

PRINCIPLE CAPITAL HOLDINGS S.A.

NOTICE OF EXTRAORDINARY GENERAL MEETING

To be held at 6 rue Adolphe Fischer, Luxembourg

on 8 February 2007 at 12:00 noon CET

This document is important and requires your immediate attention. If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor or other professional advisor immediately.

This document does not constitute or form part of an offer or invitation to sell or issue, or any solicitation or an offer to purchase or subscribe for, shares or any other interest in Principle Capital Holdings S.A., nor does it constitute the giving of investment advice by Principle Capital Holdings S.A.

Registered in Luxembourg

R.C.S Luxembourg B 98144

INTERPRETATION

In this document:

Company means Principle Capital Holdings S.A.;

Company's Shares means shares in the issued share capital of the Company;

Directors mean the directors of the Company;

EGM means extraordinary general meeting;

Notice of Meeting means the notice of EGM contained in this document;

PCP means Principle Capital Partners Limited;

Principle Capital Group means the Company and its subsidiaries; and

Shareholders means the shareholders in the Company.

LETTER FROM THE CHIEF EXECUTIVE OFFICER

PRINCIPLE CAPITAL HOLDINGS S.A.

Société Anonyme

*(a 1929 holding company incorporated in the Grand Duchy of Luxembourg
with registered number 98144)*

Registered Office

6 rue Adolphe Fischer
L-1520 Luxembourg
Grand Duchy of Luxembourg
+352 40 25 05 1

To the holders of the Company's Shares.

Date: 19 January 2007

Dear Shareholder,

EGM

I have pleasure in sending the notice of an EGM of the Company which will be held at 6 rue Adolphe Fischer, Luxembourg on 8 February 2007 at 12:00 noon CET.

If you cannot attend the EGM in person, you can still vote by returning the enclosed Proxy Form. Your notice of appointment of proxy should reach the Company's registrar (Maitland Luxembourg S.A., BP 1361 L-1013, Luxembourg, marked for the attention of Antonio Intini, fax +352 4025 0566) no later than 12:00 noon CET on 6 February 2007.

One resolution is proposed at the EGM.

Explanatory Note

Resolution to approve change in share rights of Principle Capital Partners Limited

On 18 October 2004 a Shareholders' Agreement was made between (1) PCP, (2) the Company and (3) the Original Founders. The Original Founders as defined in the Agreement are currently George May, David Cooley, James Peggie, Brian Padgett, Leonard O'Brien and my own family trust vehicle Concerto Capital Corporation ("Concerto"). The Original Founders are the senior executive team of the Principle Capital Group and own 30% of the shares in PCP. The Agreement states at clause 4.4 that the Company shall advance moneys without interest to

PCP to enable PCP to meet any obligations that fall due and that PCP shall from time to time repay such outstanding sums before declaring any dividend to its shareholders. The purpose of the loan has been to fund the establishment costs of PCP and in the future to help fund the continued growth of PCP, which is the Company's core business interest.

Your Board and Concerto (which is the Company's largest shareholder) believe that the current position does not allow the senior executive team to share in the successful start to PCP's operations and that it therefore acts as a disincentive to the executive team to spend money to grow the business as any loan drawn down from the Company acts to delay the team's likelihood of profit share. As Concerto plans to give up equity in PCP over time in order to retain existing staff outside the Original Founders and bring new staff to the Principle Capital Group, the current situation would also significantly reduce the attraction of Concerto offering equity in PCP to such persons.

Your Board has, therefore, discussed the position with a number of the largest Shareholders (representing to the best of our knowledge over 70% of the shares in the Company). Following those discussions your Board is proposing that Clause 4.4 of the Agreement be amended to enable PCP to pay a dividend to its shareholders in respect of any financial year ending on or after 31 December 2006 whether or not there are any outstanding sums payable in respect of any loan made by the Company to PCP provided that at all times at least 25% of all performance fee payments actually received by PCP or its subsidiaries from the funds managed or advised by PCP and its subsidiaries have been or are used to repay some or all of any loans made by the Company to PCP.

It is considered by your Board, therefore, that this revision will reward the senior executive team for their efforts to date, provide incentive to the existing and new staff going forward, remove any disincentive to grow the operations of PCP and provide a servicing programme for loans from the Company.

Actions to be Taken

Shareholders will find enclosed a Proxy Form for use in relation to the EGM. Whether or not you intend to be present at the meeting you are requested to complete and return the Proxy Form in accordance with the instruction printed thereon to Maitland Luxembourg S.A., BP 1361 L-1013, Luxembourg (marked for the attention of Antonio Intini, fax +352 4025 0566) as soon as possible and, in any event, so as to arrive no later than 12:00 noon CET on 6 February 2007. The completion and return of a Proxy Form will not preclude you from attending the EGM and voting in person should you so wish.

Recommendation

The resolution will be passed if more than 50% of votes of the members (or their proxies) present at the meeting are cast in favour of the resolution.

Your Board believes that the resolution contained in the Notice of Meeting is in the best interests of the Company and Shareholders as a whole and unanimously recommends you to vote in favour of it, as Concerto, my family trust's vehicle, shall do so in respect of its beneficial shareholding representing 30.6% of the Company's Shares.

Yours sincerely

A handwritten signature in black ink, appearing to be 'B Myerson', with a large loop on the left and a horizontal stroke on the right.

Brian Myerson
Chief Executive Officer

Principle Capital Holdings S.A.

Société Anonyme

R.C.S Luxembourg B 98144

Registered Office: 6 rue Adolphe Fischer, Luxembourg

(the "Company")

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Company will be held at 6 rue Adolphe Fischer, Luxembourg on 8 February 2007 at 12:00 noon CET to consider and, if though fit, pass the following resolution as an ordinary resolution:

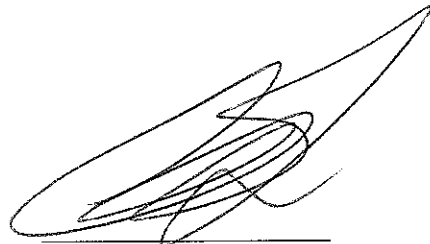
To authorise the Board of Directors of the Company to approve an amendment to the Shareholders' Agreement dated 18 October 2004 relating to Principle Capital Partners Limited ("PCP") such that dividends may be paid by PCP in respect of any financial year ending on or after 31 December 2006 whether or not there are any outstanding sums payable in respect of any loan made by the Company to PCP provided that at all times at least 25% of all performance fee payments received by PCP and its subsidiaries have been or are used to repay some or all of any loans made by the Company to PCP as are outstanding at the time of receipt of such performance fee payments.

BY ORDER OF THE BOARD



By: Brian Padgett

Director



By: Leonard O'Brien

Director

Date: 19 January 2007

NOTES:

1. A member entitled to attend and vote at the meeting convened by notice set out above is entitled to appoint a proxy to attend and to vote in his stead. A proxy need not be a member of the Company.

2. A form of proxy is enclosed. To be effective it must be deposited at the office of the Company's registrars (Maitland Luxembourg S.A., BP 1361 L-1013, Luxembourg, marked for the attention of Antonio Intini, fax +352 4025 0566) so as to be received not later than 12:00 noon CET on 6 February 2007. Completion of the proxy does not preclude a member from subsequently attending and voting at the meeting in person if he or she so wishes.
3. Members must be entered on the Company's register of members on 6 February 2007 at 6 p.m. CET to be entitled to attend and vote at the Extraordinary General Meeting. Such shareholders may cast votes only in respect of shares of which they are registered holders at such time.

TIMETABLE OF EVENTS

EVENT	DATE
Receipt of Proxies	6 February 2007
EGM	8 February 2007
Amendment of Agreement	As of the date approval is given at EGM