

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action to be taken, you are recommended to seek immediately your own personal financial advice from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you sell or otherwise transfer or have sold or otherwise transferred all of your Existing Ordinary Shares in International Public Partnerships Limited (the “**Company**”), please forward this document together with the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED

(Incorporated in Guernsey with registered no 45241)

Circular to Shareholders

and

Notice of Extraordinary General Meeting relating to

(i) the disapplication of the pre-emption rights in the Company's Articles in connection with a Firm Placing, Open Offer and Offer for Subscription of up to 105,494,506 New Shares each at an Issue Price of 113.75 pence per New Share

and

(ii) amendments to the Company's Articles to allow the Company to offer a Scrip Dividend Alternative

Your attention is drawn to the letter from the Chairman of the Board of Directors of the Company, which is set out in Part 1 of this document and which contains your Board's recommendation that you vote in favour of each of the Resolutions to be proposed at the Extraordinary General Meeting referred to below. The whole of the text of this document should be read.

Notice of the Extraordinary General Meeting of Shareholders, to be held at 12 noon on 15 January 2010 at the offices of Heritage International Fund Managers Limited, Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY, Channel Islands, is set out in Part 2 of this document.

To be valid, Forms of Proxy must be completed and returned by Shareholders in accordance with the instructions printed thereon by post or by hand to International Public Partnerships Limited c/o Capita Registrars, Proxies Department, PO Box 25, Beckenham, Kent, BR3 4BR, as soon as possible, but in any event so as to be received no later than 48 hours before the appointed time for the Extraordinary General Meeting.

Dated 16 December 2009

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Expected Timetable

Deadline for receipt of Form of Proxy	12 noon on 13 January 2010
Extraordinary General Meeting	12 noon on 15 January 2010
Admission and commencement of dealings in the New Shares issued pursuant to the Firm Placing	21 January 2010
Admission and commencement of dealings in the New Shares issued under the Open Offer and the Offer for Subscription	28 January 2010

References to times in this document are to times in London, England unless otherwise stated.

The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

Part 1 Letter from the Chairman

INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED

(Incorporated in Guernsey with registered number 45241)

Directors:

Keith Dorrian (Chairman)
Carol Goodwin
Rupert Dorey
Giles Frost
John Whittle

Registered Office

Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
GY1 4HY
Guernsey
Channel Islands

16 December 2009

To the Shareholders:

Dear Shareholder

INTRODUCTION

It was announced on 24 November 2009 that the Company intends to raise new equity capital through the issue of New Shares pursuant to a Firm Placing, an Open Offer and an Offer for Subscription at an Issue Price of 113.75 pence per New Share (the “**Issue**”). Accompanying this document is a Prospectus relating to the Issue which contains further details of the Issue (which is being sent to Qualifying Shareholders only). The Issue is conditional on Shareholder approval to disapply the pre-emption rights contained in the Company’s Articles.

In addition, the Directors believe that certain Shareholders would benefit from the ability to elect to receive future dividends from the Company wholly or partly in the form of new Shares in the Company rather than cash (scrip dividends) (the “**Scrip Dividend Alternative**”). The Company’s Articles need to be amended to enable the Company to offer a Scrip Dividend Alternative in the future, and conditional on the Articles being so amended, the Directors need to be authorised to allot Ordinary Shares to Shareholders that elect to receive the Scrip Dividend Alternative. Both the amendments to the Articles and the authority of the Directors to allot Shares pursuant to the Scrip Dividend Alternative require Shareholder approval.

This Circular is therefore being sent to Shareholders to convene an Extraordinary General Meeting on 15 January 2010 in order to seek the approvals required for the Issue and for the Scrip Dividend Alternative and to recommend that you vote in favour of each of the Resolutions set out in the notice of Extraordinary General Meeting, which is set out in Part 2 of this Circular.

THE ISSUE

Background to and reasons for the Issue

The Company has acquired its existing portfolio through a series of transactions since its launch in November 2006. Since July 2008, the bulk of the investments made have been made utilising its corporate debt facility which is currently drawn to the extent of approximately £58 million.

The Company is targeting a fundraising of £100 million, with the ability to increase the size of the fundraising by a further 20 per cent. by way of an issue of New Shares which will rank *pari passu* in all respects with Existing Ordinary Shares. While the Company retains its focus on providing long term sustainable income to investors coupled with capital growth generated by the Company’s existing portfolio, the Company believes that additional value can be created for Shareholders by continuing to acquire further investments. The Company considers that there are a large number of potential investment opportunities available to the Company which could be value accretive to investors and fall within the Company’s core investment criteria. The Issue will provide the Company with funds to capitalise on these opportunities.

The Directors believe that raising additional capital will benefit both new Shareholders and Existing Shareholders as, to the extent that further investments are acquired at attractive prices, this benefit will be shared across all Shareholders. Specifically the Directors believe that the Issue will have the following benefits:

- The Company will be able to seek to acquire further investments (including the pipeline investments that are identified in the Prospectus) that it believes will be accretive to the value of the Company and will further diversify the Company’s asset base.
- The Company will be able to repay existing borrowings (which is currently drawn to the extent of approximately £58 million), which will then be available for re-drawing.
- Both Existing Shareholders and new investors will have the opportunity to subscribe for further Shares in the Company.
- The market capitalisation of the Company will increase, and the secondary market liquidity in the Company’s Shares is expected to be enhanced.
- The Company’s fixed running costs will be spread across a wider Shareholder base.

Overview of the Issue

The Company is targeting a capital raising of £100 million (with the ability to increase the capital raising by up to 20 per cent. of the targeted amount) by way of an Issue of New Shares at an Issue Price of 113.75 pence per New Share. The Issue Price represents a discount of 1.1 per cent. to the closing price of 115 pence per Existing Ordinary Share as at the close of business on 11 December 2009 (being the latest practicable date prior to the publication of this document) and a premium of 1.6 per cent. to the Estimated Net Asset Value per Existing Ordinary Share (as at 30 November 2009).

The Issue comprises a Firm Placing of 24,604,914 New Shares, an Open Offer of 18,735,733 New Shares and an Offer for Subscription of up to 44,571,441 New Shares (which is subject to scaling back at the discretion of the Directors in favour of the Excess Application Facility under the Open Offer). Any increase in the size of the Issue will be allocated to the Offer for Subscription (subject to any scaling back in favour of the Excess Application Facility under the Open Offer).

Application has been made for the New Shares to be admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities. The New Shares to be issued pursuant to the Issue will rank *pari passu* in all respects with the Existing Ordinary Shares.

The Firm Placing

The Company has secured aggregate commitments from placees of £27,988,090 under the Firm Placing. The commitments under the Firm Placing are conditional on (amongst other things) the Pre-emption Resolution being passed at the Extraordinary General Meeting. The Firm Placing is not being made on a pre-emptive basis and as such will expand the Company's Shareholder base. The Firm Placing is not subject to any scaling back in favour of the Open Offer or the Offer for Subscription.

The Open Offer

The Open Offer will be made to Qualifying Shareholders at the Issue Price on the terms and subject to the conditions of the Open Offer, on the basis of:

1 New Share for every 20 Existing Ordinary Shares held on the Record Date

Qualifying Shareholders that take up all of their Open Offer Entitlements may also apply under the Excess Application Facility for additional New Shares that they would otherwise not be entitled to. The Excess Application Facility will be comprised of Open Offer Shares which are not taken up by Qualifying Shareholders pursuant to their Open Offer Entitlement and any New Shares that the Directors determine should be reallocated from the Offer for Subscription to satisfy demand from Qualifying Shareholders in preference to prospective new investors under the Offer for Subscription.

The Open Offer is being made on a pre-emptive basis to Qualifying Shareholders. The Open Offer is not subject to scaling back from either the Firm Placing or the Offer for Subscription. The Directors have the discretion to scale back the Offer for Subscription in favour of the Open Offer by reallocating New Shares that would otherwise be available under the Offer for Subscription to be available to Qualifying Shareholders through the Excess Application Facility under the Open Offer.

The Directors have the discretion to determine the basis of allotment between Qualifying Shareholders under the Excess Application Facility, any scaling back of the Offer for Subscription and any increase in the size of the Issue (up to 20 per cent. of the targeted amount). In exercising this discretion, the Directors generally intend to give priority to Existing Shareholders over prospective new Shareholders, although the Directors will seek to balance the benefits to the Company of allowing Existing Shareholders to maintain or increase the size of their relative Shareholdings with expanding the Shareholder base of the Company.

The Offer for Subscription

The Offer for Subscription is being made to the public in the United Kingdom and as such is not being made on a pre-emptive basis to Existing Shareholders. As noted above, the Directors have the discretion to scale back the Offer for Subscription in favour of Existing Shareholders under the Open Offer. Any New Shares that are available under the Open Offer and are not taken up by Qualified Shareholders pursuant to their Open Offer Entitlements under the Excess Application Facility will be reallocated to and be available for subscription under the Offer for Subscription.

Rationale for the structure of the Issue

The Company examined a number of options for raising equity and has concluded that the combination of the Firm Placing, the Open Offer and the Offer for Subscription allows Existing Shareholders to participate in the Issue by subscribing for their Open Offer Entitlements on a pre-emptive basis as well as applying for further New Shares under the Open Offer (by virtue of the Excess Application Facility), while providing the Company with the flexibility to raise the desired quantum of equity capital via the combined Firm Placing and Offer for Subscription from new investors.

Matters requiring Shareholder approval relating to the Issue

Under Article 40(1) of the Company's Articles, the Company may not allot any Shares for cash to any person unless it has made an offer to each Shareholder to allot to that Shareholder on the same or more favourable terms a proportion of those Shares which is as nearly as practicable equal to the proportion of the aggregate of all Shares of such class in issue represented by Shares of such class held by such Shareholder.

The Firm Placing and the Offer for Subscription will not be on a pre-emptive basis and the Open Offer is being made on terms other than those prescribed in the Company's Articles. As such, the pre-emption right in Article 40(1) described above needs to be disapplied to allow the Company to proceed with the Issue pursuant to the Pre-emption Resolution. Under the Articles, this must be approved by a special resolution of the Company (being 75 per cent. of Shareholders in attendance at the Extraordinary General Meeting on a show of hands or, if a poll is demanded, those voting by number of Ordinary Shares held, whether in person or by proxy).

SCRIP DIVIDEND ALTERNATIVE

Benefits of the Scrip Dividend Alternative

The Directors believe that the ability for Shareholders to elect to receive future dividends from the Company wholly or partly in the form of new Shares in the Company rather than cash is likely to benefit both the Company and certain Shareholders.

The Company will benefit from the ability to retain cash which would otherwise be paid as dividends. To the extent that a Scrip Dividend Alternative is offered in respect of any future dividend, Shareholders will be able to increase their Shareholdings without incurring dealing costs or paying stamp duty reserve tax and the Directors have been advised that under current UK law and HMRC practice, certain UK resident Shareholders may be able to treat Shares issued instead of a cash dividend as capital for tax purposes (see the section entitled "United Kingdom Taxation of the Scrip Dividend Alternative" below). For these reasons, the Directors are proposing certain amendments to the Company's Articles to enable the Company to offer a Scrip Dividend Alternative in the future.

Details of the Scrip Dividend Alternative

The proposed amendments to the Articles will give the Company the ability to offer a Scrip Dividend Alternative in the future; however the decision of whether to offer a Scrip Dividend Alternative in respect of any future dividend will be made by the Directors at the time that the relevant dividend is declared.

If any Scrip Dividend Alternative is offered, Shareholders will be sent details of the proposed Scrip Dividend Alternative and will be offered the opportunity to elect to receive their dividend entitlements either wholly or partly in Shares. If the Company has more than one class of Share in issue in the future, the proposed amendments to the Articles would enable the Company to issue Shares of the same class to Shareholders in respect of which the dividend is being declared and the Scrip Dividend Alternative is offered. Any Shares issued pursuant to the Scrip Dividend Alternative would rank *pari passu* with Shares of the relevant class then in issue in respect of which the Scrip Dividend Alternative is offered.

United Kingdom Taxation of the Scrip Dividend Alternative

The proposed amendments to the Articles to give the Company the ability to offer a Scrip Dividend Alternative do not have any UK tax consequences for UK-resident beneficial owners of Shares who hold their Shares as an investment under current law and practice.

The following is a general summary of the UK tax consequences of electing to receive Shares under any Scrip Dividend Alternative instead of a cash dividend and is based on current UK law and HMRC practice as at the date of this document (which are subject to change possibly with retrospective effect) and applies only to UK-resident shareholders who are the beneficial owners of their Shares and who hold their Shares as an investment. The following does not address the position of certain classes of Shareholders, such as dealers in securities. Investors should consult their own professional tax advisors in relation to the tax consequences of electing to receive Shares instead of a cash dividend as this will depend upon their individual circumstances. Shareholders who are in any doubt as to what action to take or who are subject to tax in a jurisdiction other than the UK should consult an independent professional adviser.

UK TAXATION OF CHARGEABLE GAINS

On the basis of case law, UK-resident Shareholders should not receive any income liable to UK income tax or corporation tax to the extent that they elect to receive Shares instead of any cash dividend, nor should they make any disposal for chargeable gains tax purposes at the time any such Shares are allotted. Instead the Shares issued instead of a cash dividend and the original registered holding of Shares in respect of which any such Shares are allotted (the "**Original Holding**") should be treated as a single holding acquired at the time of the Original Holding. There will be no allowable expenditure for chargeable gains tax purposes arising in respect of the Shares issued instead of a cash dividend and the allowable expenditure arising in respect of the Original Holding will be apportioned across the Original Holding and the Shares issued instead of a cash dividend. A disposal for chargeable gains tax purposes will only arise at the time the Shareholder subsequently disposes of the Shares issued instead of a cash dividend or the Original Holding (a "**Subsequent Disposal**").

UK-resident individual shareholders may be subject to capital gains tax in respect of chargeable gains arising on a Subsequent Disposal depending on their individual circumstances. UK-resident corporate shareholders may be subject to corporation tax in respect of chargeable gains arising on a Subsequent Disposal depending on their individual circumstances. UK-resident exempt funds will not be liable to tax on chargeable gains arising upon a Subsequent Disposal of investments held for the purposes of the Company.

STAMP DUTY RESERVE TAX

No UK stamp duty or stamp duty reserve tax will be payable on the issue of any Shares pursuant to any Scrip Dividend Alternative that is offered.

Matters requiring Shareholder approval relating to the Scrip Dividend Alternative

The Company's Articles need to be amended to enable the Company to offer a Scrip Dividend Alternative in the future, and conditional on the Articles being so amended, the Directors need to be authorised to allot Ordinary Shares to Shareholders that elect to receive the Scrip Dividend Alternative. Both the amendments to the Articles and the authority of the Directors to allot Ordinary Shares pursuant to the Scrip Dividend Alternative require Shareholder approval.

The proposed amendments to the Company's Articles are set out in the Amendment Resolution which is resolution 2 in the notice of Extraordinary General Meeting in Part 2 of this Circular. The Amendment Resolution must be approved by a special resolution of the Company (being 75 per cent. of Shareholders in attendance at the Extraordinary General Meeting on a show of hands or, if a poll is demanded, those voting by number of Ordinary Shares held, whether in person or by proxy).

Conditional on Shareholder approval of the Amendment Resolution, approval of Shareholders as set out in the Scrip Dividend Resolution which is resolution 3 in the notice of Extraordinary General Meeting in Part 2 of this Circular is required to authorise the Directors to allot scrip dividends up until the conclusion of the Company's annual general meeting to be held in 2010. This resolution must be approved by an ordinary resolution of the Company (being a majority of Shareholders in attendance at the Extraordinary General Meeting on a show of hands or, if a poll is demanded, those voting by number of Ordinary Shares held, whether in person or by proxy).

EXTRAORDINARY GENERAL MEETING

Set out in Part 2 of this Circular is the notice convening an Extraordinary General Meeting of the Company to be held at 12 noon on 15 January 2010 at the offices of Heritage International Fund Managers Limited, Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, GY1 4HY, Guernsey, Channel Islands.

ACTION TO BE TAKEN

Shareholders should read the whole of this document carefully. If Shareholders are unsure as to the contents of this document or as to what action they should take, they are recommended to seek immediately their own personal financial advice from an appropriately qualified independent adviser authorised pursuant to the Financial Services and Markets Act 2000.

Enclosed with this Circular is a Form of Proxy for use by the Shareholders at the Extraordinary General Meeting. Whether or not Shareholders intend to attend the Extraordinary General Meeting, they should complete and return the reply paid Form of Proxy to the address set out thereon so as to arrive not later than 48 hours before the appointed time of the Extraordinary General Meeting. Completion and return of the Form of Proxy will not prevent Shareholders entitled to attend and vote at the Extraordinary General Meeting from attending and voting in person at the Extraordinary General Meeting, should they wish to do so.

RECOMMENDATION AND DIRECTORS' VOTING INTENTIONS

The Board considers that the Issue, the disapplication of pre-emption rights in connection therewith and the Scrip Dividend Alternative are in the best interests of the Company and its Shareholders as a whole and accordingly the Directors unanimously recommend all Shareholders to vote in favour of each of the Resolutions as they intend to do in respect of their own beneficial holdings in the Company's share capital, amounting in aggregate to 441,130 Ordinary Shares (representing approximately 0.1 per cent. of the existing issued ordinary share capital of the Company).

GUERNSEY REGULATORY REQUIREMENTS

The Company is authorised as an Authorised Closed-Ended Investment Scheme by the Guernsey Financial Services Commission (the "Commission") under Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law 1987 as amended, and the Authorised Closed-Ended Investment Schemes Rules 2008 made thereunder (the "Rules"). Notification of the Proposals has been given to the Commission pursuant to the Rules.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company and at the offices of Lovells LLP at Atlantic House, Holborn Viaduct, London EC1A 2FG up to and including the close of business on 15 January 2010:

- (a) the current Articles;
- (b) the proposed amended Articles;
- (c) the Prospectus; and
- (d) this Circular.

Both the current and proposed amended Articles will also be available at the Extraordinary General meeting for at least 15 minutes prior to and during the meeting.

Yours faithfully

Keith Dorrian
(Chairman)

Part 2 Notice of Extraordinary General Meeting

INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED

(incorporated in Guernsey with registered no. 45241)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of International Public Partnerships Limited (the “**Company**”) will be held at the offices of Heritage International Fund Management Limited, Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey, GY1 4HY, Channel Islands on 15 January 2010 at 12 noon for the purpose of considering and, if thought fit, passing the following resolutions as special and ordinary resolutions respectively:

SPECIAL RESOLUTIONS

1. THAT the directors of the Company from time to time (the “**Board**”) be and are generally empowered in accordance with Article 40(5) of the Company’s articles of association (the “**Articles**”) (in substitution for any existing such power or authority) to allot up to 105,494,506 ordinary shares (within the meaning given in the Articles) for cash, as if the pre-emption provisions contained in Article 40 of the Articles did not apply to any such allotment, provided that:
 - (a) this power shall (unless previously revoked, varied or renewed by the Company) expire on the conclusion of the annual general meeting of the Company to be held in 2010, save that the Company may make prior to such expiry an offer or agreement which would or might require shares to be allotted after expiry of such period and the Board may allot shares pursuant to such an offer or agreement notwithstanding the expiry of the authority given by this resolution; and
 - (b) this power shall be limited to the allotment of ordinary shares of 0.01 pence each in the Company’s capital in connection with the firm placing, open offer and offer for subscription (as such terms are defined in the prospectus issued by the Company dated 16 December 2009, a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification).
2. THAT the Company’s articles of association (the “**Articles**”) be amended by the insertion of:
 - (a) the following definitions into Article 1:

“the “Law” means the Companies (Guernsey) Law 2008, as amended or replaced from time to time;” and

““Scrip Dividend” shall have the meaning as described in Article 108A.”; and
 - (b) a new Article 108A stating:

“108A.

 - (1) The Board may, if authorised by an Ordinary Resolution of the Company, offer any holders of any particular class of shares (excluding treasury shares) the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend specified by the Ordinary Resolution (a “**Scrip Dividend**”) in accordance with the following provisions of this Article 108A.
 - (2) The Ordinary Resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth annual general meeting of the Company to be held following the date of the meeting at which the Ordinary Resolution is passed.
 - (3) The basis of allotment shall be decided by the Board so that, as nearly as may be considered convenient, the value of the further shares, including any fractional entitlement, is equal to the amount of the cash dividend which would otherwise have been paid.
 - (4) For the purposes of Article 108A(3) the value of the further shares shall be calculated by reference to the average of the middle market quotations for a fully paid share of the relevant class, as shown in the Daily Official List of the London Stock Exchange, for the day on which such shares are first quoted “ex” the relevant dividend and the four subsequent dealing days or in such other manner as the directors may decide.
 - (5) The Board shall give notice to the Members of their rights of election in respect of the scrip dividend and shall specify the procedure to be followed in order to make an election.
 - (6) The dividend or that part of it in respect of which an election for the scrip dividend is made shall not be paid and instead further shares of the relevant class shall be allotted in accordance with elections duly made and the Board shall capitalise a sum to the aggregate nominal amount of the shares to be allotted out of such sums available for the purpose as the Directors may consider appropriate.

- (7) The further shares so allotted shall rank *pari passu* in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.
- (8) The Board may decide that the right to elect for any scrip dividend shall not be made available to Members resident in any territory, where in the opinion of the Board, compliance with local laws or regulations would be impossible or unduly onerous.
- (9) The Board may do all acts and things considered necessary or expedient to give effect to the provisions of a scrip dividend election and the issue of any shares in accordance with the provisions of this Article and the Law, and may make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of the fractional entitlements accrues to the Company rather than to the Members concerned).
- (10) The Board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election pursuant to this Article 108A is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.
- (11) The Board shall not make a scrip dividend available unless the Company has sufficient unissued shares and undistributed profits or reserves to give effect to elections which could be made to receive that scrip dividend."

ORDINARY RESOLUTION

- 3. THAT, conditional on resolution number 2 above being passed, the Board may, in respect of dividends declared for any financial period or periods of the Company ending prior to the next Annual General Meeting of the Company, offer shareholders the right to elect to receive further shares, credited as fully paid, in respect of all or any part of such dividend or dividends declared in respect of any such period or periods.

Dated: 16 December 2009

Registered office:

Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
GY1 4HY, Guernsey
Channel Islands

By order of the Board
International Public Partnerships Limited
Company Secretary

Notes:

- 1. Shareholders entitled to attend and vote at the Extraordinary General Meeting are entitled to appoint one or more proxies to attend, speak and, on a poll, to vote in their place. A proxy need not be a member of the Company. If you wish to appoint a proxy please complete the Form of Proxy enclosed with this document.
- 2. A Shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him.
- 3. The completed Form of Proxy should be sent, together with (if not previously registered with the Company) any power of attorney or other authority (or a notarially certified copy thereof) under which it is executed, so as to reach the Company's Registrar, Capita Registrars, Proxies Department, PO Box 25, Beckenham, Kent, BR3 4BR, by no later than 12 noon on 13 January 2010.
- 4. The completion and return of the Form of Proxy will not stop you from attending and voting in person at the Extraordinary General Meeting should you wish to do so.
- 5. A Shareholder is not entitled to be present at or take part in the Extraordinary General Meeting or vote at the same (whether personally or by representative or proxy) unless the following conditions have been satisfied: (i) all calls and amounts due from him to the Company have been paid; (ii) in respect of any Shares he has acquired, he has been registered as their holder; and (iii) if and for so long as the Directors determine, he or any other person appearing to be interested in the Shares held by him has failed to comply with a notice requiring the disclosure of Shareholders' interests.

Part 3 Definitions

The following definitions apply throughout this document unless the context requires otherwise:

“Amendment Resolution”	the resolution in relation to the amendment of the Articles in connection with the Scrip Dividend Alternative to be proposed at the Extraordinary General Meeting;
“Articles”	the articles of association of the Company in force from time to time;
“Circular”	this document;
“Company”	International Public Partnerships Limited, a company incorporated under the laws of Guernsey with registered number 45241;
“Directors” or “Board”	the directors of the Company (or, where the context so requires, any duly constituted committee thereof), and “Director” is to be construed accordingly;
“Estimated Net Asset Value”	estimated net asset value based on unaudited financial information, but using the same methodology as is used for the half-yearly net asset values as calculated by the Company’s investment adviser, as at 30 November 2009;
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional New Shares in excess of their Open Offer Entitlement (Excess Shares) in accordance with the terms and conditions of the Open Offer;
“Excess Shares”	means: (a) New Shares that are not taken up by Qualifying Shareholders pursuant to their Open Offer Entitlement and are available to other Qualifying Shareholders; together with (b) New Shares that the Directors have reallocated from the Offer for Subscription to be available to Qualifying Shareholders, and in each case that are offered to Qualifying Shareholders under the Excess Application Facility;
“Excluded Shareholders”	Shareholders with a registered address in or who are located in the United States or one of the Excluded Territories;
“Excluded Territories”	Australia, Canada, Japan, South Africa and New Zealand and any other jurisdiction where the extension or availability of the Open Offer (and any other transaction contemplated thereby) would breach any applicable law or regulation;
“Existing Ordinary Share”	an Ordinary Share that is in issue as at the date of this Circular;
“Existing Shareholder”	a holder of an Existing Ordinary Share;
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held on 15 January 2010 (or any adjournment thereof), notice for which is set out in Part 2 of this document;
“Firm Placing”	the conditional placing by the Placing Agent of New Shares to the Placees pursuant to the Issue Agreement;
“Form of Proxy”	the form of proxy for use by Shareholders in respect of the Extraordinary General Meeting;
“FSA”	the UK Financial Services Authority;
“HMRC”	Her Majesty’s Revenue and Customs, the UK taxation authority;
“Issue”	means the issue of New Shares pursuant to the Firm Placing, the Open Offer and the Offer for Subscription which is conditional (inter alia) on the passing of the Pre-emption Resolution at the Extraordinary General Meeting;
“Issue Price”	113.75 pence per New Share;
“London Stock Exchange”	London Stock Exchange plc;
“New Shares”	the Ordinary Shares to be issued under the terms set out in the Prospectus and having the rights set out in the Articles and “New Share” shall be construed accordingly;

“Offer for Subscription”	the offer for subscription to the public in the UK of New Shares on the terms set out in the Prospectus and in the Subscription Form;
“Official List”	the official list maintained by the UK Listing Authority;
“Open Offer”	the offer to Qualifying Shareholders, constituting an invitation to apply for New Shares, on the terms and subject to the conditions set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, the Open Offer Application Form;
“Open Offer Application Form”	the personalised application form on which Qualifying Non-CREST Shareholders who are registered on the register of members of the Company as at the Record Date may apply for New Shares (including Excess Shares under the Excess Application Facility) under the Open Offer;
“Open Offer Entitlement”	the entitlement of Qualifying Shareholders to apply for Open Offer Shares on the basis of 1 Open Offer Share for every 20 Existing Ordinary Shares held and registered in their names on the Record Date;
“Open Offer Shares”	the New Shares being offered in aggregate to Qualifying Shareholders pursuant to the Open Offer together, where the context requires, with Excess Shares available under the Excess Application Facility;
“Ordinary Shares”	ordinary shares of 0.01 pence each in the capital of the Company;
“Placees”	the persons with whom a conditional placing of New Shares under the Firm Placing has been or will be made;
“Placing Agent”	Numis Securities Limited, The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT;
“Pre-emption Resolution”	the resolution to be proposed at the Extraordinary General Meeting in connection with the Issue, disapplying pre-emption rights in respect of the Issue;
“Prospectus”	the prospectus for the Company in relation to the Issue dated on or around the date of this Circular;
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form;
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date, other than the Excluded Shareholders;
“Record Date”	14 December 2009;
“Regulatory Information Service”	a regulatory information service approved by the FSA and on the list of Regulatory Information Services maintained by the FSA;
“Resolutions”	collectively, the Amendment Resolution, Pre-emption Resolution and the Scrip Dividend Resolution;
“Scrip Dividend Alternative”	means an alternative offered to Shareholders to elect to receive a dividend wholly or partly in the form of new Shares in the Company rather than cash;
“Scrip Dividend Resolution”	the resolution to be proposed at the Extraordinary General Meeting in connection with the authorisation of the Directors to allot scrip dividends;
“Share”	means a share of any class in the capital of the Company;
“Shareholder”	a registered holder of a Share;
“Subscription Form”	the application form attached to the Prospectus for use in connection with the Offer for Subscription;

“UK” or “United Kingdom”

the United Kingdom of Great Britain and Northern Ireland;

“UK Listing Authority”

the FSA in its capacity as a competent authority for listing in the UK pursuant to Part VI of the Financial Markets and Services Act 2000 (as amended); and

“US” or “United States”

the United States of America its territories and possessions any state of the United States and the District of Columbia.