

GLOBAL MASTERS FUND LIMITED

BOARD CHARTER

September 2006

1. Introduction

The Board guides and monitors the business of Global Masters Fund Limited ("GMF" or "the Company") on behalf of the shareholders to whom they are accountable. This statement outlines the main terms under which the Board carries out its duties and responsibilities.

The Board has appointed Growth Equities Corporation Limited ("GEC" or "the Manager") to manage the day to day affairs of the Company, subject to the budgetary parameters as set and approved by the Board.

2. Board framework

The Board has established a framework within the Company which:

- enables it to provide strategic guidance and effective oversight of the Manager;
- clarifies the respective roles and responsibilities of Board members and the Manager;
- ensures a balance of authority so that no single individual or entity has unfettered powers; and
- identifies areas of significant business risk and ensures arrangements are in place to adequately manage those risks.

To assist the Board in managing these responsibilities, it has established a number of Committees. These include the Audit & Compliance Committee and the Investment Committee. The Board as a whole conducts the role of the identification and nomination of Directors and determination of their remuneration. The Company is considered too small to have separate Nomination and Remuneration Committees.

3. Company Goals

The long term objective of the Company is to achieve a high long term real rate of return for its investors, predominantly comprised of capital growth achieved through investment of the majority of the Company's funds in Berkshire Hathaway stock.

4. Board composition

The composition of the Board has been determined using the following principles:

- an independent non-executive Director as Chairman;
- up to five Directors, with a broad range of expertise both industry specific and Australia-wide; and
- a majority of non-executive Directors all of whom are considered independent.

5. Board Governance Process

The Board has adopted the following charter:

5.1 Role of the Board

The role of the Board is to effectively represent, and promote the interest of, shareholders with a view to adding long-term value to the Company's shares.

Having regard to its role, the Board will direct and supervise the Manager in managing the business and affairs of the Company including:

- ensuring that the Company goals are clearly established and that strategies are in place for achieving them (such strategies being expected to originate, in the first instance, from those stated in the Prospectus);
- establishing policies for strengthening the performance of the Company including ensuring that the Manager is proactively seeking to build the business through innovation, initiative, technology, and the development of its business capital;
- monitoring the performance of the Manager;
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and otherwise conform with the law;
- ensuring that the Company adheres to high standards of ethics and corporate behaviour; and
- ensuring that the Company has appropriate risk management/regulatory compliance procedures in place.

5.2 The Board's Relationship with Shareholders

The Board will use its best endeavours to familiarise itself with issues of concern to shareholders.

The Board will regularly evaluate economic, political, social and legal issues and any other relevant matters that may influence or affect the development of the business or the interests of shareholders and, if thought appropriate, will take expert advice on these matters.

5.3 Board Procedures

The conduct of the directors will be consistent with their duties and responsibilities to the Company and, indirectly, to shareholders. The Board will be disciplined in carrying out its role, with the emphasis on strategic issues and policy. Directors will always act within any limitations imposed by the Board on its activities.

Directors will use their best endeavours to attend Board meetings and to prepare thoroughly. Directors are expected to participate fully, frankly, constructively and independently in all Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the Board table. Directors unable to attend a meeting will advise the Chairman at as early a date as possible and confirm in writing to the Company Secretary.

Board discussions will be open and constructive recognising that genuinely held differences of opinion can bring greater clarity and lead to better decisions. The Chairman will, nevertheless, seek a consensus in the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law.

The Board has sole authority over its agenda and exercises this through the Chairman. Any director may, through the Chairman, request the addition of an item to the agenda. The agenda will be set by the Chairman in consultation with the Manager and the Company Secretary.

The board will normally hold meetings every three months or otherwise as determined necessary by the Board and will hold additional meetings as the occasion requires. At each normal meeting, the Company's interests register will be updated as necessary and the Board will consider as appropriate:

- an operational report from the Manager;
- a financial report from the Chief Financial Officer;
- reports on the investment performance of the Company; and
- major issues and opportunities for the Company.

In addition, the Board will at intervals of generally not more than a year:

- review the Company's goals;
- review the strategies for achieving the Company's goals;
- approve the annual budget;
- approve the annual and half-yearly financial statements, reports to shareholders and public announcements;
- approve the annual report;
- consider and, if appropriate, declare or recommend the payment of dividends;
- review the Board composition, structure and succession;
- review the Company's audit requirements and the effectiveness of the audit process;
- review the performance of, necessity for and composition of Board committees;
- undertake Board and individual member evaluations;
- review Director remuneration;
- review the Manager's performance;
- review risk assessment policies and controls including insurance covers and compliance with legal and regulatory requirements
- review the Company's code of conduct and ethical standards;
- review shareholder and supplier relations; and
- settle the following year's work plan.

Meetings are to be held in person, by phone, video conference or such other technology as agreed to by all members. The Company Secretary will take minutes of all meetings held and keep records of all reports and recommendations made by the Board. Any dissenting members shall be entitled to have the opinion of that member recorded in the minutes.

A resolution determined on without any meeting of the Board but evidenced by writing under the hands of all the Directors shall be as valid and effectual as a resolution duly passed at a meeting of the Board. Any resolution evidenced in writing may consist of several documents in like form signed by one or more Directors.

Directors are entitled to have access, at all reasonable times, to all relevant Company information and to the Manager.

Directors are expected to strictly observe the provisions of the Corporations Act applicable to the use and confidentiality of Company information.

In making policy, the Board will not reach specific decisions unless it has considered the more general principles upon which they are founded.

5.4 Chairman

Each year the Board will appoint from its number a Chairman.

The Chairman will be a non-executive Member unless otherwise determined by the collective Board.

The Chairman is responsible for representing the Board to shareholders.

The Chairman is responsible for ensuring the integrity and effectiveness of the corporate governance process of the Board.

The Chairman is responsible for maintaining regular dialogue with the Manager over all operational matters and will consult with the rest of the Board promptly over any matter that gives him or her cause for major concern.

The Chairman will act as facilitator at meetings of the Board to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussion takes place and that relevant opinion among the directors is forthcoming. The Chairman will ensure that discussions result in logical and understandable outcomes.

5.5 Board Committees

Board committees will be formed only when it is efficient or necessary to facilitate efficient decision-making.

Board committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise. Board committees will only speak or act for the Board when so authorised.

The Board has one standing committee, namely the Audit and Risk Committee. Other committees are formed for specific purposes and disbanded as required. The purpose and membership of the standing committees are as follows:

The Audit & Risk Committee consists of at least two members all of whom must be non-executive. The committee provides a forum for the effective communication between the Board and the external auditors. The committee reviews the annual and half-yearly financial statements prior to their approval by the Board, the effectiveness of management information systems and systems of internal control, and the efficiency and effectiveness of the external audit function.

5.6 Board Composition and Mix

The composition of the Board will reflect the duties and responsibilities it is to discharge and perform as representative of the interests of shareholders and in setting the Company's strategy and seeing that it is implemented.

Generally, the qualifications for Board membership are the ability to make sensible business decisions and recommendations, and entrepreneurial talent for contributing to the creation of shareholder value, the ability to see the wider picture, the ability to ask the hard questions, preferably some experience in the industry sector, high ethical standards, some practical sense, and a total commitment to furthering the interest of shareholders and the achievement of Company goals.

Non-executive directors will be active in areas which enable them to relate to the strategies of the Company and to make a meaningful contribution to the Board's deliberations. They will be independent of the Manager and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

The size of the Board will be such that the common purpose, involvement, participation, harmony and sense of responsibility of the members are not jeopardised. It must be large enough to ensure a range of knowledge, views and experience. Generally, the number of directors will be between three and six.

Subject to any limitations imposed by shareholders, non-executive directors will hold office following their first appointment (or, if appointed by the Board between annual meetings, from the date of the meeting next following the appointment), subject to any obligation to retire by rotation in accordance with the Company's Constitution. It is not generally expected that a non-executive director would hold office for more than ten years or be nominated for more than three executive terms, whichever is the longer. Only executive directors will be engaged on service contracts.

In the event of an executive director's service contract with the Company terminating for whatever reason, the director is expected to resign from the Board although the Board may, if it considers appropriate, and subject to shareholder approval where necessary, reappoint the person as a non-executive director.

5.7 Nomination and Induction of New Members

The Board will make recommendations for the appointment and removal of directors to and from the Board taking into consideration the necessary and desirable competencies of Board members. In doing so, the Board will:

- identify the needs of the Company;
- develop criteria for the selection of directors to meet those needs;
- determine the appropriate size and composition of the Board;
- as appropriate, develop a succession plan for the Board and regularly review the plan;
- review the time required from a non-executive director and whether directors of the Board are meeting this requirement; and
- evaluate the performance of the Board and key executives.

Genuine potential members will be encouraged to carry out "due diligence" on the Company before accepting an appointment to the Board.

On their first appointment, non-executive directors will have the benefit of an induction programme aimed at deepening their understanding of the Company and its business and the environment and markets in which the Company operates. As part of the programme, Directors will receive a folder of essential Board and Company information and will meet key officers of the Manager.

Directors are expected to keep themselves abreast of changes and trends in the business and in the Company's environment and markets and to keep abreast of changes and trends in the economic, political, social and legal climate generally.

5.8 Members Remuneration

The Board will determine the level of remuneration paid to directors within any limitations imposed by shareholders.

Non-executive directors will be paid a basic fee as ordinary remuneration and will be paid, as additional remuneration, an extra fee as members of Board committees, and extra fee as Chairman of a Board committee and an extra fee for any special service as a director. The Chairman will be paid a level of fees appropriate to the office unless otherwise agreed. Remuneration will be reviewed annually by the Board after taking independent advice.

5.9 Shareholdings by directors in the Company

Directors are encouraged to hold shares in the Company recognising that this has the capacity, in many instances, to increase the focus of directors on Company performance and share value and therefore be in the interests of all shareholders.

When buying or selling shares in the Company, directors must strictly observe the provisions of the Company's constitution, the Company's own internal rules and all relevant legislative or regulatory procedures, and should follow any procedural recommendations prescribed from time to time by the Company.

5.10 Provision of Business or Professional Services by Directors

Because a conflict of interest (actual or perceived) may be created, directors should not generally provide business or professional services of an ongoing nature to the Company.

Notwithstanding the general rule, the Company is at liberty to:

- for the purpose of a special assignment, engaged the services of any Director having special expertise in a particular field; or
- engage the services of another member of a Director's organisation

so long as the terms of the engagement are competitive, are clearly recorded and all legal requirements for disclosure of the engagement are properly disclosed.

5.11 Other Board Appointments

Any director, while holding office, is at liberty to accept other Board appointments so long as the appointment is not in conflict with the Company and does not detrimentally affect the director's performance as a Director. All other appointments must first be discussed with the Chairman before being accepted.

5.12 Independent Professional Advice

Any director is entitled to obtain independent professional advice relating to the affairs of the Company or to his or her responsibilities as a director.

If a director considers such advice is necessary, the director shall first discuss it with the Chairman and, having done so, shall be free to proceed.

Subject to prior approval of the Chairman, the cost of the advice will be reimbursed by the Company but the directors will ensure, so far as is practicable, that the cost is reasonable.

5.13 Board and Director Evaluations

The Board will every year critically evaluate its own performance and its own processes and procedures to ensure that they are not unduly complex and are designed to assist the Board in effectively filling its role.

Each year, individual directors will be evaluated by a process whereby the Board determines questions to be asked of each director about him or her and about each other including the Chairman, each director answers the questions in writing, and the responses are collected and collate by the Chairman who then discusses the results with each director. The Chairman's own position is discussed with the rest of the Board.

5.14 Company Secretary

The appointment of the Company Secretary is made on the recommendation of the Manager and must be approved by the Board.

The Company Secretary is responsible for ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with, and for all the matters associated with the maintenance of the Board or otherwise required for its efficient operation.

All directors, particularly the Chairman, have access to the advice of services of the Company secretary for the purposes of the Board's affairs and its business.