

**TERMS OF ISSUE OF ALL SHARES, APART FROM MANAGEMENT SHARES, IN NORTH STAR
INTERNATIONAL INVESTMENT FUND LIMITED AS AT 11TH MARCH 2009 REVISED WITH
EFFECT FROM 17TH OCTOBER 2016**

Hereinafter the shares, which shall mean all the shares in North Star International Investment Fund Limited which are not designated as "Management Shares" are referred to as the "Shares" and the company North Star International Investment Fund Limited is referred to as the "Fund".

Management Shares shall mean those shares which are designated as such in the Fund's Memorandum of Association and, unless and until subsequently varied in accordance with the Fund's Articles of Association, at the date hereof are made up of 100 shares of Danish Kroner 1 each.

These Terms of Issue overlay the Fund's Articles of Association and shall have precedence in the event of any conflict with said Articles.

The Fund is an open-ended investment company incorporated on March 10, 2009 as an exempted company, registration number 223954, with limited liability under the Companies Law (2007 Revision) of the Cayman Islands. The Fund is NOT a regulated mutual fund for the purposes of The Mutual Funds Law, (2007 Revision) of the Cayman Islands and consequently is NOT regulated by the Cayman Islands Monetary Authority.

All monies raised by subscriptions for Shares will be invested by the directors of the Fund in accordance with the following investment objectives and method of operation.

Investment objectives and method of operation

As explained in a recent circular letter to all North Star shareholders, with effect from Monday, 17th October 2016 the "Investment objectives and method of operation" are revised so as to be as follows.

This Fund falls into the category of Equity Funds within the North Star Group and its aim is to profit long-term from outright investment and trading in, primarily, equities and government and mortgage bonds but also good quality corporate bonds. The Fund will seek enhanced gains through the prudent use of gearing ("leveraging") and will use the currency markets to finance and hedge this.

The Manager may also use matched buying and selling trades in the bond and currency markets, where each transaction is carefully risk weighted (see below under Permitted Investments) using current industry standards so as to maximise potential gains while minimising risk. The inclusion of such techniques in the investment management provides a higher degree of risk diversification, a wider spectrum of sources of return on invested capital and less dependence on the short-term direction of the markets.

Permitted Investments

The Fund is permitted to invest or trade

- in quoted equities or units in any Unit Trust in any part of the world (either directly or through equity funds),
- in publicly quoted bonds in any OECD currency and which are rated AA or better, or similar under another classification system,
- in private mortgages in any securitised form and which are guaranteed by any government authority, licensed bank or insurance company,

- in any other Fund(s) or scheme(s) managed by North Star Group which have broadly similar objectives to this Fund, but in cases where such other North Star Fund or Funds may have a higher indicated gearing than this Fund (see below) the combined gearing effect must not be higher than that indicated below for this Fund
- to the extent of 10 per cent of the total gross invested portfolio per other vehicle up to an aggregate of 70 per cent of the total gross invested portfolio in any other mutual or pooled fund or unit trust having the following as permitted investments:
 - Equities or equity derivatives of any kind
 - Government bonds of any kind,
 - Emerging markets bonds,
 - Corporate bonds &
 - Private mortgages of any kind;

subject to the portfolio of the underlying fund holding, on average, investments of at least BBB- quality, the underlying fund's portfolio being valued at least once a week and the underlying fund's portfolio being acceptable to the Fund's bank for gearing purposes.

- a) in currency deposits with any bank or deposit-taker licensed to accept such deposits from the public, or in other cash or near cash instruments. The Fund may also acquire shares or units in pure Money Market Funds approved by the Board
- b) in any instruments which now or in future derive from any of the above
- c) in any other instruments which the Manager believes are suitable and which broadly follow the general objectives and possibilities set out above

The Fund may employ any geared strategy such as the use of futures, options and bank borrowing, including short selling, provided that the total level of gearing including interest does not exceed 6 times the amount of the shareholders' net equity already invested in bonds, private mortgages or currencies, with a buffer of one time gearing to cover sudden market movements. Gearing on the equity part of the portfolio will be limited to 3 times the amount of the shareholders' net equity already invested in equities, with a buffer of one time gearing to cover sudden market movements. For the purpose of compliance with these gearing limits the Fund's portfolio will be evaluated on either a nominal or, when risk-weighted trading is being used, on a risk-weighted basis.

"Risk-weighted trading" describes a situation where the maximum permitted level of gearing depends on the volatility of the financial assets in which the Fund invests. As far as trading in bonds is concerned, it implies that the shorter the duration of the bonds the higher the level of gearing the Fund may use, and vice versa. This practice may result in gearing higher than the nominal limits mentioned above but ensures that the maximum level of risk in terms of market exposure is kept within the same practical limits. The maximum level of risk should not be more than that inherent in the 30 year Danish Government Bond. In the case of equities, risk-weighting will be based on calculations acceptable to the Custodian Bank for gearing evaluation purposes. The Fund may not take or seek to take legal or management control of the issuer of any of its underlying holdings.

The Manager has full discretion to vary the investments of the Fund, within the above parameters, from time to time as it sees fit. The overall investment policy may be changed by the Board of Directors if they think fit in prevailing market conditions, however, they will not do this without previously advising all shareholders in writing at least 30 days before the proposed change is due to come into effect.

Previous text not applicable after 16th October 2016

The Fund falls into the category of Bond Funds and its aim is to profit long term from outright investment and trading in, primarily, government and mortgage bonds but also good quality corporate bonds. The Fund will seek enhanced gains through the use of gearing ("leveraging") and will use all available markets to finance and hedge this.

The Manager may also use matched buying and selling trades in the bond and currency markets, where each transaction is risk-weighted (see below under Permitted Investments) using current industry standards so as to maximise potential gains while minimising risk. The inclusion of such techniques in the investment management provides a higher degree of risk diversification, a wider spectrum of sources of return on invested capital and less dependence on the short term direction of the markets.

Permitted Investments

The Fund is permitted to invest or trade

- in publicly quoted bonds in any OECD currency and which are rated AA or better, or similar under another classification system;
- in private mortgages in any securitised form and which are guaranteed by any government authority, licensed bank or insurance company;
- up to 70 per cent of the total gross invested portfolio of the Fund in other mutual or pooled funds or unit trusts having the following as permitted investments:
 - Government bonds of any kind;
 - Emerging markets bonds;
 - Corporate bonds &
 - Private mortgages of any kind;

where the amount invested in each other such other fund or unit trust shall not exceed 10 per cent of the total gross invested portfolio of the Fund and subject to the portfolio of such fund or unit trust holding, on average, investments of at least BBB quality, the underlying fund's portfolio being valued at least once a week and the underlying fund's portfolio being acceptable to the Fund's bank for gearing purposes.

- in any other Fund(s) or scheme(s) managed by North Star Group which have broadly similar objectives to this Fund, but in cases where one or more of such other North Star Fund or Funds may have a higher indicated gearing than this Fund (see below) the combined gearing effect must not be higher than that indicated below for this Fund
- in currency deposits with any bank or deposit taker licensed to accept such deposits from the public, or in other cash or near cash instruments. The Fund may also acquire shares or units in pure Money Market Funds approved by the Board
- in any instruments which now or in future derive from any of the above
- in any other instruments which the Manager believes are suitable and which broadly follow the general objectives and possibilities set out above

~~The Fund may employ any geared strategy such as the use of futures, options and bank borrowing, including short selling, provided that the total level of gearing including interest does not exceed 6 times the amount of the shareholders' net equity, with a buffer of one time gearing to cover sudden market movements. For the purpose of compliance with these gearing limits the Fund's portfolio will be evaluated on either a nominal or, when risk-weighted trading is being used, on a risk-weighted basis.~~

~~"Risk-weighted trading" describes a situation where the maximum permitted level of gearing depends on the volatility of the financial assets in which the Fund invests. As far as trading in bonds is concerned, it implies that the shorter the duration of the bonds the higher the level of gearing the Fund may use, and vice versa. This practice may result in gearing higher than the nominal limits mentioned above but ensures that the maximum level of risk in terms of market exposure is kept within the same practical limits. The maximum level of risk should not be more than that inherent in the 30-year Danish Government Bond."~~

~~The Fund may not take or seek to take legal or management control of the issuer of any of its underlying holdings.~~

~~The Manager has full discretion to vary the investments of the Fund, within the above parameters, from time to time as it sees fit. The overall investment policy may be changed by the Board of Directors if they think fit in prevailing market conditions, however, they will not do this without previously advising all shareholders in writing at least 30 days before the proposed change is due to come into effect.~~

Redeemable Preference Shares

These Terms of Issue cover the following Shares:

15,000 Redeemable Preference "A" shares of Danish Kroner 1 each

485,000 Redeemable Preference shares of Danish Kroner 1 each

500,000 Redeemable Preference shares of U.S. Dollars 0.10 each

500,000 Redeemable Preference shares of Euros 0.10 each

500,000 Redeemable Preference shares of GBP 0.10 each

Holders of all the above Redeemable Preference shares shall have preference over the holders of all Management Shares in respect of all rights to income and profits made by the Fund. Holders of the Management Shares shall have no right to participate in such profits and shall only be entitled on any winding-up of the Fund to a return of paid-in capital relating to those Management Shares, which as at the date hereof amounts to DKK 100.

The Fund's class of 15,000 Redeemable Preference "A" shares of DKK 1 each have the same rights as all other Redeemable Preference shares but in addition they have voting rights in respect of all matters required to be decided by General Meetings of the Fund.

The number of the Shares to be made available for issue may be increased at any time by the Directors, provided any additional shares are to be issued on the same terms as those Shares already in issue.

Shares may be offered for acquisition by investors in such manner as the Directors may decide and any such offer may be continuous or restricted as to time at the discretion of the Directors. Shares will be issued monthly at a subscription price equivalent to the Net Offer Asset Value per Share determined in accordance with these Terms of Issue on the relevant Valuation Day plus an initial charge as described under "Fees and Expenses".

The initial minimum amount to be subscribed for Shares, and for any subsequent acquisitions of Shares by the same shareholder, shall be set from time to time by the Directors. Payment for subscriptions may only be made in monetary form.

The Fund will not allot Shares in satisfaction of any application unless or until cleared funds in payment of the Subscription Price have been received by the Fund's bank by close of business on the day immediately preceding the relevant day on which Shares are to be allotted. Acknowledgement of subscription and allotment will be by issue of a contract note, normally within two weeks of the date of allotment of Shares.

The Directors of the Fund may decline to allot Shares pursuant to any application, or may allot fewer shares than were applied for by the applicant. Subject thereto, an applicant will be allotted such number of Shares as his subscription monies will purchase at the Offer Price then ruling, after taking into account the relevant initial charge. Where appropriate, fractions of Shares will be issued. Subscription monies in respect of Shares may be paid in any currency but will be converted into the currency of the share class applied for on receipt by Fund's bank. Any monies thereafter to be returned to an investor or prospective investor shall be the available amount in the currency of the relevant share class.

Shares will be issued in registered form only. No certificates will be issued in respect of Shares, ownership of which will be evidenced by entries in the Fund's Register of Members.

Fees and Expenses

The following fees apply to subscriptions for Shares and to the Fund's daily operations. These fees are the fees applicable with effect from 16th March 2009 and may thereafter be varied by the Directors at their absolute discretion with 30 days written notice to holders of the Shares.

There is an initial charge for acquisition of Shares in the Fund which is not included in the offer price. This charge is two per cent on any amount invested up to US Dollars 50,000 or equivalent. Above that amount the charge is negotiable. This initial charge is levied by the Manager.

There is a fee payable monthly to the Manager to cover all charges for investment management, daily administration and bookkeeping. This fee is calculated on each valuation day at the rate of 0.625% per annum of the gross managed portfolio value (as established by the Manager) up to DKK 100 million or equivalent on a nominal or on a risk-weighted basis as applicable (as referred to under "Investment Objectives and Method of Operation") or where both methods are in use, whichever is the higher, then 0.50% for a gross managed portfolio value above that amount. For the purpose of calculating these fees the "gross managed portfolio value" will comprise all cash, securities and the nominal value of all derivatives (for example, but not necessarily limited to, futures, options and forward contracts) held by the Fund, whether for investment purposes or for hedging purposes. For fee purposes the portfolio will be valued in the same manner as for the establishment of the Fund's Net asset Value, namely, all quoted assets will be valued at current quoted market prices obtained from independent third-party sources and all other assets will be valued in accordance with normal practice for the particular asset, using independent third-party sources wherever possible. Holdings in other North Star Group investment Funds will be excluded so as to avoid double-charging.

The Manager will also receive a regular performance fee of 17.5 per cent of any sustained increase in the Fund's underlying net asset value. If the Fund's net asset value remains below its previous all time high for 9 months then the base for calculating performance fees may be reset to the value at that time.

The base point for calculating these performance fees in relation to the 9 months rule shall be treated as having been inherited from North Star Investment Fund Limited and so there will be continuity.

Redemptions

Shares are redeemable at the discretion of the Directors which means that the Directors will consider and approve or reject each redemption request which is outstanding at each Valuation Day. It is possible they may not approve a request in times when it would be detrimental, in their opinion, to the Fund. This could be, for example, in times where the Fund does not have sufficient liquidity or extreme market conditions are prevalent. Due to the investment strategy it is expected that this will be the exception rather than the rule. Redeemable Shares will not, in any case, be redeemed during any period when the calculation of Net Bid Asset Value per Share has been suspended pursuant to these Terms of Issue or to the Articles.

To be considered on any Valuation Day a redemption request must be received by the Directors at either the registered office or at the support office in Copenhagen not less than 14 days before the end of any calendar month. A redemption request must normally be for a minimum transaction value equivalent to US Dollars 5,000 but the Directors may accept smaller redemption requests at their discretion.

Proceeds of redemption of Shares will be paid at the redeeming shareholder's risk by bank draft or, at the expense of the redeeming shareholder, telegraphic transfer, to such holder's address on the register or in the case of a telegraphic transfer to the bank account stated in the redemption request. Payment will normally be sent within 3 days after the date of redemption.

Valuations

Net Bid and Net Offer Prices per Share will be determined by or on behalf of the Manager on each Valuation Day (normally the last business day in Denmark and all other relevant centres in each calendar month unless a Friday, in which case it will be the first business day of the next week) and will be calculated as set out below. The Offer Price per Share of the Fund is calculated as follows:

- the net offer asset value of the Fund is established by valuing quoted investments at the ruling official offer market price (or single price if an offer price is not available) on the relevant day, adding the value of any unquoted investments calculated at the mid market price and deducting there from the value of any liabilities (again calculated at mid market price as appropriate)
- the resultant net asset value is then divided by the number of shares in issue and rounded up to the nearest Danish Kroner to give the Offer price per share

The Bid Price per Share of the Fund is calculated in a similar manner but using official bid prices, where available, to establish the net bid asset value of the Fund. After dividing by the number of shares in issue the value arrived at is rounded down to the nearest. The bid/offer spread has a permitted maximum of 1 per cent.

The Directors shall have the discretion to make adjustments to these prices if they believe there to be some error or anomaly in the prices produced in accordance with the above rules. This discretion shall apply whether the effect on the prices is material or immaterial.

The Directors may suspend the determination of Net Bid and Net Offer Prices per Share in respect of the whole or any part of a period during which:

- by reason of the closure of, or the suspension of trading on any money market, stock exchange or over-the-counter market or any other exchange or market, or for any other reason circumstances exist as a result of which, in the opinion of the Directors, it is not reasonably practicable for the Fund to realise or dispose of a significant proportion of its securities or fairly to determine the Net Bid and Net Offer Asset Values per Share; or

- the existence of any *force majeure* or other event which, in the opinion of the Directors, gives rise to circumstances in which it would be right and proper in the interests of the shareholders of the Fund as a whole, to suspend the price fixing; or
- a breakdown occurs in any of the means normally employed by the Directors in ascertaining the value of Securities or when for any other reason the value of securities cannot reasonably be ascertained, or
- the transfer of monies in respect of redemptions of Shares or the acquisition or realisation of securities cannot be effected at normal rates of exchange. No Shares may be issued or redeemed during any such period. Any such suspension takes effect at such time as the Directors declare, but not later than the close of business on the business day next following that declaration, and continues until the condition giving rise to the suspension has, in the opinion of the Directors, ceased to exist and no other condition under which suspension is authorised exists.

Dividend Policy

The Fund does not anticipate that any dividends or other distributions shall be paid to shareholders out of the Fund's earnings and profits, but rather such income will be reinvested. The Fund reserves the right to change this policy.

Accounts and Reports

Auditors are yet to be appointed to the Fund. The Fund's financial year will end on March 31st each year with the first year end falling on 31st March 2010. Future interim and annual reports for the Fund will be available for download from the North Star official website within four and six months, respectively, of the end of the period to which they relate.

General Information

CORPORATE STRUCTURE

The Fund is a closed-ended investment company with limited liability and was incorporated on March 10, 2009 as an exempted company, registration number 223954, under the Companies Law (2007 Revision) of the Cayman Islands. The Fund's constitution is contained in its Memorandum and Articles of Association.

The Fund's Memorandum of Association provides in Clause 3 that "The OBJECTS for which the Company is established are NOT restricted but, without limiting the generality of the foregoing, the Company shall have full power and authority to do and carry out any and all acts exercisable by a natural person or body corporate or any other legal entity in any part of the world in any capacity whatsoever including whether as principal, agent, contractor, broker, representative, attorney or otherwise and whether alone or jointly with others and the Company shall have full power and authority to carry out any object not prohibited by the Companies Law (Revised) or any other law of the Cayman Islands or any modifications or reenactments thereof.

SHARE CAPITAL

The authorised capital of the Fund is divided into seven different share classes, as set out in the table below. The Fund in general meeting may by resolution increase the authorised capital and may re-denominate and/or divide shares into classes with such rights and privileges and upon such terms and conditions as may be determined.

Number of Shares	Share Class	Par Value Per Share	Total Par Value Per Class
100	Management shares	DKK 1	DKK 100
15,000	Redeemable Preference "A" shares	DKK 1	DKK 15,000
485,000	Redeemable Preference shares	DKK 1	DKK 485,000
500,000	Redeemable Preference shares	US \$ 0.10	US \$ 50,000
500,000	Redeemable Preference shares	EUR 0.10	EUR 50,000
500,000	Redeemable Preference shares	GBP 0.10	GBP 50,000

Pursuant to the Articles, Shares can be issued at the discretion of the Directors. The Management shares are held by the Manager.

NB: All of the shares in the Fund, other than the Management shares, have equal entitlement to participate in the capital and profits of the Fund. That is to say, all money subscribed for shares in the Fund, apart from the Management shares, forms one "pool" and all net assets belonging to the Fund form part of that pool. Therefore each share, whether of one of the Danish Kroner classes or of the U.S. Dollar class represents the same inner value per Share in the Fund.

DIRECTORS' AND OTHER INTERESTS

Apart from their positions as directors and shareholders of the Manager, as disclosed herein, none of the Directors has any interest, direct or indirect, in any transactions which are unusual in their nature or significant to the business of the Fund.

No loan or guarantee has been granted or provided by the Fund to any Director.

None of the Directors have a service contract, existing or proposed, with the Fund.

The Directors may vote on any transaction in which they have a material interest if they first disclose the nature of their interest to the Fund.

The Directors may exercise all of the powers of the Fund to borrow money and to mortgage or charge its undertakings, property and uncalled capital or any part thereof, to issue debentures, debenture stock and offer securities whenever money is borrowed as security for any debt, liability or obligation of the Fund.

The Directors may, with the prior approval of the voting shareholders, fix the emoluments of Directors with respect to services to be rendered in any capacity to the Fund.

The Articles of Association contain no provision requiring Directors to retire on attaining a particular age, nor to hold any shares in the Fund as a qualification to act as a Director.

OTHER INFORMATION

Certificates

In common with North Star practice this Fund will not issue share certificates , only contract notes. These will normally be issued within one week of the relevant transaction date. Investors may also choose to register their shares through a free nominee service.

Participation in Profits and Voting Rights

Only holders of Shares are entitled to participate in the profits of the Fund, and in the event of liquidation, in any surplus. The holders of Management shares are only entitled to return of their nominal value on liquidation. There are no preemption rights attached to the Shares. Only the Management shares and the "A" shares carry the right to attend and vote at General Meetings of the Fund. See also "Share Capital" above.

General

The Board of Directors may vary any contract with any service provider, either partially or by complete replacement, including any part in relation to fees payable by the Fund.

None of the Shares of the Fund are under option, or agreed, conditionally or unconditionally to be put under option.

There are no legal, arbitration or other proceedings pending or threatened against the Fund, at present, or since its incorporation.

THESE TERMS OF ISSUE MAY BE VARIED FROM TIME TO TIME BY THE DIRECTORS WITH 28 DAYS NOTICE BY PUBLICATION ON THE NORTH STAR WEB SITE

WWW.NORTHSTARFUNDS.INFO

(or its successor advised to shareholders)

OR IN MATTERS WHICH THE DIRECTORS DETERMINE ARE NOT MATERIAL TO THE INTERESTS OF SHAREHOLDERS OR WHICH THEY DETERMINE REQUIRE IMMEDIATE ACTION TO PROTECT THE INTERESTS OF SHAREHOLDERS, WITHOUT ANY PRIOR NOTICE