10 shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this clause ~~40~~10 and regardless of any subsequent amendment to this Agreement, and no amendment to this Agreement shall reduce or restrict the extent to which these indemnification provisions apply to actions taken or omissions made prior to the date of such amendment.
- 10.1.6 If the General Partner determines in its discretion that it is appropriate or necessary to do so, the General Partner may cause the Partnership to establish reasonable

reserves, escrow accounts or similar accounts to fund its obligations under this clause ~~40~~10.

- 10.1.7 If any Covered Person recovers any amounts in respect of any Damages from insurance coverage or any other third party source, such Covered Person shall, to the extent that such recovery is duplicative of any amounts previously paid to it by the Partnership under the indemnification provisions in this clause ~~40~~10 in respect of such Damages, repay such amounts to the Partnership.
- 10.1.8 The right of any Covered Person to the indemnification provided herein shall be cumulative with, and in addition to, any and all rights to which such Covered Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Covered Person's successors, assigns, heirs and legal representatives.

## 10.2 Other Sources of Recovery

The General Partner shall cause the Partnership to use its commercially reasonable efforts to obtain the funds needed to satisfy its indemnification obligations under this clause ~~40~~10 from Persons other than the Partners (for example, out of Partnership assets or pursuant to insurance policies or other indemnification arrangements) before causing the Partnership to make payments pursuant to clause ~~40~~10 and before requiring the Partners to return distributions to the Partnership pursuant to clause ~~6.56.5~~. Notwithstanding the foregoing, nothing in this clause ~~40.2~~10.2 shall prohibit the General Partner from causing the Partnership to make such payments or requiring the Partners to return such distributions, including by way of interest-free Pound-denominated loans, if the General Partner determines in its sole discretion that the Partnership is not likely to obtain sufficient funds from such other sources in a timely fashion, or that attempting to obtain such funds would be futile or not in the best interests of the Partnership (for example, nothing in this clause ~~40.2~~10.2 shall require the General Partner to cause the Partnership to sell any ~~Investment~~Partnership Asset before such time as the General Partner shall determine is advisable).

## 11 TRANSFERS BY PARTNERS AND ADMISSION OF LIMITED PARTNERS

### 11.1 Transfers by Partners

The General Partner may in its sole discretion waive any or all of the conditions given in this clause ~~11~~11.

- 11.1.1 The General Partner may not Transfer all or any part of its Interest, provided that the General Partner may Transfer all or a portion of its Interest to an Affiliate. If the General Partner Transfers its entire Interest pursuant to this clause ~~11.1.1~~11.1.1, the Transferee shall automatically be admitted to the Partnership as the replacement general partner immediately prior to such Transfer without any further

action, approval or vote of any Person, including any other Partner, upon execution of a counterpart of this Agreement and such Transferee shall continue the business of the Partnership without dissolution of the Partnership.

- 11.1.2 Unless effected in accordance with and as permitted by this Agreement, no attempted Transfer or substitution shall be recognised by the Partnership, any purported Transfer or substitution not effected in accordance with and as permitted by this Agreement shall, to the fullest extent permitted by law, be void and the Partnership shall recognise no rights of the purported Transferee, including the right to receive distributions (directly or indirectly) from the Partnership or to acquire an interest in the capital or profits of the Partnership.
- 11.1.3 Where a Limited Partner is a Limited Partner (or entitled to a share of profits) for only part of an Accounting Period his entitlement shall be to a proportion of the profits (or losses) which would have been allocated to him if he had been a Limited Partner for the full Accounting Period multiplied by the fraction which the number of days during which he was a Limited Partner during that Accounting Period bears to the total number of days in that Accounting Period (unless the General Partner determines that a different allocation would more nearly represent the actual profit or loss earned or incurred during the relevant period, in which case that allocation will be applied).

## 11.2 Admission of Limited Partners

- 11.2.1 All Limited Partners shall be admitted to the Partnership by acquiring Partnership Shares at the Closing Dates in accordance with clause ~~4.9~~1.9.
- 11.2.2 From the Commencement Date until the Initial Closing Date, Limited Partners may be admitted to the Partnership by acquiring Founder Partnership Shares at a price of £950 per Founder Partnership Share.
- 11.2.3 After the Initial Closing Date and on or before the Second Closing Date, Limited Partners may be admitted to the Partnership by acquiring B Partnership Shares at a price of £1,000 per B Partnership Share.
- 11.2.4 After the Second Closing Date and on or before Third Closing Date Limited Partners may be admitted to the Partnership by acquiring C Partnership Shares at a price calculated as the Net Asset Value per Partnership Share at the First Independent Valuation Date plus a premium of 10%.
- 11.2.5 After the Third Closing Date and on or before Fourth Closing Date Limited Partners may be admitted to the Partnership by acquiring D Partnership Shares at a price

calculated as the Net Asset Value per Partnership Share as established by an independent valuation as at 30 April 2019, plus a premium of 11%.

- 11.2.6 Subject to the consent of Limited Partners by resolution passed by 75% Majority in Interest, after the Fourth Closing Date additional Limited Partners may be admitted to the Partnership by acquiring new classes of Partnership Shares and existing Limited Partners may acquire new classes of Partnership Shares, in each case as determined by the General Partner. The consideration payable for these new classes of Partnership Shares shall be as determined by the General Partner on terms taking account of the value at that time of the Partnership as determined by the Manager, taking such advice as the Manager deems necessary.

## 12 TRANSFER OF PARTNERSHIP SHARES AND SUBSTITUTE LIMITED PARTNERS

- 12.1 A Limited Partner may sell his Partnership Interest in whole or, in part only subject to (i) the Transferor's remaining holding in the Partnership being not less than 40 Partnership Shares of any class (except if his interest is nil) and (ii) each Transferee holding not less than 40 Partnership Shares of any class. The Manager has undertaken to seek to arrange such transactions between willing buyers and willing sellers at prices mutually acceptable to both parties. The Manager will be entitled to (i) a fee of 3% plus VAT payable by the vendor to the Manager and 3% plus VAT payable by the purchaser to the Manager on the value of such sale to a new Limited Partner or (ii) a fee of 3% plus VAT payable by the vendor to the Manager and 1.5% plus VAT payable by the purchaser to the Manager on the value of such sale is to an existing Limited Partner.
- 12.2 A Limited Partner may assign his Partnership Interest at any time to a Substitute Limited Partner for no consideration, in whole or in units of not less than 40 Partnership Shares of any class, provided that such assignment will not reduce the Transferor's holding in the Partnership to less than 40 Partnership Shares of any class (except if his interest is nil). The Manager will be entitled to an administration charge of £250 plus VAT to effect the registration of each such assignment, payable by the Transferor such fee to increase annually in arrears in line with RPI as from the Commencement Date.
- 12.3 Substitute Limited Partners shall be admitted to the Partnership at the discretion of the General Partner, subject to clause ~~12.5~~12.5, in accordance with clause ~~1.9~~1.9 and this clause ~~12~~12. At the date of admission, following registration by the General Partner of the Substitute Limited Partner as a Limited Partner of the Partnership on the Register, the Substitute Limited Partner will assume the responsibilities, assets and liabilities of the Limited Partner so substituted by the Transfer or sale of his Interest in the Partnership and the Substitute Limited Partner will without further documentation provide the General Partner with the Power of Attorney and rights specified in clause ~~15~~15.

- 12.4 Any Substitute Limited Partner shall have a minimum holding in the Partnership of 40 Partnership Shares. This requirement may be waived at the discretion of the General Partner or, where appropriate, the General Partner may require that holdings of less than 40 Partnership Shares are registered in joint names.
- 12.5 The discretion of the General Partner referred to in clause ~~12.3~~12.3 above can be given or withheld in the General Partner's sole and absolute discretion for any reason whatsoever provided that in the case of any Transfer to:
- 12.5.1 an Affiliate of an existing Limited Partner other than a Transfer which is undertaken as a series of Transfers which would result in the ultimate transferee not being an Affiliate of the original transferor; or
  - 12.5.2 a replacement trustee or replacement trustees of an existing Limited Partner which holds its interest on trust for one or more beneficial owners provided that there is no change in beneficial ownership; or
  - 12.5.3 any custodian or nominee of an existing Limited Partner provided there is no change in beneficial ownership;
- then such discretion shall not be unreasonably withheld or delayed, provided that none of the following apply:
- 12.5.4 if such Transfer would result in a violation of applicable law or any term or condition of this Agreement;
  - 12.5.5 if such Transfer would cause the Partnership to be disqualified or terminated as a partnership (including for applicable tax purposes);
  - 12.5.6 if such Transfer would result in material adverse tax consequences to the Partners;
  - 12.5.7 if such Transfer would result in the Partnership ceasing to be a limited partnership under the Act; and
  - 12.5.8 if such Transfer would cause the dissolution of the Partnership.

### **13 TRANSFER OF PARTNERSHIP SHARES BY FUND MERGER**

- 13.1 The Partners acknowledge that the implementation of the Fund Merger will enable certain Limited Partners, as Merging Limited Partners, to transfer the whole of their Interest in the Partnership to FFI in exchange for limited partnership interests in FFI.
- 13.2 A Limited Partner may elect to participate in the Fund Merger, as a Merging Limited Partner, by voting to adopt this Agreement (and, if requested by the General Partner, giving written

notice to the General Partner in such form (which shall include electronic communications) and by such date as the General Partner may require) provided that any such election shall (i) not oblige the General Partner to effect the Fund Merger, the implementation of which shall remain at the sole discretion of the General Partner and (ii) be in respect of the entire Interest (and not part only) of such Limited Partner.

13.3 The transfer of an Interest pursuant to this clause 13 shall take effect and shall not be subject to the minimum transfer size, consideration, fee or other requirements pursuant to clause 12.

13.4 From the completion date of the Fund Merger, FFI shall hold the Interests transferred pursuant to this clause 13 on the same terms and subject to the same rights, obligations and liabilities as attached to such Interests immediately prior to transfer, save as otherwise provided in this Agreement and noting that:

13.4.1 from the date of completion of the Fund Merger Interests transferred pursuant to this clause 13 shall not bear any fees payable to the Manager; and

13.4.2 notwithstanding any other provision of this Agreement, FFI acting by its general partner or the Manager may exercise all voting rights attached to the Fund Merger Interests transferred pursuant to this clause 13 in its sole discretion.

13.5 To give effect to the Fund Merger, each Merging Limited Partner shall transfer the whole of its Interest in the Partnership to FFI and FFI shall be admitted as a Limited Partner in respect of such transferred Interest.

13.6 Pursuant to clause 16.2.1.6, the General Partner is authorised to execute, verify, swear to, acknowledge, deliver, record and file all instruments that the General Partner determines to be appropriate to give effect to and implement the Fund Merger contemplated by this clause 13.

## **13.14 VALUATIONS**

~~13.1~~14.1 The General Partner shall cause the ~~Investments~~Partnership Assets of the Partnership to be independently valued on: (i) the Independent Valuation Dates; and (ii) on such date as the General Partner shall determine as part of the implementation of the Fund Merger, in either case on a willing seller/willing buyer open market basis or as a going concern, as appropriate, by an independent valuer appointed by the Manager, being a party with expertise in valuing forestry property in accordance with parameters set by the Royal Institute of Chartered Surveyors.

~~13.2~~14.2 The General Partner shall cause the ~~Investments~~Partnership Assets of the Partnership to be internally valued on: (i) the Internal Valuation Dates; and (ii) on such date as the General Partner shall determine as part of the implementation of the Fund Merger, in either case on a willing seller/willing buyer open market basis or as a going concern, as appropriate, by an valuer



appointed by the Manager, being a party with expertise in valuing forestry property in accordance with parameters set by the Royal Institute of Chartered Surveyors.

## **14.15 DISSOLUTION AND WINDING-UP OF THE FUND**

### **14.1.15.1 Dissolution**

There will be a dissolution of the Partnership and its affairs shall be wound up upon the first to occur of any of the following events:

~~14.1.1~~15.1.1 the expiration of the Term as provided in clause ~~1.5~~1.5;

~~14.1.2~~15.1.2 the last Business Day of the subsequent Accounting Period following that in which all assets acquired or agreed to be acquired by the Partnership have been sold or otherwise disposed of;

~~14.1.3~~15.1.3 the withdrawal, removal (unless a replacement general partner is admitted to the Partnership in accordance with clauses ~~2.5 and 2.6~~2.5 and 2.6), insolvency or dissolution and commencement of winding-up of the General Partner except on voluntary liquidation for the purposes of reconstruction or amalgamation, or the assignation by the General Partner of its entire Interest (unless the Transferee is admitted as a replacement general partner of the Partnership pursuant to clause ~~14.1.4~~11.1.1), or the occurrence of any other event that causes the General Partner to cease to be a general partner of the Partnership under the Act, unless (i) at the time of the occurrence of such event there is at least one remaining general partner of the Partnership that is hereby authorised to and does (unanimously in the case of more than one general partner) elect to continue the business of the Partnership without dissolution or (ii) within 90 days after the occurrence of such event a Majority in Interest agrees in writing or votes to continue the business of the Partnership and to the appointment, effective as of the date of such event, if required, of one or more additional general partners of the Partnership;

~~14.1.4~~15.1.4 the dissolution of the Partnership pursuant to Partnership Law or other applicable law; and

~~14.1.5~~15.1.5 at such time as there are no Limited Partners, unless the business of the Partnership is continued in accordance with Partnership Law.

### **14.215.2 Winding-Up**

~~14.2.1~~15.2.1 Upon the dissolution of the Partnership, the General Partner (or, if dissolution of the Partnership should occur by reason of clause ~~14.1.3~~15.1.3 or the General

Partner is unable to act as liquidator, a liquidating trustee of the Partnership or other representative designated by a Majority in Interest) shall use its commercially reasonable efforts to liquidate all of the assets of the Partnership in an orderly manner.

~~14.2.2~~15.2.2 The General Partner (or the liquidating trustee or other representative referred to in clause ~~14.2.1~~15.2.1) shall apply the proceeds of the liquidation referred to in clause ~~14.2.1~~15.2.1 and shall distribute any such proceeds, as follows and in the following order of priority:

~~14.2.2.1~~15.2.2.1 first, to (a) creditors in satisfaction of the debts and liabilities of the Partnership, whether by payment thereof or the making of reasonable provision for payment thereof and (b) the expenses of liquidation, whether by payment thereof or the making of reasonable provision for payment thereof, and (c) the establishment of any reasonable reserves (which may be funded by a liquidating trust) to be established by the General Partner (or liquidating trustee or other representative) in amounts determined by it to be necessary for the payment of the Partnership's expenses, liabilities and other obligations (whether fixed or contingent); and

~~14.2.2.2~~15.2.2.2 second, the amount of such proceeds in excess of the aggregate amount of Partners' Capital Contributions shall be distributed to the Partners in the proportion which the number of Partnership Shares held by each such Limited Partner bears to the total number of Partnership Shares in the Partnership; and

~~14.2.2.3~~15.2.2.3 third, to the Partners in repayment of their Capital Contributions, in proportion and to the extent of their respective Capital Contributions.

~~14.2.3~~15.2.3 A reasonable time period shall be allowed for the orderly winding-up and liquidation of the assets of the Partnership and the discharge of liabilities to creditors so as to enable the General Partner to seek to maximise value to the Limited Partners upon such liquidation. The provisions of this Agreement shall remain in full force and effect during the period of winding-up and dissolution of the Partnership in accordance with the Partnership Law.

### ~~14.3~~15.3 Termination

Upon completion of the foregoing, the General Partner (or the liquidating trustee or other representative referred to in clause ~~14.2.1~~15.2.1) shall give such notice as is required by law.

For the avoidance of doubt, the Partnership will not be dissolved (and such notice as is required by law will not be given by the General Partner or such liquidating trustee or other representative) prior to the end of the Term, unless otherwise required by law or this Agreement.

## **~~15~~16 AMENDMENTS; POWER OF ATTORNEY**

### **~~15.1~~16.1 Amendments**

~~15.1.1~~16.1.1 Any modifications of or amendments to this Agreement duly adopted in accordance with the terms of this Agreement may be executed in accordance with clause ~~15.2~~16.2. The terms and provisions of this Agreement may be modified or amended at any time and from time to time with the written consent of the General Partner and a Majority in Interest, provided that the General Partner may, without the consent of any of the Limited Partners:

~~15.1.1.1~~16.1.1.1 enter into agreements with Persons that are Transferees pursuant to the terms of this Agreement, providing in substance that such Transferees will be bound by this Agreement and will become Substitute Limited Partners;

~~15.1.1.2~~16.1.1.2 amend this Agreement as may be required to implement Transfers of Interests or the admission of any additional Limited Partner in accordance with the terms of this Agreement;

~~15.1.1.3~~16.1.1.3 amend this Agreement (a) to satisfy any requirements, conditions, guidelines or opinions contained in the Act or the laws of the United Kingdom or in any opinion, directive, order, ruling or regulation of any governmental agency, or any statute, rule or regulation, compliance with which the General Partner deems to be in the best interest of the Partnership, provided that the General Partner shall Consult with the Advisory Committee prior to making such amendment or (b) to change the name of the Partnership, provided that the General Partner shall promptly notify the Limited Partners of any change to the name of the Partnership;

~~15.1.1.4~~16.1.1.4 amend this Agreement as may be necessary or advisable to comply with FSMA and any anti-money laundering or anti-terrorist laws, rules, regulations, directives or special measures, provided that the General Partner shall Consult with the Advisory Committee prior to making such amendment;

~~15.1.1.5~~16.1.1.5 amend this Agreement to cure any ambiguity or correct or supplement any provision hereof that may be incomplete or

inconsistent with any other provision hereof, so long as such amendment under this clause ~~15.1.1~~16.1.1 does not adversely affect the interests of the Limited Partners; and

~~15.1.1.6~~16.1.1.6 amend this Agreement in accordance with clause ~~2.5~~2.5.

~~15.1.2~~16.1.2 Notwithstanding the provisions of clause ~~15.1.1~~16.1.1, no modification of or amendment to this Agreement shall be made that will:

~~15.1.2.1~~16.1.2.1 modify or amend clause ~~1.4, 1.5, 2.4, 7.2, 10.1, 14.1 or 14.2~~1.4, 1.5, 2.4, 7.2, 10.1, 15.1 or 15.2 without the written consent of at least a 75% Majority in Interest and the written consent of the General Partner acting in its absolute discretion;

~~15.1.2.2~~16.1.2.2 modify or amend clause ~~3.2~~3.2;

~~15.1.2.3~~16.1.2.3 modify or amend the provisions of clause ~~6.4~~6.4 in a manner that would alter the amount or timing of distributions or the allocations of Capital Gain, Net Income, Capital Loss or Net Income Loss without the written consent of at least 75% Majority in Interest;

~~15.1.2.4~~16.1.2.4 materially and adversely affect the rights of a Limited Partner in a manner that discriminates against such Limited Partner vis-à-vis the other Limited Partners or increase the Capital Contribution of a Limited Partner without the written consent of such Limited Partner; or

~~15.1.2.5~~16.1.2.5 modify or amend the requirement in any provision of this Agreement calling for the consent, vote or approval of a Majority in Interest or other specified percentage in Interest of the Limited Partners, without the written consent of a Majority in Interest or such specified percentage in Interest, as the case may be, of the Limited Partners.

~~15.1.3~~16.1.3 Prior to or within a reasonable period of time after the adoption of any material amendment in accordance with this clause ~~15.1~~16.1, the General Partner shall send to each Limited Partner a copy of such amendment or a written notice describing such amendment.

~~15.1.4~~16.1.4 The provisions of this clause ~~15.1~~16.1 do not apply to rights established under, or alterations or supplements to the terms hereof made pursuant to, side letters or other written agreements entered into in accordance with clause ~~15.1.3~~16.1.3.

## ~~15.2~~16.2 Power of Attorney

~~15.2.1~~16.2.1 Each Limited Partner does hereby irrevocably constitute and appoint the General Partner and its officers, or the successor thereof as General Partner of the Partnership and its officers, with full power of substitution, the true and lawful attorney-in-fact and agent of such Partner, to execute, acknowledge, verify, swear to, deliver, record and file, in its or its assignee's name, place and stead, all instruments, documents and certificates that may from time to time be required by the Act or the laws of the United Kingdom or the laws of any jurisdiction in which the Partnership conducts or plans to conduct business, or any political subdivision or agency thereof, to effect, implement and continue the valid existence and ~~investment and other~~ activities of the Partnership, including the power and authority to execute, verify, swear to, acknowledge, deliver, record and file:

~~15.2.1.1~~16.2.1.1 all certificates and other instruments, including any amendments to this Agreement, that the General Partner determines to be appropriate to (i) form, qualify or continue the Partnership as a limited partnership (or a partnership in which the Limited Partners have limited liability) in Scotland and all other jurisdictions in which the Partnership conducts or plans to conduct business and (ii) admit such Partner as a Limited Partner in the Partnership;

~~15.2.1.2~~16.2.1.2 (i) all instruments that the General Partner determines to be appropriate to reflect any amendment to this Agreement made in accordance with clause ~~15.1.1~~16.1.1 to satisfy any requirements, conditions, guidelines or opinions contained in the Act or the laws of the United Kingdom or in any opinion, directive, order, ruling or regulation of any governmental agency, or any statute, rule or regulation, compliance with which the General Partner deems to be in the best interest of the Partnership, (ii) to change the name of the Partnership or (iii) to cure any ambiguity or correct or supplement any provision hereof that may be incomplete or inconsistent with any other provision herein contained so long as such amendment under this clause ~~15.2.1.2~~16.2.1.2 does not adversely affect the interests of the Limited Partners;

~~15.2.1.3~~16.2.1.3 all instruments that the General Partner determines to be appropriate in connection with the formation or operation of, and the admission of certain or all of the Limited Partners and Substitute Limited Partners to the Partnership;

~~15.2.1.4~~16.2.1.4 all conveyances and other instruments that the General Partner determines to be appropriate to reflect and effect the dissolution, winding-up and termination of the Partnership in accordance with the terms of this Agreement, including the filing of any document as provided for in clause ~~14~~15;

~~15.2.1.5~~16.2.1.5 all instruments relating to (i) Transfers of Interests or the admission of Substitute Limited Partners or additional Limited Partners, (ii) any change in the Capital Contribution of any Limited Partner, all in accordance with the terms of this Agreement;

16.2.1.6 all instruments that the General Partner determines to be appropriate to give effect to and implement the Fund Merger;

~~15.2.1.6~~16.2.1.7 all amendments to this Agreement duly approved and adopted in accordance with this Agreement;

~~15.2.1.7~~16.2.1.8 all instruments that the General Partner determines to be appropriate in connection with any Indebtedness incurred by the Partnership; and

~~15.2.1.8~~16.2.1.9 any other instruments determined by the General Partner to be necessary or appropriate in connection with the proper conduct of the business of the Partnership and that do not adversely affect the interests of the Limited Partners.

Such attorney-in-fact and agent shall not, however, have the right, power or authority to amend or modify this Agreement, when acting in such capacities, except to the extent authorised herein. This power of attorney shall not be affected by the subsequent disability or incompetence of the principal. This power of attorney shall be deemed to be coupled with an Interest, shall be irrevocable, shall survive and not be affected by the dissolution, insolvency or legal disability of any Limited Partner and shall extend to such Limited Partner's successors and assigns. This power of attorney may be exercised by such attorney-in-fact and agent for all Limited Partners (or any of them) by a single signature of the General Partner acting as attorney-in-fact with or without listing all of the Limited Partners executing an instrument. Any Person dealing with the Partnership may conclusively presume and rely upon the fact that any instrument referred to above, executed by such attorney-in-fact and agent, is authorised and binding, without further inquiry. If required, each Limited Partner shall execute and deliver to the General Partner, within five Business Days after receipt of a request therefor, such further designations, powers of attorney or other instruments as the General Partner shall

determine to be necessary for the purposes hereof consistent with the provisions of this Agreement. This power of attorney shall terminate upon a determination of a court of competent jurisdiction that the General Partner or the Manager engaged in Removal Conduct in respect of the Partnership.

## **~~16~~17 MISCELLANEOUS**

### **~~16.1~~17.1 Notices**

~~16.1.1~~17.1.1 Each notice relating to this Agreement shall be in writing and shall be delivered (a) in person, by first class post or by private courier or (b) by facsimile or other electronic means, with such confirmation as the General Partner deems appropriate under the circumstances, including confirmation by telephone to an officer or other representative of the recipient.

~~16.1.2~~17.1.2 All notices to any Limited Partner shall be delivered to such Limited Partner at its last known address as given in the records of the Partnership.

~~16.1.3~~17.1.3 All notices to the General Partner shall be delivered to the General Partner at the Manager's address stated at the start of this Agreement.

~~16.1.4~~17.1.4 Any Limited Partner may designate a new address for notices by giving written notice to that effect to the General Partner. The General Partner may designate a new address for notices by giving written notice to that effect to each of the Limited Partners.

~~16.1.5~~17.1.5 Unless otherwise specifically provided in this Agreement, a notice given in accordance with the foregoing paragraph ~~16~~7.1.1 (a) shall be deemed to have been effectively given (i) two Business Days after such notice is sent by first class post, to the proper address, or (ii) at the actual time delivered when delivered in person or by private courier or other similar service provider. Any notice to the General Partner or to a Limited Partner by facsimile or other electronic means shall be deemed to have been effectively given when sent and confirmed by telephone in accordance with the foregoing paragraph ~~16~~7.1.1 (b).

### **~~16.2~~17.2 Table of Contents and Headings**

The table of contents and the headings of the articles, sections and subsections of this Agreement are inserted for convenience of reference only and shall not be deemed to constitute a part hereof or affect the interpretation hereof.

### ~~16.3~~17.3 **Successors and Assigns**

This Agreement shall inure to the benefit of the Partners and the Covered Persons, and shall be binding upon the parties, and, subject to clause ~~14.1~~11.1, their respective successors, permitted assigns and, in the case of individual Covered Persons, heirs and legal representatives.

### ~~16.4~~17.4 **Severability**

Every term and provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such term or provision will be enforced to the maximum extent permitted by law and, in any event, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

### ~~16.5~~17.5 **Further Actions**

Each Limited Partner shall execute and deliver such other certificates, agreements and documents, and take such other actions, as may reasonably be requested by the General Partner in connection with the formation of the Partnership and the achievement of its purposes or to give effect to the provisions of this Agreement, in each case as are not inconsistent with the terms and provisions of this Agreement, including any documents that the General Partner determines to be necessary or appropriate to form, qualify or continue the Partnership as a limited partnership in all jurisdictions in which the Partnership conducts or plans to conduct its ~~investment and other~~ activities and all such agreements, certificates, tax statements and other documents as may be required to be filed by or on behalf of the Partnership.

### ~~16.6~~17.6 **Determinations of the Partners**

To the fullest extent permitted by law and notwithstanding any other provision of this Agreement or in any other agreement contemplated herein or otherwise, whenever in this Agreement a Partner is permitted or required to make a decision (a) in its "sole discretion" or "discretion" or under a grant of similar authority or latitude, such Partner shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or any other Person, or (b) in its "good faith" or under another express standard, such Partner shall act under such express standard and shall not be subject to any other or different standard.

### ~~16.7~~17.7 **Non-Waiver**

No provision of this Agreement shall be deemed to have been waived unless such waiver is given in writing, and no such waiver shall be deemed to be a waiver of any other or further obligation or liability of the party or parties in whose favour such waiver was given.



## ~~16.8~~17.8 **Applicable Law**

The construction, validity and performance of this Agreement shall be governed by the law of Scotland and the parties hereby agree to submit to the non-exclusive jurisdiction of the Scottish courts.

## ~~16.9~~17.9 **Confidentiality**

~~16.9.1~~17.9.1 The General Partner, the Manager, each Limited Partner and each member of the Advisory Committee shall keep confidential and shall not disclose without the prior written consent of the General Partner all information relating to the Partnership or any Affiliate of the Partnership, or any ~~Investment~~Partnership Asset, provided that a Limited Partner may disclose any such information (a) as has become generally available to the public other than as a result of the breach of this clause ~~16.9~~17.9 by such Limited Partner or any agent or Affiliate of such Limited Partner, (b) as may be required to be included in any report, statement or testimony required to be submitted to any municipal, state or national regulatory body having jurisdiction over such Limited Partner, (c) as may be required in response to any summons or subpoena or in connection with any litigation, (d) to the extent necessary in order to comply with any law, order, regulation, ruling applicable to such Limited Partner and (e) to its professional advisers (including such Limited Partner's auditors and legal advisers and, for any Limited Partner which is, or represents, a pension fund, such Persons as are necessary for the proper administration of the pension fund), so long as such Persons are advised of the confidentiality obligations contained herein.

~~16.9.2~~17.9.2 The Limited Partners hereby agree and acknowledge that any information relating to the Partnership or any Affiliate of the Partnership, or any ~~Investment~~Partnership Asset, could, if released into the public domain, materially adversely affect the Partnership's interests. Each Limited Partner to whom FOI Laws apply hereby agrees to seek to avoid disclosure of such information where possible including by claiming that an exemption applies excusing such Limited Partner from being required to disclose such information.

~~16.9.3~~17.9.3 Notwithstanding any other provision in this Agreement or any other rule of law, the General Partner and the Manager shall, subject to such conditions as they may in their discretion determine, have the right not to provide any Limited Partner with any information which that Limited Partner would otherwise be entitled to receive or to have access to pursuant to this Agreement or otherwise if the General Partner or the Manager (as the case may be) in good faith determines that it is a reasonably foreseeable consequence that such information could be subject to disclosure by such Limited Partner as a consequence of the Limited Partner being subject to laws

in the nature of FOI Laws and the disclosure of such information would not be in the interests of the Partnership the General Partner, the Manager or any of their Affiliates or any of the ~~Investments~~Partnership Assets.

#### ~~16.10~~17.10 **Survival of Certain Provisions**

The obligations of each Partner pursuant to clauses ~~3, 5, 6.5.2, 6.5.5 and 16.9~~3, 5, 6.5.2, 6.5.5 and 17.9 shall survive the termination or expiration of this Agreement and the dissolution, winding-up and termination of the Partnership.

#### ~~16.11~~17.11 **Waiver of Partition**

Except as may otherwise be provided by law in connection with the dissolution, winding-up and liquidation of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for partition of any of the Partnership's property.

#### ~~16.12~~17.12 **Entire Agreement; Side Letters**

~~16.12.1~~17.12.1 This Agreement and the Deeds of Adherence constitute the entire agreement among the Partners and between the Partners with respect to the subject matter hereof and supersede any prior agreement or understanding among them with respect to such subject matter. The representations and warranties of the Limited Partners in and the other provisions of the Deeds of Adherence shall survive the execution and delivery of this Agreement. Subject to clause ~~15.4~~16.1 but notwithstanding any other provision of this Agreement or any Deed of Adherence, in addition to this Agreement and the Deeds of Adherence, the Limited Partners hereby acknowledge and agree that the General Partner or the Manager, on its own behalf or on behalf of the Partnership, may enter into side letters or other written agreements to or with any Limited Partner without the consent of any Person, including any other Limited Partner, that has the effect of establishing rights under, or altering or supplementing the terms hereof and of any Deed of Adherence (~~"Side Letters"~~"Side Letters").

~~16.12.2~~17.12.2 Where any Side Letter has the effect of establishing rights in favour of a Limited Partner, or altering or supplementing the terms of this Agreement with respect to such Limited Partner, the Partners agree that the terms of such Side Letter shall apply with respect to such Limited Partner notwithstanding any contrary provisions in this Agreement and notwithstanding that such Side Letter may give preferential treatment to such Limited Partner.

~~16.12.3~~17.12.3 If any Side Letters are entered into by the Partnership, the General Partner or the Manager with any Limited Partner, the Manager will procure that (i) the material terms of such Side Letters are disclosed to all Limited Partners before they

~~invest~~participate in the Partnership if entered into before such ~~investment~~participation and otherwise reasonably promptly following the ~~Third~~Fourth Closing Date (provided that the Manager shall not be required to disclose the identity of the recipient of the Side Letter) and (ii) the relevant party will also enter into a Side Letter on substantially the same terms as the Side Letters disclosed with any other Limited Partner which indicates to the Manager in writing within 25 Business Days of the disclosure of the Side Letters that they wish to avail themselves of any of the terms of those Side Letters, provided that this clause shall not apply to any Side Letter that:

~~16.12.3.1~~17.12.3.1 relates to a rebate or reduction of or sharing in the Manager's fees; or

~~16.12.3.2~~17.12.3.2 offers a Limited Partner a right or an opportunity to co-invest alongside the Partnership, whether generally or in particular circumstances; or

~~16.12.3.3~~17.12.3.3 offers the right to appoint a representative to the Advisory Committee or

~~16.12.3.4~~17.12.3.4 relates to the basis on which Partnership information will be disclosed to such Investor or any requirement (or the waiving of any requirement) to keep such information confidential; or

~~16.12.3.5~~17.12.3.5 relates to any arrangements necessitated by statutory, regulatory, tax or internal policy provisions applicable to such Investor; or

~~16.12.3.6~~17.12.3.6 consents to, or limits the General Partner's discretion in respect of transfers of Partnership Shares in favour of Affiliates of the recipient of such Side Letter or other persons closely connected to the transferor or the granting of security over such Partnership Shares; or

~~16.12.3.7~~17.12.3.7 relates to any requirement (or the waiving of any requirement) to provide information or documentation to the Manager, for the purposes of anti-money laundering or otherwise.

~~16.12.4~~17.12.4 The Partners confirm and agree that any provisions which are offered to all Limited Partners in accordance with clause ~~16.12.3~~17.12.3 shall not be regarded as giving preferential treatment to any Investor.

#### ~~16.13~~17.13 **No Third Party Beneficiaries**

The provisions of this Agreement are intended solely to benefit the Partners and Covered Persons and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any other Person (including, without limitation, any creditor of the Partnership) and no such other Person shall be a third party beneficiary of this Agreement.

#### ~~16.14~~17.14 **Compliance with Anti-Money Laundering Requirements**

Notwithstanding any other provision of this Agreement to the contrary, the General Partner, in its own name and on behalf of the Partnership, shall be authorised without the consent of any Person, including any other Partner, to take such action as it determines in its sole discretion to be necessary or advisable to comply with any anti-money laundering or anti-terrorist laws, rules, regulations, directives or special measures, including the actions contemplated by the Deeds of Adherence.

#### ~~16.15~~17.15 **VAT**

All amounts payable pursuant to this Agreement shall unless otherwise stated be exclusive of any VAT thereon, and the Partnership shall be responsible for any VAT that may be payable including any VAT on any fee payable by the General Partner to the Manager. If the General Partner is liable to pay any VAT by reason of its being treated as making taxable supplies pursuant to this Agreement, it shall be entitled to be indemnified by the Partnership in respect of any such liability.

#### ~~16.16~~17.16 **Non-Recognition of Trust Arrangements**

The General Partner shall treat those Limited Partners registered as Limited Partners of this Partnership under the Act as the Limited Partners of the Partnership under this Agreement and shall not (other than as agreed otherwise by the General Partner) recognise any trust arrangement or other arrangement under which any such Limited Partner may hold its interest in the Partnership whether or not such arrangement shall have been notified to it.

#### ~~16.17~~17.17 **Withholding Tax**

~~16.17.1~~17.17.1 Each Limited Partner shall, to the fullest extent permitted by applicable law, indemnify and hold harmless the Partnership and each Covered Person against all claims, liabilities and expenses of whatever nature relating to such Covered Person's obligation to withhold and to pay over, or otherwise pay, any withholding or other taxes payable by the Partnership with respect to such Limited Partner or as a result of such Limited Partner's participation in the Partnership save in respect of any liability to interest or penalties incurred by any Limited Partner or the

Partnership in that regard in respect of any negligence on the part of the General Partner or the Manager.

~~16.17.2~~17.17.2 Notwithstanding any other provision of this Agreement, each Partner hereby authorises the Partnership and the General Partner to withhold and to pay over, or otherwise pay, any withholding or other taxes payable or required by law to be deducted by the Partnership or any of its Affiliates with respect to such Partner or as a result of such Partner's participation in the Partnership (including as a result of a distribution in kind to such Partner). If and to the extent that the Partnership shall be required to withhold or pay any such withholding or other taxes, such Partner shall be deemed for all purposes of this Agreement to have received a payment from the Partnership as of the time that such withholding or other tax is required to be paid, which payment shall be deemed to be a distribution of Distributable Cash with respect to such Partner's Interest to the extent that such Partner (or any successor to such Partner's Interest) would have received a cash distribution but for such withholding. To the extent that such payment exceeds the cash distribution that such Partner would have received but for such withholding, the General Partner shall notify such Partner as to the amount of such excess and such Partner shall make a prompt payment to the Partnership of such amount by same day value transfer, which payment shall not constitute a loan or increase any account of such Partner. The Partnership may hold back from any such distribution in kind any property having a value equal to the amount of such taxes until the Partnership has received payment of such amount.

~~16.17.3~~17.17.3 Any withholding referred to in this clause ~~16.17~~16.17 shall be made at the maximum applicable statutory rate under the applicable tax law unless the General Partner shall have received an opinion of counsel, or other evidence, satisfactory to the General Partner to the effect that a lower rate is applicable or that no withholding is applicable,.

~~16.17.4~~17.17.4 In the event that the Partnership receives, or is deemed to receive, a distribution or payment from or in respect of which tax has been withheld, or in respect of which the Partnership is required to make a payment in respect thereof, respectively, the Partnership shall be deemed to have received cash in an amount equal to the amount of such withheld tax, and each Partner shall be deemed for all purposes of this Agreement to have received a payment from the Partnership as of the time of such distribution or payment equal to the portion of such amount that is attributable to such Partner's Interest as determined by the General Partner in its sole discretion, which payment shall be deemed to be a distribution of Distributable Cash to the extent that such Partner (or any successor to such Partner's Interest) would have received a cash distribution but for such withholding. To the extent that

the Partnership is required to make a payment in respect of withholding taxes imposed on a distribution or payment that the Partnership is deemed to receive, the General Partner shall notify each Partner as to the portion of such payment that is attributable to such Partner's Interest, as determined in good faith by the General Partner, and such Partner shall make a prompt payment to the Partnership of such money by same day value transfer, which payment shall not constitute a loan or increase any account of such Partner. In the event that the Partnership anticipates receiving a distribution or payment from which tax will be withheld in kind, the General Partner may elect to prevent such in-kind withholding by paying such tax in cash and may require each Partner in advance of such distribution to make a prompt payment to the Partnership by same day value transfer of the amount of such tax attributable to such Partner's Interest as equitably determined by the General Partner, which payment shall not constitute a loan.

~~16.17.5~~17.17.5 Where the General Partner is deemed to have received a payment pursuant to this clause ~~16.17~~17.17, it shall be entitled to an interest-free loan from the Partnership of an amount equal to the amount of such deemed payment until such time as the General Partner obtains repayment from the tax authorities of an amount equal to the deemed payment or obtains an equivalent benefit provided that, where the equivalent benefit takes the form of a reduction in the General Partner's liability to UK corporation tax in any accounting period the General Partner shall be deemed to receive that equivalent benefit on the date which falls (where the General Partner is a "large company" for the purposes of the Corporation Tax (Instalment Payment) Regulations 1998) three months and fourteen days after the end of the relevant accounting period and (in any other case) nine months and one day after the end of the relevant accounting period.

IN WITNESS WHEREOF this Agreement comprising this and the preceding ~~51~~54 pages and the Schedule is executed as follows:

By **FIM**Gresham House **Timberland General Partner Limited**

..... Director or Authorised Signatory

..... Full Name

..... Date of signing

..... Place of signing

~~in~~By the ~~presence of~~

Limited Partners, acting by Gresham House Timberland General

..... Witness

..... Full Name

..... Address

By ~~FIM Initial~~ Partner Limited as attorney pursuant to clause 16.2.1.2

..... Director or Authorised Signatory

..... Full Name

..... Date of signing

..... Place of signing

~~in the presence of~~

..... Witness

..... Full Name

..... Address

By **Gresham House Asset Management Limited** (in its capacity as Manager)

..... Director or Authorised Signatory

..... Full Name

..... Date of signing

..... Place of signing

~~in the presence of~~

..... Witness

Full Name

..... Address

By **FIM Services Limited**

..... Director or Authorised Signatory

..... Full Name

..... Date of signing

..... Place of signing

~~in the presence of~~

..... Witness

..... Full Name

..... Address



SCHEDULE

THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING LIMITED PARTNERSHIP AGREEMENT BETWEEN ~~FIM~~GRESHAM HOUSE TIMBERLAND GENERAL PARTNER LIMITED, GRESHAM HOUSE ASSET MANAGEMENT -LIMITED (AS MANAGER) AND OTHERS

~~PART 1.1~~

~~FOUNDER LIMITED PARTNER~~

| Name                                                                                                                                                           | Capital Contribution |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <del>FIM Initial Partner Limited</del><br><del>Glebe Barn</del><br><del>Great Barrington</del><br><del>Burford</del><br><del>Oxen</del><br><del>OX18 4US</del> | <del>£1</del>        |

## **PART 2.2**

### **PART 1**

#### **FORM OF DEED OF ADHERENCE (CREATION OF NEW PARTNERSHIP SHARES)**

#### **DEED OF ADHERENCE**

by the parties detailed in the schedule annexed as relative hereto (the "Schedule") (the "New Limited Partners") and their successors and assignees whomsoever

#### **1 Application**

- 1.1 We, the New Limited Partners, hereby irrevocably apply to FIMGresham House Timberland LP, a limited partnership registered in Scotland under the Limited Partnerships Act 1907 (Registered Number: SL19763) (the "Partnership"), acting through its General Partner FIM-Timberland General Partner Limited, as constituted and governed by the agreement between FIMGresham House Timberland General Partner Limited, Gresham House Asset Management Limited (as Manager) and others dated [ ] 2019, as amended and restated from time to time (the "Partnership Agreement") apply to become Limited Partners of the Partnership and to acquire Partnership Shares comprising the respective Capital Contributions as set out in the Schedule and including all rights and obligations relative to the Capital Contributions as are conferred upon Limited Partners by the Partnership Agreement.
- 1.2 The expressions used in this Deed of Adherence shall have the meanings attributed to them in the Partnership Agreement except where the context otherwise requires.

#### **2 Acceptance of Deed of Adherence**

- 2.1 Your acceptance of this Deed of Adherence, as evidenced by:
- 2.1.1 your execution hereof; and
- 2.1.2 your listing of us, the New Limited Partners as Limited Partners of the Partnership on the Register (as defined in the Partnership Agreement), which you hereby undertake to do without delay on receipt from us of the Capital Contributions;
- shall constitute us as Limited Partners in the Partnership on the terms of the Partnership Agreement and will constitute agreement and acceptance by you that we are Limited Partners in respect of the Partnership Shares.

### 3 Risks

- 3.1 We confirm that our decision to become Limited Partners is made solely on the basis of the information contained in the Partnership Agreement and the Information Memorandum relative to the Partnership dated [ ] 2019 and not in reliance on any other information, representations or warranties whatsoever, whether oral or written. We understand and have evaluated the risks connected with becoming Limited Partners in the Partnership, including that Limited Partners are precluded from management of the business of the Partnership and that Limited Partners may become jointly and severally liable for the debts and obligations of the Partnership if they become involved in the management of the business of the Partnership.

### 4 Irrevocable Agreement to the Terms of the Partnership Agreement

- 4.1 We agree that our execution of this Deed of Adherence shall accordingly constitute our irrevocable agreement to be bound by the terms and conditions of the Partnership Agreement (which shall apply to us as if we were named therein as Limited Partners) as Limited Partners.

### 5 Governing Law

- 5.1 This Deed of Adherence shall be governed by and construed in accordance with the laws of Scotland.

### 6 Execution

- 6.1 This Deed of Adherence consisting of this and the preceding page is executed as follows:

For and on behalf of the New Limited Partners

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| .....<br>signature of witness       | .....<br>signature of [ ] as Attorney |
| .....<br>full name of above (print) | .....<br>full name of above (print)   |
| .....<br>.....                      | .....<br>date of signing              |
| .....<br>address of witness         | .....<br>place of signing             |

For and on behalf of [ ] in its capacity as the General Partner for and on behalf of the Partnership

|                               |                                                               |
|-------------------------------|---------------------------------------------------------------|
| .....<br>signature of witness | .....<br>signature of Director/Secretary/Authorised Signatory |
| .....                         | .....                                                         |

|                                     |                                     |
|-------------------------------------|-------------------------------------|
| .....<br>full name of above (print) | .....<br>full name of above (print) |
| .....<br>.....                      | .....<br>date of signing            |
| .....<br>address of witness         | .....<br>place of signing           |

### **PART 3-3**

### **PART 2**

## **FORM OF DEED OF ADHERENCE (ASSIGNATION OF EXISTING PARTNERSHIP SHARES)**

### **DEED OF ADHERENCE**

By the parties detailed in the schedule annexed as relative hereto (the "~~""Schedule""~~") (the "~~""Assignee Limited Partners""~~") and their successors and assignees whomsoever

#### **1 Application**

1.1 We, the Assignee Limited Partners, hereby irrevocably apply to ~~FIM~~Gresham House Timberland LP, a limited partnership registered in Scotland under the Limited Partnerships Act 1907 (Registered Number: SL19763) (the "~~""Partnership""~~"), acting through its General Partner ~~FIM~~Timberland General Partner Limited, as constituted and governed by the agreement between ~~FIM~~Gresham House Timberland General Partner Limited, Gresham House Asset Management Limited (as Manager) and others dated [ ] ~~2019~~2026, as amended and restated from time to time (the "~~""Partnership Agreement""~~") apply to become Limited Partners of the Partnership in place of the assignors also detailed in the Schedule ("~~""the Assignor Limited Partners""~~"), pursuant to the respective assignments (the "~~""Assignations""~~") in our favour of the Partnership Shares held by the Assignor Limited Partners in the Partnership as represented by their respective capital contributions and including all rights and obligations in and to the Partnership in respect of those interests.

1.2 The expressions used in this Deed of Adherence shall have the meanings attributed to them in the Partnership Agreement except where the context otherwise requires.

#### **2 Acceptance of Deed of Adherence**

2.1 Your acceptance of this Deed of Adherence, as evidenced by:

2.1.1 your execution hereof; and

2.1.2 your listing of us as Limited Partners of the Partnership on the Register (as defined in the Partnership Agreement), which you hereby undertake to do without delay on the date hereof;

shall constitute us as Limited Partners in the Partnership in place of the Assignor Limited Partners on the terms of the Partnership Agreement and will constitute agreement and acceptance by you that we have acquired the Partnership Shares from the Assignor Limited Partners.

### 3 Risks

- 3.1 We confirm that our decision to become Limited Partners is made solely on the basis of the information contained in the Partnership Agreement [and the Information Memorandum relative to the Partnership dated [ ] ~~2019~~2026 and not in reliance on any other information, representations or warranties whatsoever, whether oral or written. We understand and have evaluated the risks connected with becoming Limited Partners in the Partnership, including that Limited Partners are precluded from management of the business of the Partnership and that Limited Partners may become jointly and severally liable for the debts and obligations of the Partnership if they become involved in the management of the business of the Partnership.

### 4 Irrevocable Agreement to the Terms of the Partnership Agreement

- 4.1 We agree that our execution of this Deed of Adherence shall accordingly constitute our irrevocable agreement to be bound by the terms and conditions of the Partnership Agreement (which shall apply to us as if we were named therein as Limited Partners) as Limited Partners.

### 5 Governing Law

- 5.1 This Deed of Adherence shall be governed by and construed in accordance with the laws of Scotland.

### 6 Execution

- 6.1 This Deed of Adherence consisting of this and the preceding page is executed as follows:

For and on behalf of the Assignee Limited Partners

.....  
signature of witness

.....  
signature of [ ] as Attorney

.....  
full name of above (print)

.....  
full name of above (print)

.....  
.....  
.....

.....  
date of signing

.....  
address of witness

.....  
place of signing

For and on behalf of [ ] in its capacity as the General Partner for and on behalf of the Partnership

.....  
signature of witness

.....  
signature of Director/Secretary/Authorised  
Signatory

.....  
full name of above (print)

.....  
full name of above (print)

.....  
.....

.....  
date of signing

.....  
address of witness

.....  
place of signing