

THE ALPHONSE ENDOWMENT FUND

Rules for investment and administration

Statement of Purpose

The Alphonse Endowment Fund (hereinafter referred to as “The Fund”) is a permanent fund held and administered by Alphonse Foundation (hereinafter referred to as “The Foundation”) for the conservation of the marine and terrestrial ecosystems of the islands of the Alphonse Group, Seychelles (including Alphonse Island, St Francois and Bijoutier together with their lagoons and surrounding reefs) and ring-fenced in perpetuity for this stated purpose.

Rules

1. The capital of The Fund will be retained in investments in international markets where there are no restrictions on transfers of foreign exchange through the banking system.
2. The Board of Trustees of The Foundation shall be responsible for the appointment of investment advisors.
3. The Board of The Foundation shall review the performance of The Fund at least annually at each Annual General Meeting.
4. Investment advisors will be instructed by The Foundation to adopt a medium to low risk approach to investment.
5. No Trustee of The Foundation shall receive any remuneration from The Fund other than reimbursement of expenses.
6. Capital in The Fund shall be invested with the aim of equaling or exceeding the rate of inflation.
7. Capital from The Fund shall be ring-fenced. It will not be available to cover the running costs of conservation programmes in the Alphonse Group except in exceptional circumstances, such a situation to be agreed by at least three

quarters of Trustees of The Foundation at a Board meeting of which due notice has been given to all Trustees.

- 8 Notice for a meeting to approve a transfer referred to in clause 7 above shall include the amount proposed to be transferred from capital to revenue together with an explanation of the exceptional reasons deemed to be applicable.
- 9 The income from The Fund will be paid to a bank account dedicated solely to the requirements of conservation programmes in the Alphonse Group.

Amendments to rules

Any amendment to the above rules must be approved by a majority of at least two thirds of the Trustees of The Foundation.