The Directors of the Company whose names appear on page v accept responsibility for the information contained in this Prospectus and each relevant Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

ALGEBRIS UCITS FUNDS PLC

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 509801 and established as an umbrella fund with segregated liability between funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended)

PROSPECTUS

Dated 13 July, 2017

IMPORTANT INFORMATION

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION ABOUT THE COMPANY AND SHOULD BE READ CAREFULLY BEFORE INVESTING. IF YOU HAVE QUESTIONS OR CONCERNS ABOUT THE CONTENTS OF THIS PROSPECTUS AND THE RELEVANT SUPPLEMENTS OR THE SUITABILITY OF AN INVESTMENT IN THE COMPANY FOR YOUR PARTICULAR CIRCUMSTANCES YOU SHOULD CONSULT YOUR STOCK BROKER OR OTHER FINANCIAL ADVISER.

Certain terms used in this Prospectus are defined on pages 8 to 13 of this document.

Central Bank Authorisation

The Company has been authorised by the Central Bank as a UCITS within the meaning of the Regulations. ***The authorisation of this scheme is not an endorsement or guarantee of the scheme by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus and the Supplements. The authorisation of this scheme by the Central Bank does not constitute a warranty as to the performance of the scheme and the Central Bank shall not be liable for the performance or default of the scheme.***

Investment Risks

It should be appreciated that the value of the Shares and the income from them may fall as well as rise and, accordingly, an investor may not get back the full amount invested. A dilution adjustment may also be payable on net subscriptions for and net redemptions of Shares. The difference at any one time between the subscription and redemption price of Shares means that the investment should be viewed as medium to long term. *Details of certain investment risks for an investor are set out on pages 21 to 49 of this document.* ***An investment in the Funds should not constitute a substantial proportion of the investor's investment portfolio and may not be appropriate for all investors. As distributions may be made out of the capital of certain Funds, there is a greater risk that capital will be eroded and 'income' will be achieved by foregoing the potential for future capital growth of your investment and the value of future returns may also be diminished. This cycle may continue until all capital is depleted.***

Selling Restrictions

The distribution of this Prospectus and the relevant Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus and the relevant Supplement or the accompanying subscription agreement in any such jurisdiction may treat this Prospectus and the relevant Supplement or such subscription agreement as constituting an invitation to them to subscribe for Shares, nor should they in any event use such subscription agreement, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such subscription agreement could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Prospectus and the relevant Supplement does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and the relevant Supplement and any persons wishing to apply for Shares pursuant to this Prospectus and the relevant Supplement to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

Applicants will be required to certify whether they are Irish Residents.

United States

There will be no public offering of Shares in the United States. The Shares will not be available to U.S. Persons, unless they are, among other things, "accredited investors" (as defined in Rule 501(a) of Regulation D under the United States Securities Act of 1933, as amended (the "Securities Act")) and "qualified purchasers" (as defined in Section 2(a)(51) of the United States Investment Company Act of 1940, as amended (the "Investment Company Act")).

The Shares have not been and will not be registered under the Securities Act or the securities laws of any of the states of the United States, nor is such registration contemplated. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any U.S. Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state laws. Any re-offer or resale of any of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law, absent an applicable exemption from registration.

There is no public market for the Shares in the United States and no such market is expected to develop in the future. The Shares offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Articles of Association, the Securities Act and applicable state securities law pursuant to registration or exemption therefrom. The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the Securities Act and inside the United States in reliance on Regulation D promulgated under the Securities Act and Section 4(2) thereof.

The Company has not been and will not be registered under the Investment Company Act pursuant to the provisions of Section 3(c)(7) of the Investment Company Act. Under Section 3(c)(7), a privately offered fund is excepted from the definition of "investment company" if U.S. Person security holders consist exclusively of "qualified purchasers" and the Shares are only offered in the U.S. on a private placement basis.

The Funds may trade commodity interest contracts (including swaps) as an incidental component of its strategies. However, the Investment Manager is currently exempt from registration with the U.S. Commodity Futures Trading Commission ("CFTC") as a 'commodity pool operator' with respect to the Funds pursuant to CFTC Rule 4.13(a)(3) because: (i) purchasers of Shares are limited to non-U.S. persons as defined under CFTC Rules or "accredited investors", as defined under U.S. Securities and Exchange Commission Rules; (ii) Shares in the Funds are exempt from registration under the Securities Act and are offered and sold without marketing to the public in the United States; (iii) the Shares are not marketed as or in a vehicle for trading in the commodity futures or commodity options markets; and (iv) for each Fund at all times either (a) the aggregate initial margin and premiums required to establish commodity interest positions will not exceed five per cent of the liquidation value of the Fund's portfolio; or (b) the aggregate net notional value of commodity interest positions will not exceed one hundred per cent of the liquidation value of the Fund's portfolio. Therefore, unlike a registered commodity pool operator, the Investment Manager is not required to deliver a disclosure document or a certified annual report to shareholders in the form required by the CFTC. However the Company, on behalf of the Fund, will deliver this prospectus as well as the periodic and annual reports described herein to all shareholders.

The Investment Manager reserves the right to register as a commodity pool operator and/or a commodity trading adviser in the future so that the Investment Manager may in the future act as a commodity pool operator to new Funds, or continue to act as a commodity pool operator to existing Funds that do not meet the criteria for the exemption under CFTC Rule 4.13(a)(3).

The Shares have not been filed with or approved or disapproved by any regulatory authority of the United States or any state thereof, nor has any such regulatory authority passed upon or endorsed the

merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

Notwithstanding anything to the contrary contained herein, a prospective investor (and each employee, representative or other agent of a prospective investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this Prospectus and all materials of any kind that are provided to the prospective investor relating to such tax treatment and tax structure (as such terms are defined in Treasury Regulation Section 1.6011-4), it being understood that "tax treatment" and "tax structure" do not include the name or the identifying information of (i) the Company or a Fund; or (ii) the parties to a transaction. This authorisation of tax disclosure is retroactively effective to the commencement of discussions with prospective investors.

You are hereby informed that (a) the information contained in this Prospectus is not intended or written to be used, and cannot be used, by an investor for the purpose of avoiding penalties that the U.S. Internal Revenue Service may attempt to impose on such investor, (b) the information was written to support the promotion or marketing of the transactions or marketing of the transactions or matters addressed by the written information and (c) investors should seek advice based on their particular circumstances from an independent tax advisor.

Australia

The Company is not a registered managed investment scheme, nor is it required to be registered as a managed investment scheme, and this Prospectus is not a product disclosure document or prospectus lodged or required to be lodged with the Australian Securities and Investments Commission. This Prospectus is intended for use only by 'wholesale clients' as defined in the Corporations Act 2001 (Cth). Shares will only be offered in Australia to persons to whom such securities may be offered without a prospectus or a product disclosure statement. Shares in the Company subscribed for by investors in Australia must not be offered for resale in Australia for 12 months from allotment except in circumstances where neither a prospectus nor a product disclosure statement is needed under the Corporations Act 2001 (Cth) in connection with the offer. Prospective investors in Australia should confer with their professional advisors if in any doubt about their position.

This Prospectus contains general information only, does not contain any personal advice and does not take into account any prospective investors' objectives, financial situation or needs. The Company is not authorised to provide any financial product advice in relation to the Shares and recommends that investors read this Prospectus before deciding whether to acquire Shares as no cooling off rights apply in relation to that decision.

Japan

The Shares may not be offered for a public offering in Japan unless a securities registration statement pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (including any amendments or successor laws, the "FIEA") has been filed with the Director of the Kanto Local Finance Bureau of the Ministry of Finance of Japan.

No securities registration statement for a public offering has been filed or will be filed with respect to the solicitation for the purchase of the Shares in Japan as the Shares of the Company will be offered in Japan as an "expanded small number private placement" (kakudai shouninzu shibo) under Article 2, Paragraph 3, Items 2(a) and 2(c) of the FIEA.

The Company on behalf of the relevant Fund has filed a notification with the Commissioner of the Financial Services Agency of Japan pursuant to the Act concerning Investment Trusts and Investment Corporations of Japan in connection with the private placement of the Shares in Japan. A report with respect to the placement and redemption of the Shares may be filed by the Company on behalf of the

relevant Fund with the Ministry of Finance of Japan as required in accordance with the terms and conditions of the Foreign Exchange and Foreign Trade Act of Japan.

Notwithstanding any language in this Memorandum to the contrary, the Shares offered hereby have not been approved or disapproved by any regulatory authority of Japan.

For the purposes of the laws of Japan, each Shareholder in the Company shall be required to represent in the Subscription Agreement that it fully acknowledges, understands and agrees with the relevant transfer restrictions applicable to the Shares pursuant to the FIEA.

In addition to any other applicable transfer restrictions as set forth in this Memorandum, if the Shareholder is a "qualified institutional investor" as defined under Article 2, Paragraph 3, Item 1 of the FIEA and Article 10 of the Cabinet Office Ordinance on Definitions under Article 2 of the FIEA (tekikaku kikan toushika, "Qualified Institutional Investor") at the time that it subscribed for or acquired Shares in the Company, such Shareholder shall be required to agree in the Subscription Agreement not to directly or indirectly, sell, exchange, assign, mortgage, hypothecate, pledge or otherwise transfer its Shares (or any interest therein), in whole or in part, to any party other than to another Qualified Institutional Investor. Any transferees of the Shareholder will be required to agree to comply with the foregoing transfer restrictions.

Marketing Rules

Shares are offered only on the basis of the information contained in the current Prospectus and the relevant Supplements and, as appropriate, the latest audited annual financial statements and any subsequent half-yearly reports. However, investors should note that the audited financial statements contained in the annual report are presented to the Shareholders as a body at the date of the audited financial statements and the auditors do not accept liability to any other party in respect of such financial statements.

Any further information or representation given or made by any dealer, salesman or other person should be disregarded and accordingly should not be relied upon. Neither the delivery of this Prospectus and the relevant Supplement nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information given in this Prospectus and the relevant Supplement is correct as of any time subsequent to the date of this Prospectus and the relevant Supplement. Statements made in this Prospectus and the relevant Supplement are based on the law and practice currently in force in Ireland and are subject to changes therein.

This Prospectus and the relevant Supplement may be translated into other languages provided that any such translation shall be a direct translation of the English text. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of Ireland. Translations shall contain only the same information as is herein contained and the translations shall have the same meaning as in this Prospectus and the relevant Supplement.

This Prospectus and the relevant Supplement should be read in their entirety before making an application for Shares.

ALGEBRIS UCITS FUNDS PLC

Directors

Mr. Carl O'Sullivan
Mr. Alexander Lasagna
Mr. Desmond Quigley

Depositary

HSBC Institutional Trust Services (Ireland) DAC
One Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Registered Office

33 Sir John Rogerson's Quay
Dublin 2
Ireland

Legal Advisers in Ireland

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland

Investment Manager, Distributor and Promoter

Algebris (UK) Limited
7 Clifford Street
London
W1S 2FT
England

Administrator, Registrar and Transfer Agent

HSBC Securities Services (Ireland) DAC
One Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Chartered Accountants and Registered Auditors

KPMG
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

Company Secretary

Tudor Trust Limited
33 Sir John Rogerson's Quay
Dublin 2
Ireland

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ALGEBRIS UCITS FUNDS PLC

DEFINITIONS

In this Prospectus the following words and phrases shall have the meanings indicated below:

"Administrator"	means HSBC Securities Services (Ireland) DAC;
"Articles of Association"	means the articles of association of the Company;
"Base Currency"	means, the base currency of each Fund as specified in the Supplement for the relevant Fund;
"Benefit Plan Investors"	means as defined on page 93;
"Business Day"	means, in relation to any Fund such day or days as is or are specified as such in the Supplement for the relevant Fund;
"Central Bank"	means the Central Bank of Ireland or any successor regulatory authority with responsibility for the authorisation and supervision of the Company;
"Central Bank UCITS Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as may be amended, supplemented or replaced from time to time and any related guidance issued by the Central Bank from time to time.
"Collection Account"	means the investor money collection account(s) operated by the Administrator for a Fund under administration into which all subscription monies are to be paid by an investor and from which all redemption and distribution proceeds are paid as described under the heading "Application for Shares - Collection Account";
"CFTC"	means as defined on page ii;
"CHF"	means Swiss Francs, the lawful currency of Switzerland;
"Class"	means a class of Shares, each representing an interest in a Fund;
"Code"	means the U.S. Internal Revenue Code of 1986, as amended;
"Class Currency"	means in respect of any Class of Shares the currency in which the Shares are issued as specified in Schedule 1 to the relevant Supplement;
"Company"	means Algebris UCITS Funds plc, an investment company with variable capital, incorporated in Ireland pursuant to the Companies Acts, 2014 and the Regulations;

"Dealing Day"	means, in relation to any Fund such day or days as is or are specified as such in the Supplement for the relevant Fund;
"Depositary"	means HSBC Institutional Trust Services (Ireland) DAC;
"Depositary Agreement"	means the amended and restated depositary agreement made between the Company and the Depositary dated 13 October, 2016 and as may be further amended, supplemented, modified or restated from time to time.
"Directors"	means the directors of the Company for the time being and any duly contributed committee thereof;
"EEA"	means the European Economic Area;
"Eligible Non-UCITS"	means any of the following open-ended collective investment schemes: (a) schemes established in Guernsey and authorised as Class A Schemes; (b) schemes established in Jersey as Recognised Funds; (c) schemes established in the Isle of Man as Authorised Schemes; (d) non-UCITS schemes authorised in the EU, the EEA, the U.S., Jersey, Guernsey or the Isle of Man and which comply, in all material respects, with the provisions of the Central Bank UCITS Regulations issued by the Central Bank; and (e) such other schemes as may be permitted by the Central Bank and set out in this Prospectus;
"EMIR"	Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories as may be amended, supplemented or consolidated from time to time.
"ERISA"	means the U.S. Employee Retirement Income Security Act of 1974, as amended;
"ESMA"	means the European Securities and Markets Authority;
"€" or "Euro" or "EUR"	means the Euro the lawful currency of certain countries forming part of the EU;
"EU"	means the European Union;
"FCA"	means the UK Financial Conduct Authority;
"Fund" or "Funds"	means a separate portfolio of assets which is invested in accordance with the investment objective and policies as set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such fund shall be applied and charged and "Funds" means all or some of the Funds as the context requires or any other funds as may be established by the Company from time to time with the prior approval of the Central Bank;

"GBP" or "£"	means pounds Sterling, the lawful currency of the United Kingdom;
"IFRS"	means International Financial Reporting Standards;
"Initial Offer Period"	the period set out by the Directors in relation to any Fund or Class of Shares as the period during which Shares were initially on offer and as specified in the Supplement for the relevant Fund, or such other date as the Directors may determine and notify to the Central Bank;
"Initial Offer Price"	means the price at which a Class of Shares is first offered and as specified in the Supplement for the relevant Fund;
"Investment Company Act"	U.S. Investment Company Act of 1940, as amended;
"Investment Manager"	means Algebris (UK) Limited or its successors;
"Investment Team"	means as defined on page 21;
"Investor Money Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations, 2015 for fund service providers;
"Net Asset Value"	means the value of the net assets of the Company or of a Fund or a Class, as appropriate, calculated as described herein, as of each Valuation Day;
"Net Asset Value per Share"	means the Net Asset Value divided by the number of Shares of the Company or a Fund or a Class in issue;
"Permitted U.S. Investor"	means as defined on page 95;
"Register"	means the register of Shareholders;
"Regulated Market"	means any stock exchange or market which is set out in Schedule I;
"Regulations"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations, 2016 (S.I. No. 143 of 2016) and as may be further amended, consolidated or substituted from time to time and any rules from time to time adopted by the Central Bank pursuant thereto;
"Securities Act"	U.S. Securities Act of 1933, as amended;
"Settlement Time (for Redemptions)"	means in relation to any Fund such time as is specified as such in the Supplement for the relevant Fund;

"Settlement Time (for Subscriptions)"	means in relation to any Fund such time as is specified as such in the Supplement for the relevant Fund;
"SFTR"	Regulation EU 2015/2365 of the European Parliament and of the Council on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012;
"Share" or "Shares"	means a share or shares in the Company representing an interest in a Fund;
"Shareholder"	means a holder of Shares;
"Specified US Person"	means (i) a US citizen or resident individual, (ii) a partnership or corporation organized in the United States or under the laws of the United States or any State thereof (iii) a trust if (a) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States; **excluding** (1) a corporation the stock of which is regularly traded on one or more established securities markets; (2) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i); (3) the United States or any wholly owned agency or instrumentality thereof; (4) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (5) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code; (6) any bank as defined in section 581 of the U.S. Internal Revenue Code; (7) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code; (8) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (9) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code; (10) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code; (11) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or (12) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code. This definition shall be interpreted in accordance with the US Internal Revenue Code;

"Subscriber Shares"	means the shares of no par value in issue and designated as subscriber shares;
"Supplement"	means any supplemental prospectus issued by the Company in respect of a Fund from time to time in accordance with the requirement of the Central Bank;
"Trade Cut-Off Time for Redemptions"	means, in relation to any Fund such day or days as is or are specified as such in the Supplement for the relevant Fund;
"Trade Cut-Off Time for Subscriptions"	means, in relation to any Fund such day or days as is or are specified as such in the Supplement for the relevant Fund;
"UCITS"	means an undertaking for collective investment in transferable securities established pursuant to the Regulations or, in the case of UCITS established in an EU member state other than Ireland, the UCITS Directive or the relevant national legislation implementing the UCITS Directive;
"UCITS Directive"	means the Directive 2009/65/EC of the Council and the European Parliament of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as amended by Directive 2014/91/EU of 23 July, 2014 as may be further amended, consolidated or substituted from time to time;
"U.S." or "United States"	means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;
"U.S.$", USD or "U.S. Dollar"	means the lawful currency of the U.S.;
"U.S. Person"	means a person or entity described in one or more of the following: (1) with respect to any person, any individual or entity that would be a "U.S. person" under Regulation S of the Securities Act; (2) with respect to individuals, any U.S. citizen or "resident alien" within the meaning of U.S. income tax laws as in effect from time to time; or (3) with respect to persons other than individuals: (i) a corporation or partnership created or organised in the United States or under the laws of the United States or any state; (ii) a trust where (a) a U.S. court is able to exercise primary supervision over the administration of the trust and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust; and (iii) an estate which is subject to U.S. tax on its

worldwide income from all sources;

"Valuation Day"	means, in relation to any Fund such day or days as is or are specified as such in the Supplement for the relevant Fund; and
"Valuation Point"	means, in relation to any Fund such time as is specified as such in the Supplement for the relevant Fund.

INTRODUCTION

The Company is an umbrella fund with segregated liability between Funds established as an investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Regulations. It was incorporated on 17 February 2012 under registration number 509801 and was authorised by the Central Bank as a UCITS on 9 August 2012. Its sole object, as set out in Clause 2 of the Company's Memorandum of Association, is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public and which operates on the basis of risk spreading.

The Company is organised in the form of an umbrella fund with segregated liability between Funds. The Articles of Association provide that the Company may offer separate classes of Shares, each representing interests in a Fund comprising a distinct portfolio of investments. The Company has obtained the approval of the Central Bank for the establishment of the Algebris Financial Credit Fund the Algebris Financial Income Fund, the Algebris Financial Equity Fund, the Algebris Asset Allocation Fund and the Algebris Macro Credit Fund. With the prior approval of the Central Bank the Company from time to time may create an additional Fund or Funds, the investment policies and objectives for which shall be outlined in a Supplement, together with details of the Initial Offer Period, the Initial Offer Price for each Share and such other relevant information in relation to the additional Fund or Funds as the Directors may deem appropriate, or the Central Bank requires, to be included. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus.

The creation of additional Classes of Shares representing interests in a Fund may be effected in accordance with the requirements of the Central Bank. Additional Classes of Shares may be established which may be subject to higher, lower or no fees. Information in relation to the fees applicable to other Classes of Shares is available on request. On the introduction of any new Class of Shares, the Company will prepare and issue a new or updated Supplement setting out the relevant details of each such new Class of Shares. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each Class of Shares) and will be invested in accordance with the investment objective and policies applicable to such Fund. Particulars relating to individual Funds and the Classes of Shares available therein are set out in the relevant Supplement. Any amendments to the Prospectus and any Supplements must be notified to and cleared in advance by the Central Bank.

INVESTMENT OBJECTIVE AND POLICIES OF THE FUNDS

General

Each Fund operates to achieve its investment objective, as set out in the relevant Supplement, while spreading investment risks through investment in transferable securities and liquid financial assets, including without limitation financial derivative instruments, in accordance with the Regulations. The transferable securities and liquid financial assets in which each Fund may invest generally must be quoted or traded on a Regulated Market except that up to 10 per cent of the Net Asset Value of a Fund may be invested in other securities which are not traded on a Regulated Market.

Where its investment policy so provides, each Fund may, subject to the limits set out in Schedule II and any limitation or restriction set out in the relevant Supplement, be invested in collective investment schemes which are UCITS or Eligible Non-UCITS. Such investment in collective investment schemes includes investing in other Funds (i.e., other sub-funds of the Company). However, a Fund may not invest in another Fund which itself holds shares in other Funds. Where a Fund invests in another Fund, the investing Fund may not charge an annual management, investment management, distribution or performance fee in respect of the portion of its assets invested in the other Fund.

New Issues

Subject as set forth in the relevant Supplement, a Fund from time to time may invest in a "new issue", as defined in US Financial Industry Regulatory Authority, Inc. ("**FINRA**") Rule 5130, as amended, supplemented and interpreted from time to time ("**FINRA Rule 5130**"). FINRA Rule 5130 generally prohibits a FINRA member from selling a new issue to any account (e.g., a private investment fund, such as a Fund) in which a "restricted person", as defined in FINRA Rule 5130 (a "Rule 5130 Restricted Person"), has a beneficial interest, subject to certain exemptions.

In addition, Section (b) of FINRA Rule 5131, as amended, supplemented and interpreted from time to time ("**FINRA Rule 5131**" and together with FINRA Rule 5130, the "**New Issues Rules**"), bans the practice of "spinning", which occurs when a broker-dealer allocates a new issue to an executive officer or director of a company, who then returns the favour by using the broker-dealer for its company's investment banking needs. FINRA Rule 5131 bans spinning by generally prohibiting a FINRA member from allocating shares of a new issue to any account in which an executive officer or director of a "public company" (as defined in FINRA Rule 5131) or a "covered non-public company" (as defined in FINRA Rule 5131), or a person materially supported by such an executive officer or director (each, a "Rule 5131 Restricted Person"), has a beneficial interest if such Rule 5131 Restricted Person's company has or expects to have an investment banking relationship with the FINRA member, again subject to certain exemptions.

Notwithstanding the foregoing, a FINRA member will be permitted to sell a new issue to any account in which a Rule 5130 Restricted Person and/or a Rule 5131 Restricted Person has a beneficial interest if such account is an investment company organised under the laws of a jurisdiction outside of the United States that is (i) authorised for sale to the public by a non-US regulatory authority (such as a Fund); and (ii) no person owning more than 5% of the shares of such investment company is a Rule 5130 Restricted Person (the "Investment Company Exemption").

Each investor will be asked to complete a questionnaire in order to determine the extent to which the relevant Fund may participate in new issues. The Company may exercise its right to compulsorily redeem all or any portion of a Shareholder's Shares in a Fund that is a Rule 5130 Restricted Person and/or Rule 5131 Restricted Person to ensure compliance with the Investment Company Exemption set forth above.

The above shall in no way limit the authority of a Fund or the Investment Manager to rely on exemptions under the New Issues Rules other than the Investment Company Exemption from time to time, as each may deem appropriate for a Fund or the Company as a whole, in light of, among other things, existing interpretations of, and amendments to, the New Issues Rules and practical considerations, including administrative burdens and principles of fairness and equity.

CURRENCY TRANSACTIONS

The investments of the Funds may be acquired in a wide range of currencies. The Funds may use currency hedging techniques but this may not be possible or practicable in all cases. Currency hedging may be undertaken to reduce a Fund's exposure to the fluctuations of the currencies in which the Fund's assets may be denominated against the Base Currency of the relevant Fund. The Funds may hedge the currency exposure arising from investing in assets denominated in a currency other than the Base Currency. A Fund may comprise Classes denominated in a currency other than the Base Currency. In such case the Investment Manager may seek to hedge the currency exposure risk between the Base Currency of the relevant Fund and the currency of denomination of the Classes of the relevant Fund denominated in currencies other than the Base Currency. Although not intended, over-hedged or under-hedged positions may arise due to factors outside of the control of the Investment Manager. Over-hedged positions will not be permitted to exceed 105 per cent of the Net Asset Value of the Class. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level. This review will also incorporate a procedure to ensure

that positions materially in excess of 100 per cent of the Net Asset Value of the Class will not be carried forward from month to month. A position shall be over-hedged where the currency forward or other derivative attributable to a specific Class hedges an amount of the currency of denomination of that Class in excess of the Net Asset Value of the Class. Class currency transactions will be clearly attributable to a specific Class (therefore the relevant Fund shall not combine or offset currency exposures of different Classes and currency exposures of assets of the relevant Fund may not be allocated to separate Classes).

The costs and gains or losses associated with any hedging transactions for hedged currency Classes will accrue solely to the hedged currency Class to which they relate. Whilst these hedging strategies are designed to reduce the losses to a Shareholder's investment if the currency of that Class or the currencies of assets which are denominated in currencies other than the Base Currency fall against that of the Base Currency, the use of Class hedging strategies may substantially limit holders of Shares in the relevant Class from benefiting if the currency of that Class falls against that of the Base Currency and/or the currency in which the assets of the Company are denominated.

SHARE CLASSES

A list of the Classes of Shares available in respect of each Fund and the characteristics of each such Class are set out in a schedule to each Supplement.

BORROWING

A Fund may not borrow money, except as follows:

(a) a Fund may acquire foreign currency by means of a "back to back" loan; and

(b) a Fund may borrow up to 10 per cent of its Net Asset Value, provided that such borrowing is on a temporary basis.

Foreign currency obtained under (a) above is not classed as borrowings for the purposes of the borrowing restrictions contained in the Regulations provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding.

However, where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purpose of Regulation 103 of the Regulations and (b) above.

ADHERENCE TO INVESTMENT OBJECTIVES AND POLICIES

Any change in investment objective, as disclosed in the relevant Supplement, and any material change in the investment policies, as disclosed in the relevant Supplement, of the Funds will be subject to the approval in writing of all Shareholders or on the basis of a majority of votes cast at a general meeting of Shareholders and shall be notified to the Central Bank. In the event of a change in investment objectives and/or policies, a reasonable notification period will be provided to Shareholders to enable them to redeem their Shares prior to the implementation of such a change. In accordance with the requirements of the Central Bank, material changes to the content of the Prospectus and/ or the Supplements shall be notified to Shareholders in the next occurring periodic report.

INVESTMENT TECHNIQUES AND INSTRUMENTS

FINANCIAL DERIVATIVE INSTRUMENTS

The Central Bank requires that all UCITS funds that use financial derivative instruments employ a risk management process which enables it to accurately manage, measure and monitor the various risks associated with financial derivative instruments. This is documented in the Company's risk management process which must be submitted to, and cleared in advance by, the Central Bank prior to the Company using financial derivative instruments. Any update of this document must be reviewed by the Central Bank. Any financial derivative instruments not included in the risk management process will not be used until such time as a revised risk management process has been provided to the Central Bank. In the case of the Company, the Investment Manager is responsible for the implementation of the systems and controls set out in the risk management process. It is also responsible for monitoring and controlling the compliance and quantitative limits detailed in the risk management process as well as ensuring that the procedures that apply in the event of regulatory breaches (including escalation of issues to the board of directors, where necessary) are followed.

The Company may employ investment techniques and instruments in accordance with the relevant Fund's investment policy for investment purposes, for efficient portfolio management purposes and for hedging purposes, subject to the conditions and within the limits from time to time laid down by the Central Bank. These techniques and instruments may be exchange-traded or over-the-counter derivatives and may include futures (such as currency future contracts), options, options on futures, forward settled transactions, structured notes, credit default swaps and other swaps (including contracts for differences). Further information on techniques and instruments is set out in the Supplement for the relevant Fund.

The Company, as beneficial owner and on behalf of each Fund, may charge certain assets of a Fund in order to secure the obligations of the Fund to an over the counter ("**OTC**") counterparty and, as part of the security arrangements with such OTC counterparty, may also pass margin to such OTC counterparty. Such security arrangements will comply in full with the Regulations.

A list of the Regulated Markets on which the financial derivative instruments may be quoted or traded is set out in Schedule I.

A description of the current conditions and limits laid down by the Central Bank in relation to financial derivative instruments is set out in Schedules II and III.

SECURITIES FINANCING TRANSACTIONS

Where specified in the relevant Supplement, a Fund may enter into securities financing transactions which include repurchase agreements, reverse repurchase agreement and/or securities lending agreements for efficient portfolio management purposes in accordance with the limits and conditions set down in the Central Bank UCITS Regulations and the SFTR.

A repurchase agreement is an agreement pursuant to which one party sells securities to another party subject to a commitment to repurchase the securities at a specified price on a specified future date. A reverse repurchase agreement is an agreement whereby one party purchases securities from another party subject to a commitment to re-sell the relevant securities to the other party at a specified price on a specified future date. A securities lending agreement is one where one party transfers securities to another party subject to a commitment from that party that they will return equivalent securities on a specified future date or when requested to do so by the party transferring the securities.

Where a Fund enters into a repurchase agreement under which it sells securities to the counterparty, it will incur a financing cost from engaging in this transaction which will be paid to the relevant counterparty. Cash collateral received by a Fund under a repurchase agreement is typically reinvested in order to generate a return greater than the financing costs incurred by the Fund. In such circumstances, the Fund will be exposed to market risk and to the risk of failure or default of the issuer of the relevant security in which the cash collateral has been invested. Furthermore, the Fund retains the economic risks and rewards of the securities which it has sold to the counterparty and therefore it is exposed to market risk in the event that it repurchases such securities from the counterparty at the pre-determined price which is higher than the value of the securities.

There is no global exposure generated by a Fund as a result of entering into reverse repurchase arrangements, nor do any such arrangements result in any incremental market risk unless the additional income which is generated through finance charges imposed by the Fund on the counterparty is reinvested, in which case the Fund will assume market risk in respect of such investments.

Finance charges received by a Fund under a stock-lending agreement may be reinvested in order to generate additional income. Similarly cash collateral received by a Fund may also be reinvested in order to generate additional income. In both circumstances, the Fund will be exposed to market risk in respect of any such investments.

The use of the techniques described above may expose a Fund to the risks disclosed under the heading "*Risk Factors"-"Risks associated with Securities Financing Transactions*".

Total Return Swaps

Where specified in the relevant Supplement, a Fund may enter into total return swaps as defined in the SFTR for investment purposes in order to generate income or profits in accordance with the investment objective and policies of the relevant Fund, in order to reduce expenses or hedge against risks faced by the Fund.

A total return swap is a derivative contract under which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty. The reference obligation of a total return swap may be any security or other investment in which the relevant Fund is permitted to invest in accordance with its investment objective and policies. The use of total return swaps may expose a Fund to the risks disclosed under the heading "*Risk Factors"-"Risks associated with Securities Financing Transactions*".

Revenues generated from Securities Financing Transactions and Total Return Swaps

Information on the revenues generated under such transactions shall be set out in the Supplement for the relevant Fund.

Eligible Counterparties

Any counterparty to a total return swap or other OTC derivative contract shall fall within one of the categories listed at paragraph 2 of Schedule III to this Prospectus.

Any counterparty to a OTC derivative contract or a securities financing transaction shall be subject to an appropriate internal assessment carried out by the Company, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, country of origin of the counterparty and legal status of the counterparty.

Save where the relevant counterparty to the relevant securities financing transaction or OTC derivative contract is a credit institution which falls within any of the categories set down in Regulation 7 of the Central Bank UCITS Regulations, where such counterparty falls within one of the categories listed at paragraph 3 of Schedule III to Prospectus this shall result in a new credit assessment being conducted of the counterparty by the Company without delay.

Collateral Management

Types of collateral which may be received by a Fund

Where necessary, a Fund may receive both cash and non-cash collateral from a counterparty to a securities financing transaction or an OTC derivative transaction in order to reduce its counterparty risk exposure.

The non-cash collateral received by a Fund may comprise of such assets as are set out in the Supplement for the relevant Fund and which meet the specific criteria outlined below. The level of collateral required to be posted by a counterparty may vary by counterparty and where the exchange of collateral relates to initial or variation margin in respect of non-centrally cleared OTC derivatives which fall within the scope of EMIR, the level of collateral will be determined taking into account the requirements of EMIR. In all other cases, collateral will be required from a counterparty where regulatory exposure limits to that counterparty would otherwise be breached.

There are no restrictions on the maturity of the collateral received by a Fund.

Collateral received from a counterparty shall satisfy the criteria set out in paragraph 22 of Schedule III to this Prospectus.

The haircut applied to collateral posted by a counterparty will be negotiated on a counterparty by counterparty basis and will vary depending on the class of asset received by a Fund, taking into account the factors disclosed in paragraph 29 of Schedule III to this Prospectus and, where applicable taking into account the requirements of EMIR.

Valuation of collateral

Collateral that is received by a Fund will be valued in accordance with paragraph 22(ii) of Schedule III to this Prospectus. In the case of non-centrally cleared OTC derivative contracts, the non-cash collateral received by a Fund will be valued at mark to market given the required liquid nature of the collateral.

Safe-keeping of collateral received by a Fund

Collateral received by a Fund shall be held in accordance with Paragraph 24 of Schedule III to this Prospectus.

Re-use of collateral by a Fund

Re-use of collateral received by a Fund may be effected only in accordance with Paragraphs 25 – 27 of Schedule III to this Prospectus. Further information on the collateral management policy applicable to a Fund shall be set out in the relevant Supplement.

Posting of collateral by a Fund

Collateral provided by a Fund to a counterparty shall be agreed with the relevant counterparty and may comprise of cash or any types of assets held by the relevant Fund in accordance with its investment objective and policies and shall, where applicable, comply with the requirements of

EMIR. Collateral may be transferred by a Fund to a counterparty on a title transfer basis where the assets are passed outside of the custody network and are no longer held by the Depositary or its sub-custodian. In such circumstances, subject to the requirements of SFTR, the counterparty to the transaction may use those assets in its absolute discretion. Where collateral is posted by a Fund to a counterparty under a security collateral arrangement where title to the relevant securities remains with the Fund, such collateral must be safe-kept by the Depositary or its sub-custodian. Any re-use of such assets by the counterparty must be effected in accordance with SFTR and where relevant, the UCITS Regulations. Risks associated with re-use of collateral are set down in "*Risk Factors: Risks Associated with Collateral Management*".

INVESTMENT RESTRICTIONS

A Fund's investments will be limited to investments permitted by the Regulations, as set out in Schedule II and any limitation or restriction set out in any Supplement. If the Regulations are altered during the life of the Company, the investment restrictions may be changed to take account of any such alterations but any such changes shall be in accordance with the Central Bank's requirements and Shareholders will be advised of such changes in an updated Prospectus or a Supplement and in the next succeeding annual or half-yearly report of the Company. In the event that any alterations to the Regulations necessitate a material change in the investment policy of a Fund, such a change to the investment policy may only be made on the basis of a majority of votes cast at a general meeting or with the prior written approval of all Shareholders and a reasonable notification period shall be provided to Shareholders to enable them to redeem their Shares prior to the implementation of such a change.

The investment restrictions, as well as the policies of a Fund as to ratings of portfolio investments, will apply only at the time of purchase of the investments. If these limits are exceeded for reasons beyond the control of a Fund, that Fund shall adopt as a priority objective for its sales transactions the remedying of that situation taking account of the interests of the relevant Fund and its Shareholders.

INFORMATION ON RISK MANAGEMENT

The Company shall provide supplementary information to a Shareholder on request relating to the risk management methods employed, including any quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

DIVIDEND POLICY

The Directors are permitted to declare distributions in respect of any Fund and any Class of Shares. Distributions may not be payable for all Funds or all Classes of Shares. The current distribution policy for each Fund is set out in the relevant Fund Supplement. For all Classes of Shares that are not distributing Share Classes, the Fund's income and capital gains will be reinvested in accordance with the investment objectives and investment policies of the Fund. Any change to a Fund's distribution policy will be disclosed in an updated prospectus or Supplement and notified in advance to Shareholders.

Where a distribution is to be paid to a Shareholder, the Company shall be entitled to deduct from the distribution such amount as may be necessary to discharge the Fund's liability to tax in respect of such distribution and shall arrange to discharge the amount of tax due. Dividends will be paid in cash by telegraphic transfer to the account of the Shareholder specified in the subscription agreement or, in the case of joint holders, to the name of the first Shareholder appearing on the register within one month of their declaration. In the event that a dividend is declared, the amount available for distribution in respect of any Class of Shares is set out in the relevant Fund Supplement. Distributions may also be made out of capital as set out in the relevant Supplement for each Fund. Any dividend which is unclaimed six years from the date it became payable shall be forfeited and become the property of the Fund concerned. In the event that the amount payable to a Shareholder as a dividend

is exceeded by the cost of dispatching, transmitting, effecting or otherwise making such payments to the Shareholder, the Company shall be entitled to retain such dividends for the benefit of the relevant Shareholder until such time as the amount payable to the Shareholder is not exceeded by the cost of dispatching, transmitting, effecting or otherwise making such payments to the Shareholder.

RISK FACTORS

Investors should understand that all investments involve risks. The following are some of the risks of investing in a Fund but does not purport to be an exhaustive list of such risks. Additional risks may be detailed in the Supplement for the relevant Fund.

General Risks

There is Limited Operating History for the Company

The Company has limited operating history. While the investment professionals at the Investment Manager (together, the "Investment Team") have substantial experience investing in the types of opportunities the Company and each Fund will pursue, there can be no assurance that the Company or each Fund will generate performance results equivalent to the results generated by the Investment Team in the past (or avoid losses). Market conditions and trading approaches are continually changing, and the fact that the Investment Team may have achieved certain positive performance in the past may be largely irrelevant to each Fund's prospects for profitability. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

Investment Risk/Potential Loss of Investment

The price of the Shares may fall as well as rise. There can be no assurance that a Fund will achieve its investment objective or that a Shareholder will recover the full amount invested in the Fund. Restrictions on investments in certain jurisdictions may limit the liquidity of a Fund's investments. The capital return and income of a Fund are based on the capital appreciation and income on the investments it holds, less expenses incurred. Therefore, a Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income. The Directors consider that an investment in a Fund should be viewed by an investor as a medium to long-term investment.

There is a risk that an investment in the Company will be lost entirely or in part. The Company is not a complete investment programme and should represent only a portion of an investor's portfolio management strategy.

Reliance on Management

Investment decisions will be made for a Fund by the Investment Manager. The success of a Fund will depend on the ability of the Investment Manager to identify suitable investments and to dispose of such investments at a profit. There can also be no assurance that all of the personnel of the Investment Manager will continue to be associated with the Investment Manager for any length of time. The loss of the services of one or more employees or members of the Investment Manager could have an adverse impact on a Fund's ability to realise its investment objective.

Devotion of Time

The Investment Manager, its affiliates and their personnel manage accounts and funds in addition to the Funds and may in the future manage additional accounts and funds and while carrying out its duties to the Funds, may also devote substantial time and resources to other funds and accounts.

Increasing the Assets Managed by the Investment Manager May Adversely Affect Performance

There appears to be a tendency for the rates of return achieved by advisors to degrade as assets under management increase. Although the Directors may, in their sole discretion, close one or more Classes of Shares to additional subscriptions, or return capital to existing Shareholders, there is no limit on the total amount of subscriptions that may be accepted on behalf of the Funds. In addition, the Investment Manager is not precluded from managing other vehicles or accounts with similar or different strategies.

General Risk of Emerging Markets

Investment in emerging market securities involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favourable tax provisions, and a greater likelihood of severe inflation, unstable currency, war and expropriation of personal property than investments in securities of issuers based in developed countries. In addition, the investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.

Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighbouring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

The issuers of emerging market securities may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries.

Legal Risk and Political Risk

Many of the laws that govern private and foreign investment, equity securities transactions and other contractual relationships in certain countries, particularly in developing countries, are new and largely untested. As a result, a Fund may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain countries in which assets of a Fund are invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on a Fund and its operations. In addition, the income and gains of a Fund may be subject to withholding taxes imposed by foreign governments for which shareholders may not receive a full foreign tax credit. Furthermore, it may be difficult to obtain and enforce a judgment in a court outside of Ireland.

Regulatory controls and corporate governance of companies in some developing countries may confer little protection on minority shareholders. Anti-fraud and anti-insider trading legislation is often

rudimentary. The concept of fiduciary duty to shareholders by officers and directors is also limited when compared to such concepts in Western markets. In certain instances management of companies in some developing countries may take significant actions without the consent of shareholders and anti-dilution protection also may be limited.

The performance of a Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, military conflict and civil unrest, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements.

Global Economic and Market Conditions

The Investment Manager may invest in currencies and securities traded in various markets throughout the world, including in emerging, frontier or developing markets, some of which are highly controlled by governmental authorities. Such investments require consideration of certain risks typically not associated with investing in currencies or securities of developed markets. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavourable currency exchange rate fluctuations, imposition of exchange control regulation by governments, withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalisation of their industries, political difficulties, including expropriation of assets, confiscatory taxation and social, economic or political instability in foreign nations. These factors may affect the level and volatility of securities prices and the liquidity of a Fund's investments. Unexpected volatility or illiquidity could impair a Fund's profitability or result in losses.

The economies of countries differ in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Certain Securities Markets

Stock markets in certain countries may have a relatively low volume of trading. Securities of companies in such markets may also be less liquid and more volatile than securities of comparable companies elsewhere. There may be low levels of government regulation of stock exchanges, brokers and listed companies in certain countries. In addition, settlement of trades in some markets is slow and subject to failure.

Some commodity exchanges are "principals' markets" in which performance is the responsibility only of the individual member with whom the trader has entered into a commodity contract and not of an exchange or clearing corporation. In such a case, a Fund is subject to the risk of the inability of, or refusal by, the counterparty to perform with respect to such contracts. In addition, the trading of futures and forward contracts on certain commodity exchanges may be subject to price fluctuation limits.

Valuation Policies

The Company's valuation policies may not be in accordance with IFRS and such divergence may, in certain circumstances, result in a qualification of the Company's annual audited financial statements. In such circumstances, the Company may decide to make IFRS conforming changes for financial reporting purposes, but use the valuation policies detailed herein for the purposes of calculating the Company's Net Asset Value. There will be a divergence in the Company's fiscal year-end Net Asset

Value and in the Net Asset Value reported in the Company's financial statements in any year where IFRS conforming changes are made only to the Company's financial statements for financial reporting purposes.

Availability of Investment Strategies

The success of the Company's investment activities will depend on the Investment Manager's ability to identify investment opportunities as well as to assess the import of news and events that may affect the financial markets. The identification and exploitation of the investment strategies to be pursued by the Company involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of the Company's assets or to exploit discrepancies in the securities and derivatives markets.

Potential Inability to Trade or Report Due to Systems Failure

The Investment Manager's strategies will be dependent to a significant degree on the proper functioning of its internal and external computer systems. Accordingly, systems failures, whether due to third-party failures upon which such systems are dependent or the failure of the Investment Manager's hardware or software, could disrupt trading or make trading impossible until such failure is remedied. Any such failure, and consequential inability to trade (even for a short time), could, in certain market conditions, cause the Funds to experience significant trading losses or to miss opportunities for profitable trading. Any such failures also could cause a temporary delay in reports to Shareholders.

Cyber Security Risk

The Company and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "hacking" or malicious software coding) for the purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Company, Investment Manager, Administrator or Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with calculation of a Fund's Net Asset Value; impediments to trading for a Fund's portfolio; the inability of Shareholders to transact business relating to the Company; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Fund invests, counterparties with which the Company engages on behalf of a Fund in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

Operational Risks

The strategies employed by the Investment Manager on behalf of the Funds are highly dependent on information systems and technology. Any failure or deterioration of these systems or technology due to human error, data transmission failures or other causes could materially disrupt the Funds' operations.

A disaster or a disruption in the infrastructure that supports the Investment Manager's business, including a disruption involving electronic communications or other services used by it or third parties with whom it conducts business, or directly affecting one of its offices or facilities, may have a materially adverse effect on its ability to continue to operate the business without interruption. Although the Investment Manager and its affiliates have back-up facilities for their information systems as well as technology and business continuity programs in place, there can be no assurance that these will be sufficient to mitigate the harm that may result from such a disaster or infrastructure disruption.

The Investment Manager relies on third-party service providers for certain aspects of its business. Any interruption or deterioration in the performance of such other third parties could impair the quality of the Funds' operations and negatively impact the investment strategies employed by the Investment Manager on their behalf.

Risk of Litigation

In the ordinary course of business, the Funds may be subject to litigation from time to time. Any litigation may consume substantial amounts of the Investment Manager's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation. No legal or arbitration proceedings are pending or, to the best of the Company's knowledge, threatened against the Company.

Additional Government or Market Regulation

There have recently been certain well publicised incidents of regulators unexpectedly announcing regulatory changes or interpretations that prohibited strategies that had been implemented in a variety of formats for many years. For instance, in September 2008 the various regulatory bodies imposed temporary bans on short-selling in a variety of stocks, and adopted permanent regulations that had the effect in certain cases of making short-selling more difficult or costly. These actions were generally regarded as disrupting market fundamentals and causing unexpected and volatile increases in the stock prices of a variety of issuers, as short sellers closed out their positions by buying securities. Market disruptions like those experienced in the credit-driven equity market collapse in 2008 as well as the dramatic increase in the capital allocated to asset management strategies during recent years have led to increased governmental as well as self-regulatory scrutiny of the hedge fund industry in general.

In addition, certain legislation proposing greater regulation of the industry is currently being actively considered by the governments around the world. The public reaction to the credit-driven equity market collapse may increase the likelihood that increased regulation of the private fund industry is mandated in the near future.

Limited U.S. Regulatory Oversight

The Company is not registered as an "investment company" under the Investment Company Act or any comparable U.S. regulatory requirements, and does not intend to do so. Accordingly, the provisions of such regulations are not applicable to an investment in the Company.

The Investment Manager has claimed an exemption from registration with the CFTC as a "commodity pool operator" with respect to the Funds under CFTC Rule 4.13(a)(3), based, among other things, on the private offering of the Shares, the qualifications of the Funds' Shareholders and the Funds' limited use of commodity interests. CFTC Rule 4.13(a)(3) limits the amount of commodity interest trading in which a Fund is permitted to engage. Accordingly, a Fund may have to limit its commodity interest trading more than would otherwise be advisable in order to claim the exemption under CFTC Rule 4.13(a)(3). Additionally, as a result of claiming the exemption, the Investment Manager is not

required to comply with the disclosure, reporting and recordkeeping requirements generally applicable to registered commodity pool operators, including delivery to investors of a disclosure document and a certified annual report designed to meet CFTC requirements.

Reliance on the Integrity of Financial and Economic Reporting

The Investment Manager may rely on the financial, economic and government policy data made available by companies, governmental agencies, rating agencies, exchanges, professional services firms, central banks and issuers in which the Funds will invest. Data on specific companies and projects, unemployment rates, consumer confidence measures, the determination of base interest-rates, debt issuance calendars and numerous other factors can have a material effect on the investment positions the Investment Manager take on behalf of the Funds. However, the Investment Manager generally has no ability independently to verify such financial, economic and/or economic policy information. The Investment Manager is dependent upon the integrity of both the individuals and the processes by which such data is generated. The Funds could incur material losses as a result of the misconduct or incompetence of such individuals and/or a failure of or substantial inaccuracy in the generation of such information. Corporate mismanagement, fraud and accounting irregularities relating to the Funds' positions may result in material losses. Equity prices are particularly vulnerable to corporate mismanagement.

Holding Period of Investment Positions

The Investment Manager typically will not know the maximum - or, often, even the expected (as opposed to optimal) - duration of any particular position at the time of initiation (except in the case of certain options or derivatives positions which have pre-established expiration dates). The length of time for which a position is maintained varies significantly, based on the trading model's results of the appropriate point at which to liquidate a position so as to augment gains or reduce losses.

Substantial Redemptions

If there are substantial redemptions within a limited period of time, it may be difficult for a Fund to provide sufficient funds to meet such redemption requests without liquidating positions prematurely at an inappropriate time or on unfavourable terms.

Potential Mandatory Redemption

The Company may require a Shareholder to redeem all or a portion of its Shares from a Fund under certain circumstances as discussed on page 60. A mandatory redemption could result in adverse tax and/or economic consequences to that Shareholder.

In Specie Redemptions

The Company expects to distribute cash to a redeeming Shareholder; however, a redeeming Shareholder may, in the circumstances outlined on page 60, receive securities owned by the relevant Fund in lieu of cash. Investments so distributed may not be readily marketable or saleable and may have to be held by such Shareholder for an indefinite period of time. The risk of loss and delay in liquidating these securities will be borne by the Shareholder, with the result that such Shareholder may receive less cash than it would have received on the date of redemption.

Performance Fee Risk

The performance fee may provide an incentive for the Investment Manager to make investments for a Fund which are more risky than would be the case in the absence of a fee based solely on the performance of the Fund. The performance fee will be calculated with regard to net unrealised gains

and losses, as well as net realised gains. Therefore, a performance fee may be paid on unrealised gains which may subsequently never be realised.

Financial Services Industry

The investment programmes of the Funds focus on investing in the securities of issuers engaged in the financial services industry. Accordingly, the value of a Fund's investments and its investment performance will be affected by risk factors particular to the financial services industry, as well as general market and economic conditions affecting the securities markets generally. Financial services companies are subject to extensive government regulation. This regulation may limit both the amount and types of loans and other financial commitments a financial services company can make, and the interest rates and fees it can charge. These limitations may have a significant impact on the profitability of a financial services company since profitability is attributable, at least in part, to the issuer's ability to make financial commitments such as loans. Profitability of a financial services company is largely dependent on the availability and cost of the company's funds, and can fluctuate significantly when interest rates change. The financial difficulties of borrowers can negatively impact the industry to the extent that borrowers may not be able to repay loans made by financial services companies.

Market Risks in General

The Investment Manager's strategies are subject to some dimension of market risk, including, but not limited to, directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility, "flights to quality" and "credit squeezes". Accordingly, the Funds may be subject to sudden and dramatic losses as a result of such market events.

The particular or general types of market conditions in which the Funds may incur losses or experience unexpected performance volatility cannot be predicted, and the Funds may materially under perform other investment funds with substantially similar investment objectives and approaches.

Umbrella Structure of the Company and Cross-Liability Risk

Each Fund will be responsible for paying its fees and expenses regardless of the level of its profitability. The Company is an umbrella fund with segregated liability between Funds and under Irish law the Company generally will not be liable as a whole to third parties and there generally will not be the potential for cross-liability between the Funds. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

Investment Manager Risk and Potential Conflicts of Interest

The Investment Manager has other investment management clients with similar investment objectives to those of a Fund. However, the investment decisions for a Fund are made based on that Fund's objectives and guidelines and in this respect independently from those for other accounts managed by the Investment Manager. The Investment Manager has and expects that it will continue to have other clients and other accounts with investment objectives similar to those of a Fund.

The appointment of the Investment Manager is made by the Company and continues unless and until the agreement is terminated by either party. Shareholders generally do not have any right to appoint, select, vote for or remove the Investment Manager or other service providers to a Fund or to participate otherwise in the investment and management decisions with respect to the relevant Fund and, therefore, will depend on the ability of the Directors with respect to these matters.

Trading Errors Risk

Due to coding or programming errors in software, hardware, and modes of transmission, as well as erroneous or inaccurate pricing information provided by third parties ("**Technical Errors**"), trades may be placed or executed in error. Trades may also be incorrectly executed due to keystroke, typographic or inadvertent drafting errors, or other human error at the time of execution of a trade ("**Execution Errors**"). Many exchanges have adopted "obvious error" rules that prevent the entry and execution of trades more than a specified amount away from the current best bid and offer on the exchange. However, such rules may not be in place on the exchanges where the Investment Manager trades on behalf of the Funds, and may not be enforced even if in effect. Moreover, such rules would likely not prevent the entry and execution of a trade entered close to the market price but for the wrong amount.

Model Risk

Certain of the strategies employed by the Investment Manager are highly dependent on quantitatively based pricing theories and valuation models, which the Investment Manager uses to evaluate investment opportunities. These models generally seek to forecast future price changes based upon a limited number of factors and inputs. The forecasts generated by these models may differ substantially from actual future price realisations, resulting in major losses. There can be no assurance that the models used by the Investment Manager on behalf of the Funds will be effective. Moreover, there can be no assurance that the Investment Manager will be able to continue to develop, maintain and update the models so as to effectively implement the Funds' strategy.

The models used by the Investment Manager depend upon inputs from various sources, including fundamental research by third-party service providers, and in the event such inputs are not accurate, unexpected losses may be incurred.

Taxation Risks

Any change in the taxation legislation in Ireland, or elsewhere, could affect (i) the Company or any Fund's ability to achieve its investment objective, (ii) the value of the Company or any Fund's investments or (iii) the ability to pay returns to Shareholders or alter such returns. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Prospective investors and Shareholders should note that the statements on taxation which are set out herein and, as applicable, in any Supplement, are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus and each Supplement. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.

If, as a result of the status of a Shareholder, the Company or a Fund becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the Company or the Fund shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Shareholder shall indemnify and keep the Company or the Fund indemnified against any loss arising to the Company or the Fund by reason of the Company or the Fund becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Shareholders and prospective investors' attention is drawn to the taxation risks associated with investing in any Fund. Please refer to the section headed "Taxation".

Foreign Account Tax Compliance Act

The foreign account tax compliance provisions ("FATCA") of the Hiring Incentives to Restore Employment Act 2010 which apply to certain payments are essentially designed to require reporting of Specified US Person's direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service, with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard the Irish and US Governments signed an intergovernmental agreement ("Irish IGA") with respect to the implementation of FATCA (see section entitled "*Compliance with US reporting and withholding requirements*" for further detail) on 21 December 2012.

Under the Irish IGA (and the relevant Irish regulations and legislation implementing same), foreign financial institutions (such as the Company) should generally not be required to apply 30% withholding tax. To the extent the Company however suffers US withholding tax on its investments as a result of FATCA, or is not in a position to comply with any requirement of FATCA, the Administrator acting on behalf of the Company may take any action in relation to a Shareholder's investment in the Company to redress such non-compliance and/or ensure that such withholding is economically borne by the relevant Shareholder whose failure to provide the necessary information or to become a participating foreign financial institution or other action or inaction gave rise to the withholding or non-compliance, including compulsory redemption of some or all of such Shareholder's holding of shares in the Company.

Shareholders and prospective investors should consult their own tax advisor with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the Company.

The Company May Compulsorily Redeem the Shares of any Shareholder that Fails to Co-operate with the Company's Efforts to Comply with FATCA.

The Company's ability to comply with the FATCA will depend on each Shareholder providing the Company with information that the Company requests concerning the direct and indirect owners of such Shareholder. If a Shareholder fails to provide the Company with any information requested, the Company may exercise its right to redeem such Shareholder's Shares compulsorily and/or create a separate Class or series of Shares for which such Shareholder's Shares are compulsorily exchanged after deduction of an amount equal to any withholding attributable to such Shareholder's failure to provide the requested information from the compulsory redemption proceeds which are applied towards the issue of Shares of the new class or series of Shares.

Common Reporting Standard

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard ("CRS") to address the issue of offshore tax evasion on a global basis. The CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges are expected to begin in 2017. Ireland has legislated to implement the CRS. As a result, the Company will be required to comply with the CRS due diligence and reporting requirements, as adopted by Ireland. Shareholders may be required to provide additional information to the Company to enable the Company to satisfy its obligations under the CRS. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or compulsory redemption of their Shares in the relevant Fund.

Shareholders and prospective investors should consult their own tax advisor with regard to with respect to their own certification requirements associated with an investment in the Company.

Other Risks of Mandatory Redemption

If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Shares are owned directly or beneficially by any person or persons in breach of restrictions imposed by the Directors or any declarations or information is outstanding (including inter alia any declarations or information required pursuant to anti-money laundering or counter terrorist financing requirements), the Directors shall be entitled (subject to appropriate authority under the Articles of Association) to give notice (in such form as the Directors deem appropriate) of their intention to mandatorily redeem that person's Shares. The Directors may (subject to appropriate authority under the Articles of Association) charge any such Shareholder, any legal, accounting or administration costs associated with such mandatory redemption. In the event of a mandatory redemption, the redemption price will be determined as of the Valuation Point in respect of the relevant Dealing Day specified by the Directors in their notice to the Shareholder. The proceeds of a compulsory redemption shall be paid in accordance with the mandatory redemption provisions outlined below under the heading "Mandatory Redemption of Shares".

Excessive Trading Risk

Prospective investors' attention is drawn to the risks associated with excessive trading. Please see the section entitled "Excessive Trading" on page 62 for more information.

Classes of Shares are not Separate Legal Entities

As among the Shareholders, although each of the Funds maintain only one portfolio of assets, the appreciation and depreciation attributable to a Class in any Fund will be allocated only to such Class. Expenses attributable solely to a particular Class will be allocated solely to that Class. However, a creditor of a Fund will generally not be bound to satisfy its claims from a particular Class. Rather, such creditor generally may seek to satisfy its claims from the assets of the relevant Fund as a whole. Further, if the losses attributable to a Class (i.e. from hedging) exceed its value, then such losses could negatively impact the value of other Classes.

Impact of Distributions

Please note that the past distributions of each distributing Class of Shares are not necessarily a guide to future distributions which may be made in relation to each Class. It should be remembered that dividend distributions are not guaranteed, that the Funds do not pay interest and that the price of Shares in the Funds and any income earned on the Shares may go down as well as up. It should also be remembered that any dividend distribution lowers the value of the Shares in the Funds by the amount of the distribution. In the case of some Classes of Shares, a distribution may be made of accrued revenue (such as accrued interest payments and dividend payments) which may subsequently never be received. Accordingly, there is a risk that where Shareholders redeem following a distribution, the capital of the remaining Shareholders will be eroded. Distributions may also be paid out of capital in other circumstances, at the discretion of the Directors. **Where dividends will be paid out of the capital of the relevant Fund, investors may not receive back the full amount invested.** Future earnings and investment performance can be affected by many factors, including changes in exchange rates, not necessarily within the control of the Company, its Directors or any other person. No guarantees as to future performance of, or future return from, the Company or any Fund can be given by the Company itself, or by any Director, by the Investment Manager, or any of their affiliates, directors, officers or employees.

Net Asset Value Considerations

The Net Asset Value per Share is expected to fluctuate over time with the performance of a Fund's investments. A Shareholder, may not fully recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption if the Net Asset Value per Share at the time of such redemption is less than the subscription price paid by such Shareholder.

Business and Regulatory Risks of Investment Funds

Legal, tax and regulatory changes could occur that may adversely affect the Company. The regulatory environment for investment funds is evolving and changes in the regulation of investment funds may adversely affect the value of investments held by the Company and the ability of the Company to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Company could be substantial and adverse.

Market Disruptions

The Funds may incur material losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving.

The financing available to the Funds from banks, dealers and other counterparties is likely to be restricted in disrupted markets. Market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for the Funds, and such events can result in otherwise historically low risk strategies performing with unprecedented volatility and risk.

A financial exchange may from time to time suspend or limit trading. Such a suspension could render it impossible for the Funds to liquidate its positions and thereby expose it to losses. There is also no assurance that "over-the-counter" markets will remain liquid enough for the Funds to close out positions.

The Current Markets are Subject to Market Disruptions; Governmental Intervention

The global financial markets are currently undergoing a period of unprecedented disruption which has led to extensive governmental intervention. Such intervention has in certain cases been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions have sometimes been difficult to anticipate and fluid in scope and application. The resulting confusion and uncertainty has in itself been materially detrimental to the functioning of the markets and investment strategies.

The prohibitions on the short-selling of certain stocks and other emergency short-selling measures which were temporarily imposed following the bankruptcy of Lehman Brothers in September 2008 had a significant adverse impact on certain strategies.

It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the financial markets and/or the effect of such restrictions on the strategies the Investment Manager employs on behalf of the Funds. However, it is possible that further developments in these

markets, governmental intervention and/or increased regulation could be materially detrimental to the Funds.

Inflation

The enormous amounts of financial assistance which governments and central banks have made available in an effort to resolve the prevailing "financial crisis" could eventually lead to material levels of inflation, particularly in the less developed nations. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economics and securities markets of numerous economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on the Funds' returns.

Currency of Denomination of Share Classes

A Fund may offer Shares denominated in the Base Currency and in currencies other than the Base Currency of a Fund. Due amongst other things to differences in exchange rate, the Initial Offer Price of one Class will not necessarily be economically equivalent to the initial offering price of another Class. Accordingly, investors investing the same economic amounts in different currency Classes, may receive different numbers of Shares and thus, on a poll, their voting rights will not necessarily reflect their economic interest in a Fund.

Concentration of Investments

Although it will be the policy of the Funds to diversify their investment portfolios, a Fund is not required to do so except as provided herein and may at certain times hold relatively few investments. A Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including by default of the issuer.

Clearing House Protections

On many exchanges, the performance of a transaction by a broker (or a third party with whom it is dealing on the Company's behalf) is "guaranteed" by the exchange or clearing house insofar as the clearing house takes on a role as central counterparty. However, this "guarantee" is unlikely to cover the Company for all losses because the Company still takes a credit risk against its clearing broker and will be exposed to losses in the event of the clearing broker's default.

Financial Derivative Instrument Risks

Derivatives

As specified in the relevant Supplement, a Fund may make use of various derivative instruments, such as convertible securities, options, futures, forwards and interest rate, credit default, total return and equity swaps and contracts for differences. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage sometimes embedded in such instruments. The derivatives markets are frequently characterised by limited liquidity, which can make it difficult as well as costly to close out open positions in order either to realise gains or to limit losses. The pricing relationships between derivatives and the instruments underlying such derivatives may not correlate with historical patterns, resulting in unexpected losses.

Use of derivatives and other techniques such as short sales for hedging purposes involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short term obligations because

of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in the value of such position may be limited.

Position (market) risk

There is also a possibility that ongoing financial derivative instruments will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated. In accordance with standard industry practice, it is the Investment Manager's policy to net a Fund's exposures against its counterparties.

Liquidity risk

Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Settlement risk

A Fund is also subject to the risk of the failure of any of the exchanges on which these instruments are traded or of their clearing houses.

Correlation risk

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Company's use of derivative techniques may not always be an effective means of achieving a Fund's investment objective and may cause losses. An adverse price movement in a derivative position may require cash payments of variation margin by the Company that might in turn require, if there is insufficient cash available in the portfolio, the sale of a Fund's investments under disadvantageous conditions.

Legal risk

There are legal risks involved in using financial derivative instruments which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Leverage

Subject to applicable regulatory constraints and any investment restrictions contained in this Prospectus or a Supplement, a Fund may use leverage in making investments. The Fund may obtain leverage by, among other methods, purchasing or entering into derivative instruments that are inherently leveraged, such as options, futures, forward contracts and swaps (including contracts for differences). The use of leverage increases risk and results in material interest expense. The Fund's use of leverage and derivative instruments results in certain additional risks. Leveraged investments, by their nature, increase the potential loss to investors resulting from any depreciation in the value of such investments. Consequently, a relatively small price movement in the security underlying a leveraged instrument may result in substantial losses. Furthermore, the use of leverage exposes a Fund to the risk of counterparties foreclosing on the collateral used to margin leveraged positions, resulting in materially increased losses on such positions. Access to leverage and financing could be impaired by many factors, including market forces or regulatory changes, and there can be no assurance that the Fund will be able to secure or maintain adequate leverage or financing.

Synthetic Short Selling

A Fund is not permitted to enter into physical short sales. The Fund may however take short positions through derivatives (such as without limitation swaps (including contracts for differences), exchange-traded and OTC options and exchange-traded and OTC futures and forward contracts) in respect of equities or other underlying assets in furtherance of the Fund's investment objective and in accordance with the Regulations. In general, short selling involves selling assets the seller does not own in anticipation of a decline in their market value and borrowing the same assets for delivery to the purchaser, with an obligation to replace the borrowed assets at a later date. Short selling allows the investor to profit from a decline in market price of an asset to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of an unlimited loss, in that the price of the underlying asset could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the assets necessary to cover the short position will be available for purchase. Purchasing assets to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

In taking short positions through derivatives, a Fund will be exposed to the same market risks, and is seeking the same financial reward, as if it were entering into physical short sales. Taking short positions through derivatives involves trading on margin and accordingly can involve greater risk than investments based on a long position.

Due to regulatory or legislative action taken by regulators around the world as a result of recent volatility in the global financial markets, taking short positions on certain assets has been restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions. Accordingly, the Investment Manager may not be in a position to fully express its negative views in relation to certain assets, companies or sectors and the ability of the Investment Manager to fulfil the investment objective of a Fund may be constrained.

Risks Associated with Securities Financing Transactions

General

Entering into repurchase agreements, reverse repurchase agreements and stocklending agreements create several risks for the Company and its investors. The relevant Fund is exposed to the risk that a counterparty to a securities financing transaction may default on its obligation to return assets equivalent to the ones provided to it by the relevant Fund. It is also subject to liquidity risk if it is unable to liquidate collateral provided to it to cover a counterparty default. Such transactions may also carry legal risk in that the use of standard contracts to effect securities financing transactions may expose a Fund to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation. Such transactions may also involve operational risks in that the use of securities financing transactions and management of collateral are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Risks may also arise with respect to any counterparty's right of re-use of any collateral as outlined below under "*Risks Associated with Collateral Management*".

Securities Lending

Where disclosed in the relevant Supplement although not a principal investment strategy, a Fund may lend its portfolio securities to broker-dealers and banks in order to generate additional income for the Fund. In the event of bankruptcy or other default of a borrower of portfolio securities, the Fund could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses

including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period which the Fund seeks to enforce its rights thereto; (b) possible sub-normal levels of income and lack of access to income during this period; and (c) expenses of enforcing its rights. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to a certain level to ensure that the exposure to a given counterparty does not breach any risk-spreading rules imposed under the UCITS Regulations. However, there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as a Fund may invest cash collateral received under a securities lending arrangement in accordance with the requirements set down in the Central Bank UCITS Regulations, a Fund will be exposed to the risk associated with such investments, such as failure or default of the issuer or the relevant security. While it has no internal credit function, the Investment Manager will monitor the creditworthiness of the firms to which a Fund lends securities in an effort to reduce these risks.

Repurchase Agreements

Under a repurchase agreement, the relevant Fund retains the economic risks and rewards of the securities which it has sold to the counterparty and therefore is exposed to market risk in the event that it must repurchase such securities from the counterparty at the pre-determined price which is higher than the value of the securities. If it chooses to reinvest the cash collateral received under the repurchase agreement, it is also subject to market risk arising in respect of such investment.

Reverse Repurchase Agreements

Where disclosed in the relevant Supplement, a Fund may enter into reverse repurchase agreement. If the seller of securities to the Fund under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Fund will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, the Fund's ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Fund may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Fund may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

Risks Associated with Swaps including Total Return Swaps

Where specified in the relevant Supplement, a Fund may enter into swap agreements including total return swaps as defined in SFTR i.e. a derivative whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty (including contracts for differences). Swap agreements are individually negotiated and can be structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease a Fund's exposure to long-term or short-term interest rates, currency values, corporate borrowing rates, or other factors such as security prices, baskets of equity securities or inflation rates. Swap agreements can take many different forms and are known by a variety of names. A Fund is not limited to any particular form of swap agreement if consistent with the relevant Fund's investment objective and approach. Swap contracts may expose a Fund to substantial risk of loss.

Equity swap contracts typically involve the exchange of one party's obligation to pay the loss, if any, with respect to a notional amount of a particular equity index (e.g., the S&P 500 Index) plus amounts computed in the same manner as interest on such notional amount at a designated rate (e.g., the

London Inter-Bank Offered Rate) in exchange for the other party's obligation to pay the gain, if any, with respect to the notional amount of such index.

Swap agreements tend to shift a Fund's investment exposure from one type of investment to another. For example, if a Fund agrees to exchange payments in Euros for payments in U.S. Dollars, the swap agreement would tend to decrease the Fund's exposure to Euro interest rates and increase its exposure to non-Euro currency and interest rates. Depending on how they are used, swap agreements may increase or decrease the overall volatility of a Fund's portfolio. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from a Fund. If a swap agreement calls for payments by a Fund, the relevant Fund must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by a Fund.

Contracts for differences are swap arrangements in which a Fund may agree with a counterparty that its return (or loss) will be based on the performance of individual securities or the relative performance of two different groups or "baskets" of securities. For one of the baskets, return is based on theoretical long positions in the securities comprising that basket (with an aggregate face value equal to the notional amount of the contract for differences) and for the other basket, return is based on theoretical short positions in the securities comprising the basket. A Fund may also use long and short positions to achieve the same exposure(s) as contracts for differences where payment obligations of the two legs of the contract are netted and thus based on changes in the relative value of the baskets of securities rather than on the aggregate change in the value of the two legs. However, it is possible that the short basket will outperform the long basket, resulting in a loss to the Fund, even in circumstances when the securities in both the long and short baskets appreciate in value.

A Fund may enter into swaps and contracts for differences for hedging, risk management and investment leverage. When using swaps for hedging, the Fund may enter into a swap on either an asset-based or liability-based basis, depending on whether it is hedging its assets or its liabilities. For risk management or leverage purposes the Fund may also enter into a contract for differences in which the notional amount of the theoretical long position is greater than the notional amount of the theoretical short position.

A Fund may only close out a swap or a contract for differences with its particular counterparty. Furthermore, a Fund may only transfer a position with the consent of that counterparty. If there is a default by the counterparty to a swap contract, a Fund will be limited to contractual remedies pursuant to the agreement related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the Company on behalf of the Fund will succeed in pursuing contractual remedies. Because the contract for each OTC derivatives transaction is individually negotiated with a specific counterparty, a Fund is subject to the risk that a counterparty may interpret contractual terms (e.g., the definition of default) differently than the Fund. The cost and unpredictability of the legal proceedings required for the Fund to enforce its contractual rights may lead it to decide not to pursue its claims against the counterparty. A Fund thus assumes the risk that it may be delayed in or prevented from exercising its rights with respect to the investments in its portfolio and obtaining payments the Investment Manager believes are owed to it pursuant to the relevant contract and therefore may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

The counterparties to swap transactions will be institutions subject to prudential supervision and belonging to categories approved by the Central Bank and will not have discretion over the assets of a fund. The creditworthiness of a counterparty may be adversely affected by larger-than-average volatility in the markets, even if the counterparty's net market exposure is small relative to its capital.

Furthermore, in addition to being subject to the credit risk of the counterparty to the swap, the Fund is also subject to the credit risk of the issuer of the reference obligation. Costs incurred in relation to

entering into a swap, differences in currency values and costs associated with hedged/unhedged share classes may result in the value of the index/reference value of the underlying of the swap differing from the Net Asset Value per Share of the relevant Fund.

Risks Associated with Collateral Management

Where a Fund enters into an OTC derivative contract or a securities financing transaction, it may be required to pass collateral to the relevant counterparty or broker. Collateral that a Fund posts to a counterparty or a broker that is not held by the counterparty as sub-custodian or segregated with a third-party custodian may not have the benefit of customer-protected "segregation" of such assets. Therefore in the event of the insolvency of a counterparty or a broker, the Fund may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return if the collateral becomes available to the creditors of the relevant counterparty or broker. In addition, notwithstanding that a Fund may only accept non-cash collateral which is highly liquid, the Fund is subject to the risk that it will be unable to liquidate collateral provided to it to cover a counterparty default. The Fund is also subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Where cash collateral received by a Fund is re-invested in accordance with the conditions imposed by the Central Bank, a Fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested.

Where collateral is posted to a counterparty or broker by way of a title transfer collateral arrangement, the Company on behalf of a Fund will only have an unsecured contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty, the Fund shall rank as an unsecured creditor and may not receive equivalent assets or recover the full value of the assets. Investors should assume that the insolvency of any counterparty would result in a loss to the relevant Fund, which could be material. In addition, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the Company or its delegates will not have any visibility or control.

Because the passing of collateral is effected through the use of standard contracts, a Fund may be exposed to legal risks such as the contact may not accurately reflect the intentions of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

Valuation Risk

The Company may consult the Investment Manager with respect to the valuation of unlisted investments or securities that are listed, traded or dealt in on a regulated market but for which prices are not available or are unrepresentative. There is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation of a Fund's investments and the Investment Manager's other responsibilities, particularly in view of the fact that a Performance Fee may be paid to the Investment Manager.

Institutional and Counterparty Risk

Institutions, such as brokerage firms, banks and broker dealers, generally have custody of the Funds' portfolio assets and may hold such assets in "street name". Bankruptcy or fraud at one of these institutions could impair the operational capabilities or the capital position of the Funds. The Funds attempt to limit their investment transactions to well capitalised and established banks and brokerage firms in an effort to mitigate such risks; however, recent events have demonstrated that even established institutions may be susceptible to such risks.

Notwithstanding the foregoing, markets in which the Investment Manager may effect transactions (e.g., swaps (including contracts for differences), and in particular, total return swaps) may include

"over-the-counter" or "interdealer" markets, and may also include unregulated private markets. The participants in such markets are typically not subject to the same level of credit evaluation and regulatory oversight as are members of the exchange-based markets. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Funds to suffer a loss. Such counterparty risk is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or in instances where the Investment Manager has concentrated its transactions with a single or small group of counterparties.

Where the Funds deliver collateral to their trading counterparties under the terms of an International Swaps and Derivatives Association (ISDA) master agreement and other trading master agreements, either by posting initial margin or on a daily mark-to-market basis, circumstances may arise where a counterparty may be over-collateralised and/or the Funds may from time to time have uncollateralized mark-to-market exposure to a counterparty in relation to its rights to receive securities and cash. In both circumstances, the Funds will be exposed to the creditworthiness of any such counterparty and, in the event of the insolvency of a trading counterparty, the Funds will rank as an unsecured creditor in relation to amounts equivalent to any such over-collateralisation and any uncollateralized exposure to such trading counterparty. In such circumstances it is likely that the Funds will not be able to recover any debt in full, or at all.

In addition, there also is the risk that major institutional investors in the Funds may be compelled to withdraw all or a portion of their investments or that the Funds' counterparties or brokers will be required to restrict the amount of credit previously granted to the Funds due to their own financial difficulties, resulting in forced liquidation of substantial portions of the Funds' portfolios.

The recent events surrounding the bankruptcies or similar proceedings with respect to various parties have demonstrated the risk that assets which a trader such as the Funds believed were custodied under statutory and regulatory protections could be subject to various risks.

The banks or brokerage firms selected to act as the Company's custodians may become insolvent, causing the Funds to lose all or a portion of the funds or securities held by those custodians.

Subject to the investment restrictions contained herein, the Investment Manager is not restricted from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. While the Investment Manager has no internal credit function, it does evaluate the creditworthiness of its counterparties. The ability of the Investment Manager to transact business with any one or number of counterparties, the lack of any meaningful or independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Funds.

Forward Trading

Forward contracts are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forwards trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by a Fund due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward trading to less than that which the

Investment Manager would otherwise recommend, to the possible detriment of a Fund. Market illiquidity or disruption could result in major losses to a Fund.

Currency Considerations

The Funds' assets will often be invested in securities denominated in currencies other than the Base Currency and any income or capital received by the Funds will be denominated in the local currency of investment. Accordingly, changes in currency exchange rates (to the extent unhedged) will affect the value of the Funds' portfolios and the unrealised appreciation or depreciation of investments. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

Furthermore, the Funds may incur costs in connection with conversions between various currencies. Currency exchange dealers realise a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Funds at one rate, while offering a lesser rate of exchange should the Funds desire immediately to resell that currency to the dealer. The Funds will conduct their currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward or options contracts to purchase or sell non-U.S. Dollar currencies. It is anticipated that most of the Funds' currency exchange transactions will occur at the time securities are purchased and will be executed through the local broker or custodian acting for the Funds. In respect of an unhedged Share Class which is denominated in a currency other than the Base Currency of the relevant Fund, currency conversion costs on subscription, redemption, switching and distribution will be borne by that Class and will take place at prevailing exchange rates. The value of the Share expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency.

To the extent the Funds enter into currency forward contracts (agreements to exchange one currency for another at a future date), these contracts involve a risk of loss if the Funds fail to predict accurately the direction of currency exchange rates. In addition, forward contracts are not guaranteed by an exchange or clearinghouse. Therefore, a default by the forward contract counterparty may result in a loss to the Funds of the value of unrealised profits on the contract or for the difference between the value of its commitments, if any, for purchase or sale at the current currency exchange rate and the value of those commitments at the forward contract exchange rate.

There can be no guarantee that instruments suitable for hedging currency shifts will be available at the time the Investment Manager wishes to use them or will be able to be liquidated when the Investment Manager wishes to do so. In addition, the Investment Manager may choose not to enter into hedging transactions with respect to some or all of its positions that are exposed to currency exchange risk.

Hedging Transactions

A Fund may utilise a variety of financial instruments, both for investment purposes and for risk management purposes in order to: (i) protect against possible changes in the market value of the relevant Fund's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Fund's unrealised gains in the value of the Fund's investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Fund's portfolio; (v) hedge the interest rate or currency exchange rate on any of the Fund's liabilities or assets; (vi) protect against any increase in the price of any securities the Fund anticipates purchasing at a later date; or (vii) for any other reason that the Investment Manager deems appropriate.

The success of a Fund's hedging strategy will depend, in part, upon the correct assessment of the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities

change as markets change or time passes, the success of a Fund's hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for a Fund than if it had not engaged in such hedging transactions. For a variety of reasons, a perfect correlation between the hedging instruments utilised and the portfolio holdings being hedged may not be sought. Such an imperfect correlation may prevent a Fund from achieving the intended hedge or expose the relevant Fund to risk of loss. A particular risk may not be hedged against because it may be determined that the probability of the risk occurring not to be sufficiently high as to justify the cost of the hedge, or because the occurrence of the risk is not foreseen. The successful utilisation of hedging and risk management transactions requires skills complementary to those needed in the selection of a Fund's portfolio holdings.

Highly Volatile Instruments

The prices of derivative instruments, including options, are highly volatile. Price movements of forward contracts and other derivative contracts in which a Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and financial instrument options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. A Fund also is subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearing houses.

Highly Volatile Markets

The prices of financial instruments in which a Fund may invest can be highly volatile. Price movements of forward and other derivative contracts in which a Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. A Fund is subject to the risk of failure of any of the exchanges on which its positions trade or of its clearinghouses.

Options

A Fund may buy or sell (write) both call options and put options, and when it writes options, it must do so on a "covered" basis in accordance with the cover requirements of the Central Bank UCITS Regulations and the Regulations as more particularly described in Schedule III hereto (the "**Cover Requirements**"). A call option is "covered" when the writer owns securities of the same class and amount as those to which the call option applies or where it is otherwise covered in accordance with the Cover Requirements. A put option is covered when the writer has an open short position in securities of the relevant class and amount. A Fund's option transactions may be part of a hedging strategy (i.e., offsetting the risk involved in another investment position) or a form of leverage, in which a Fund has the right to benefit from price movements in a large number of securities with a small commitment of capital. These activities involve risks that can be substantial, depending on the circumstances.

When a Fund buys an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the underlying security in the case of a put, could result in a total loss of the Fund's investment in the option (including commissions). A Fund could mitigate those losses by buying puts on the securities as to which it holds call options, or by taking a long position (e.g., by buying the securities or buying calls on them) in securities underlying put options.

Writing covered call options may limit a Fund's gain on portfolio investments if the option is exercised because the Fund will have to sell the security or other underlying investment below the current market price. When a Fund sells (writes) a covered option, a Fund would forego the opportunity for profit on the underlying security should the market price of the security rise above the exercise price. If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss the relevant Fund might suffer as a result of owning the security.

The risk management process for the relevant Fund shall provide for the ongoing monitoring of such "covered" transactions and the implementation of appropriate risk and collateral management controls to ensure that they are adequately covered at all times in accordance with the Cover Requirements.

Combination Transactions

Each Fund may engage in spreads or other combination options transactions involving the purchase and sale of related exchange-traded or OTC options and futures contracts. These transactions involve the risk that executing simultaneously two or more buy or sell orders at the desired prices may be difficult or impossible, the possibility that a loss could be incurred on both sides of a multiple options transaction, and the possibility of significantly increased risk exposure resulting from the hedge against loss inherent in most spread positions being lost as a result of the assignment of an exercise to the short leg of a spread while the long leg remains outstanding. In addition, the transaction costs of combination options transactions can be especially significant due to separate costs being incurred on each component of the combination.

Futures Trading

Each Fund may utilise futures contracts and options thereon. Futures prices are highly volatile, with price movements being influenced by a multitude of factors such as supply and demand relationships, government trade, fiscal, monetary and exchange control policies, political and economic events and emotions in the marketplace. Futures markets are subject to comprehensive statutes, regulations and margin requirements. Futures trading is also highly leveraged. Further, futures trading may be illiquid as a result of daily limits on movements of prices. Finally, a Fund's futures trading could be adversely affected by speculative position limits.

Futures contracts may be sold on condition that a Fund owns securities of the same class and amount as those to which the futures contract applies or where it is otherwise covered in accordance with the Cover Requirements and further provided that the risk management process for the relevant Fund provides for the ongoing monitoring of such transactions and the implementation of appropriate risk and collateral management controls to ensure that they are adequately covered at all times.

Convertible Securities Risk

A Fund may also purchase securities convertible into equity securities. Many convertible securities have a fixed income component and therefore tend to increase in market value when interest rates decline and to decrease in value when interest rates rise. The price of a convertible security is also influenced by the market value of the underlying common stock and tends to increase as the market value of the underlying stock rises, whereas it tends to decrease as the market value of the underlying stock declines. Therefore, investments in convertible instruments tend to bear the same risks as direct investments in the underlying securities.

Warrants and Rights

Risks associated with the use of warrants and rights are generally similar to risks associated with the use of options. Unlike most options, however, warrants and rights are issued in specific amounts, and warrants generally have longer terms than options. Warrants and rights are not likely to be as liquid as exchange-traded options backed by a recognised clearing agency. In addition, the terms of

warrants or rights may limit a Fund's ability to exercise the warrants or rights at such time, or in such quantities, as the Fund would otherwise wish.

Spread Trading Risk

A portion of each Fund's trading operations may involve spreads between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. Such positions do, however, entail a substantial risk that the price differential could change unfavourably, causing a loss to the spread position. In addition, changes in the shape of the yield or credit curve can cause significant changes in the profitability of hedging or spreading operations. In the event of an inversion of the yield or credit curve, the reversal of the interest or credit differential between investments of different maturities can make previously profitable hedging techniques unprofitable.

Securities Lending Risk

These investment risks cannot be completely eliminated. The Investment Manager aims to reduce these risks with careful analysis of research from many sources and by talking to the people who run companies and are responsible for changes that may have an impact on the investments of the Fund. The Investment Manager uses research and analysis to form views on these matters as best it can and then re-balances the investment mix of the Fund in order to reduce any negative impact on the Fund. The Investment Manager cannot predict all investment risks, but it attempts to reduce the impact of the risks as much as it can through diversification.

European Market Infrastructure Regulation

Each Fund may enter into OTC derivative contracts. Regulation (EU) No 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 ("**EMIR**") established certain requirements for OTC derivatives contracts including mandatory clearing obligations, bilateral risk-management requirements and reporting requirements. Investors should be aware that certain provisions of EMIR impose obligations on the Funds in relation to its transaction of OTC derivative contracts.

The implications of EMIR for the Funds include, without limitation, the following:

(a) *clearing obligation*: certain standardised OTC derivative transactions are subject to mandatory clearing through a central counterparty (a "CCP"). Clearing derivatives through a CCP may result in additional costs and may be on less favourable terms than would be the case if such derivative was not required to be centrally cleared;

(b) *risk mitigation techniques*: for those of its OTC derivatives which are not subject to central clearing, the Funds are required to put in place risk mitigation requirements, which include the collateralisation of all OTC derivatives. These risk mitigation requirements may increase the cost of the Funds pursuing its investment strategy (or hedging risks arising from its investment strategy); and

(c) each of the Fund's OTC derivative transactions must be reported to a trade repository or the European Securities and Markets Authority. This reporting obligation may increase the costs to the Funds of utilising OTC derivatives.

Measurement of Market Risk and Leverage using VaR

Certain Funds will seek to limit the market risk and leverage created through the use of derivatives by using a sophisticated risk measurement technique known as "value-at-risk".

VaR is a statistical methodology that seeks to predict, using historical data, the likely maximum loss that a Fund could suffer, calculated to a specific (e.g., 99 per cent.) confidence level. Therefore, where the market risk and leverage created through the use of derivatives generates a VaR number in excess of the limit applicable to the relevant Fund, the Fund is required to take steps to reduce the market risk and leverage so that the Fund is in compliance with that limit. A Fund may use an "absolute" VaR model where the measurement of VaR is relative to the Net Asset Value of the Fund or the Fund may use a relative VaR model where the measurement of VaR is relative to a derivatives free comparable benchmark or equivalent portfolio. A VaR model has certain inherent limitations and it cannot be relied upon to predict or guarantee that the size or frequency of losses incurred by a Fund will be limited to any extent. As the VaR model relies on historical market data as one of its key inputs, if current market conditions differ from those during the historical observation period, the effectiveness of the VaR model in predicting the VaR of a Fund may be materially impaired. The effectiveness of the VaR model could be impaired in a similar fashion if other assumptions or components comprised in the VaR model prove to be inadequate or incorrect. Because of these limitations Shareholders may suffer serious financial consequences in abnormal market conditions or conditions that otherwise differ from those during the historical observation period.

Investment Specific Risks

Bank Deposits

Shares in a Fund are not bank deposits and are not insured or guaranteed by any government agency or other guarantee scheme which protects the holders of bank deposits. The value of a holding in a Fund would be expected to fluctuate more than a bank deposit.

Investments in Unlisted Securities

A Fund may invest in unlisted securities. Due to the absence of any trading market for these investments, it may take longer to liquidate, or it may not be possible to liquidate, these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised on these sales could be less than those originally paid by the Fund. Further, companies whose securities are not publicly traded will generally not be subject to public disclosure and other investor protection requirements applicable to publicly traded securities.

Investment in Other Collective Investment Schemes

Each Fund may invest in one or more collective investment schemes including schemes managed by the Investment Manager or its affiliates. A Fund may invest in shares of both open- and closed-ended collective investment schemes (including money market funds and exchange-traded funds ("**ETFs**")). Investing in another collective investment scheme exposes a Fund to all the risks of that collective investment scheme.

ETFs typically hold a portfolio of common stocks that is intended to track the price and dividend performance of a particular index. ETFs may be purchased from the ETF issuing the securities or in the secondary market. The market price for ETF shares may be higher or lower than the ETF's net asset value. The sale and redemption prices of ETF shares purchased from the issuer are based on the issuer's net asset value.

As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including

management and/or other fees. These fees would be in addition to the management fees and other expenses which a Fund bears directly in connection with its own operations.

A Fund may invest in closed-ended collective investment schemes that are classified under the Regulations as transferable securities, some of which may hold derivatives such as futures, forwards, options, swaps or other instruments.

Investments in Undervalued Securities

A Fund may seek to invest in undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognised or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from a Fund's investments may not adequately compensate for the business and financial risks assumed. In addition, a Fund may be required to hold such securities for a substantial period of time before realising their anticipated value. During this period, a portion of a Fund's capital would be committed to the securities purchased, thus possibly preventing the relevant Fund from investing in other opportunities. In addition a Fund may finance such purchases with borrowed funds and thus will have to pay interest on such funds during such waiting period.

Fixed Income Securities

A Fund may invest in bonds or other fixed income securities, including, without limitation, commercial paper and "higher yielding" (including non-investment grade) (and, therefore, higher risk) debt securities. A Fund will therefore be subject to credit, liquidity and interest rate risks. Higher-yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all of the issuer's assets. The lower rating of debt obligations in the higher-yielding sector reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. In addition evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for non-investment grade or higher yielding securities is often inefficient and illiquid, making it difficult to calculate discounting spreads for valuing financial instruments. It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Equity Investments

The Funds' equity investments may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. There are no absolute restrictions in regard to the size or operating experience of the companies in which the Funds may invest (and relatively small companies may lack management depth or the ability to generate internally, or obtain externally, the funds necessary for growth and companies with new products or services could sustain significant losses if projected markets do not materialise). Equity prices are directly affected by issuer specific events, as well as general market conditions. In addition, in many countries investing in common stocks is subject to heightened regulatory and self regulatory scrutiny as compared to investing in debt or other financial instruments.

Investment in Small Capitalisation and Mid-Capitalisation Securities

The pursuit of the Funds' investment strategy may result in a portion of the Funds' assets being invested in securities of small and mid-cap issuers. While in the Investment Manager's opinion the securities of a small and mid-cap issuer may offer the potential for greater capital appreciation than investments in securities of large cap issuers, securities of small and mid-cap issuers may also present greater risks. For example, some small and mid-cap issuers often have limited product lines, markets or financial resources. They may be subject to high volatility in revenues, expenses and earnings. They may be dependent for management on one or a few key persons, and can be more susceptible to losses and risks of bankruptcy. Their securities may be thinly traded (and therefore have to be sold at a discount from current market prices or sold in small lots over an extended period of time), may be followed by fewer investment research analysts and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger cap issuers. In addition, small and mid-cap issuers may not be well known to the investment public and may have only limited institutional ownership. The market prices of securities of small and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments and to market rumours than are the market prices of large cap issuers. Transaction costs in securities of small and mid-cap issuers may be higher than in those of large cap issuers.

Contingent Convertible Instruments

Contingent convertible instruments ("**CoCo-Bonds**") are primarily issued by financial institutions as an economically and regulatory efficient means of raising capital. They are a form of contingent hybrid securities, usually subordinated, that feature loss absorbing characteristics and under certain circumstances can convert into equity.

CoCo-Bond features have been designed to meet specific regulatory requirements imposed on financial institutions to fulfil a higher equity capital ratio (ratio of a bank's core equity capital to its total risk-weighted assets) in their own funds and to include loss absorbency features on a going-concern basis before the point of non-viability within their capital structure. Financial institutions may issue debt securities like CoCo-Bonds instead of new shares because with the issuance of CoCo-Bonds, financial institutions are able to raise their common equity ratio either via mandatory conversion into equity such as shares or via mandatory write down of the principal of the CoCo-Bonds if certain events occur. While CoCo-Bonds are primarily issued by financial institutions, they may be issued by different types of firms.

Certain CoCo-Bonds have "mandatory conversion" features, which means that the CoCo-Bond consists of debt securities or preferred stocks that convert automatically into equity. Mandatory conversion securities may limit the potential for capital appreciation and, in some instances, are subject to complete loss of invested capital. If the trigger event occurs, each CoCo-Bond will be converted into common shares. The holders of CoCo-Bonds do not have a conversion right, instead conversion will only occur on the occurrence of the trigger event. In addition, certain CoCo-Bonds are issued with "write down" features. This means that the principal amount of the CoCo-Bond will be written down after a specific trigger event. If a trigger event, depending on the terms and conditions of the CoCo-Bond, occurs and is continuing, then the principal amount of all of the relevant CoCo-Bonds is automatically and at least temporarily reduced to a specific percentage (e.g. 25 per cent) of the original principal amount or permanently written down in full. Thus, the amount of the repayment claim will be reduced accordingly. The conversion of a CoCo-Bond to equity or the write down of the principal amount of the CoCo-Bond may be triggered by specified events that might be independent from the particular need of an issuer. These trigger events may be based on a mechanical rule (e.g. the issuer's "Core Tier 1 Ratio" is less than a specific percentage ratio) or a regulatory supervisor's discretion (e.g. the relevant regulatory authority deems the banking institution to be non-viable).

While certain CoCo-Bonds are issued with a stated maturity and fixed coupons, others are issued as perpetual instruments, which may be callable at pre-determined levels only with the approval of the

relevant competent authority or at the option of the issuer in its sole and absolute discretion. It therefore cannot be assumed that the perpetual CoCo-Bonds will be called on a call date. Such CoCo-Bonds are a form of permanent capital and the investor may not receive return of principal if expected on call date or indeed at any date. CoCo-Bonds may also be issued with fully discretionary coupons and these coupons can be cancelled by either national regulators or the issuer, even though dividends continue to be paid to its shareholders. The cancellation of such coupons may not amount to an event of default; any payments so cancelled will not accumulate and are instead written off.

CoCo-Bonds will, in the majority of circumstances, be issued in the form of subordinated debt instruments in order to provide the appropriate regulatory capital treatment prior to a conversion. Accordingly, in the event of liquidation, dissolution or winding-up of an issuer prior to a conversion having occurred, the rights and claims of the holders of the CoCo-Bonds, such as a Fund, against the issuer in respect of or arising under the terms of the CoCo-Bonds shall generally rank junior to the claims of all holders of unsubordinated obligations of the issuer. In addition, if the CoCo-Bonds are converted into the issuer's underlying equity securities following a conversion event, each holder will be subordinated due to their conversion from being the holder of a debt instrument to being the holder of an equity instrument. Upon such an event, the securities generally rank pari passu or junior to the issuer's other equity securities, depending on the issuer's capital structure, except in circumstances where they embed clauses contemplating permanent write down of capital based on predetermined market triggers.

Market Value will fluctuate based on unpredictable factors: the value of CoCo-Bonds is unpredictable and will be influenced by many factors including, without limitation (i) the creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios which may impact on the ability of the issuer to return principal or pay coupons; (ii) supply and demand for the CoCo-Bonds; (iii) general market conditions and available liquidity and (iv) economic, financial and political events that affect the issuer, its particular market or the financial markets in general.

Preference Shares

Preferred shares are securities that have preference over common stock in the receipt of dividends or in any residual assets after payment to creditors should the issuer be dissolved, or both. Preference shares have a blend of the characteristics of a bond and common stock. They may offer the higher yield of a bond and have priority over common stock, but they do not have the seniority of a bond and, unlike common stock, participation in the issuer's growth may be limited. Furthermore, claims of the (preferred) shareholders are "junior" to all forms of the company's debt. Although the dividend on a preference share may be set at a fixed annual rate, in some circumstances it may be changed or omitted by the issuer. Holders of preference shares usually have no right to vote for corporate directors or on any other matters in general meeting.

Equity-Linked Instruments

Equity-linked instruments like convertible or exchangeable bonds are also "hybrid" securities. Convertible bonds are bonds which allow the holder to convert its bonds into shares in the issuing company or cash of equal value, at an agreed-upon price. Exchangeable bonds are bonds, which allow exchanging the bond for the stock of a company other than the issuer. Like a bond, an equity-linked instrument typically pays a fixed rate of interest and principal is repayable at a given date in the future. However, any investor can exchange the convertible security for a specific number of shares of the issuing company's common stock. Accordingly, the value of the convertible security increases (or decreases) with the price of the underlying common stock. The option to convert the purchased securities into shares allows realising additional returns if the market price of the equity securities exceeds the conversion price. Equity-linked securities typically pay an income yield that is higher than the dividend yield of the issuer's common stock, but lower than the yield of the issuer's debt securities. In addition, at the time a convertible security is issued the conversion price exceeds the market value of the underlying equity securities. Thus, convertible securities may provide lower

returns than non-convertible fixed-income securities or equity securities depending on changes in the price of the underlying equity securities. However, convertible securities permit the holder to realize some of the potential appreciation of the underlying equity securities with less risk of losing its initial investment. There are also equity-linked securities which may have fixed, variable or zero interest payments prior to maturity; they may be convertible (at the option of the holder or on a mandatory basis) into cash or a combination of cash and equity securities; and they may be structured to limit the potential for capital appreciation.

Interest-Rate Exposure

The Funds will be exposed to interest rate risk in several dimensions. Many of the Funds' investments are subject to fluctuations in value if interest rates change. In the case of many credit instruments that may be acquired by the Funds, there is the further concern - as the issuers of such instruments are often in precarious financial condition - that the likelihood of default on the instruments increases as interest rates rise.

Rating of Investment Risk

There is no assurance that the ratings of each rating agency will continue to be calculated and published on the basis described in this Prospectus or that they will not be amended significantly. The past performance of a rating agency in rating an investment is not necessarily a guide to future performance.

Below Investment Grade Debt Securities Risk

Some Funds may invest in securities which are below investment grade. Investments in securities which are below investment grade are considered to have a higher risk exposure than securities which are investment grade with respect to payment of interest and the return of principal. Investors should therefore assess the risks associated with an investment in such a Fund. Low rated debt securities generally offer a higher current yield than higher grade issues. However, low rated debt securities involve higher risks and are more sensitive to adverse changes in general economic conditions and in the industries in which the issuers are engaged, as well as to changes in the financial condition of the issuers and changes in interest rates. Additionally, the market for lower rated debt securities generally is less active than that for higher quality securities and a Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by such factors as adverse publicity and investor perceptions. The value of lower-rated or unrated corporate bonds and notes is also affected by investors' perceptions. When economic conditions appear to be deteriorating, lower rated or unrated corporate bonds and notes may decline in market value due to investors' heightened concerns and perceptions over credit quality. There is no certainty in the credit worthiness of issuers of debt securities. Unstable market conditions may lead to increased instances of default among issuers. This in turn may affect the Net Asset Value of the relevant Fund.

Risks of investing in REIT Securities and Real Estate Securities

The Fund may invest in securities issued by entities which qualify as REITs and in securities of non-REIT issuers which are primarily engaged in real estate activities, such as real estate development and management. As a result, some of the Fund's investments will be subject to the risks incidental to investment in REITs and companies engaged in real estate activities generally, including: (i) potential environmental liabilities, the risk of uninsured losses, the perceptions of prospective tenants of the safety, convenience and attractiveness of the properties, the ability of the owner to provide adequate management, maintenance and insurance, the expenses of periodically renovating, repairing and re-letting spaces, and increasing operating costs (including mortgage payments, real estate taxes, insurance, maintenance costs and utilities) which may not be passed through to tenants; (ii) risks of owning properties through joint ventures or partnerships which may render a REIT or a company engaged in real estate activities unable to exercise sole decision-making authority and subject the

REIT or other company to the risk that a joint venturer or partner will act in a manner contrary to its best interests; (iii) general real estate investment considerations, such as the effect of local economic and other conditions on property cash flows and values, the need to re-let space upon the expiration of current leases, dependence on major tenants and the possibility of tenant defaults, the ability of a property to generate revenue sufficient to meet debt service payments and other operating expenses, periodic excessive real estate development, and the illiquidity of real estate investments, all of which may affect the REIT's or other company's ability to make expected distributions to its stockholders; (iv) possible increases in interest rates, which may lead prospective purchasers of real estate equity securities, as well as other classes of equities, to demand higher annual yields, and which would adversely affect the market price of such securities; (v) borrowing risks; (vi) relative illiquidity of real estate investments which will tend to limit the ability of a REIT or non-REIT issuer to vary its holdings promptly in response to changes in local economic or other conditions; and (vii) risks associated with the management by REITs of properties owned by third parties, including the risk that management contracts (which are typically cancellable without notice) will be terminated by the entity controlling the property or in connection with the sale of such property, that contracts may not be renewed upon expiration or may not be renewed on terms consistent with current terms, and that the rental revenues upon which management fees are based will decline as a result of general real estate market conditions or specific market factors.

Investments in REITs are also subject to special risks, including, without limitation: (i) restrictions on ownership which may deter possible acquisitions of, or changes in control of, a REIT; (ii) many REITs have small-to-medium sized market capitalisation which may be more volatile than prices of large-capitalisation securities and an investment in such securities may be less liquid; and (iii) tax risks, including risk of changes in the tax laws that may cause a REIT to fail to qualify as a REIT or cause REITs, generally, to be subject to corporate taxation, and limitations on a REIT's ability to sell properties at a time when it is otherwise economically advantageous to do so, thereby adversely affecting returns to its stockholders.

Emerging Markets Risks

The Fund may invest in securities of issuers in emerging markets. Such securities may involve a high degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscation, taxation, nationalisation, and social, political and economic instability; (ii) the smaller markets for securities of emerging markets issuers and lower volumes of trading, resulting in lack of liquidity and in greater price volatility; (iii) certain national policies which may restrict the investment opportunities available in respect of the Fund, including restrictions on investing in issuers or industries deemed sensitive to relevant national interests and on the realisation or repatriation of foreign investment; (iv) currency instability and hyper-inflation; and (v) the absence of developed legal structures governing private or foreign investment and private property.

The accounting, auditing and financial reporting standards of countries in which the Fund may invest are likely to be less extensive than those applicable to Irish, United Kingdom, or United States companies, particularly in emerging markets.

Certain markets in Central and Eastern Europe present specific risks in relation to the settlement and safekeeping of securities. These risks result from the fact that physical securities may not exist in certain countries (such as Russia); as a consequence, the ownership of securities is evidenced only on the issuer's register of shareholders. Each issuer is responsible for the appointment of its own registrar. In the case of Russia, this results in a broad geographic distribution of several thousand registrars across Russia. Russia's Federal Commission for Securities and Capital Markets (the "Commission") has defined the responsibilities for registrar activities, including what constitutes evidence of ownership and transfer procedures. However, difficulties in enforcing the Commission's regulations mean that the potential for loss or error still remains and there is no guarantee that the registrars will act according to the applicable laws and regulations. When registration occurs, the registrar produces an extract of the register of shareholders as at that particular point in time.

Ownership of shares is evidenced by the records of the registrar, but not by the possession of an extract of the register of shareholders. The extract is only evidence that registration has taken place. It is not negotiable and has no intrinsic value. In addition, a registrar will typically not accept an extract as evidence of ownership of shares and is not obligated to notify the Depositary, or its local agents in Russia, if or when it amends the register of shareholders. As a consequence of this Russian securities are not on physical deposit with the Depositary or its local agents in Russia. Therefore, neither the Depositary nor its local agents in Russia can be considered as performing a physical safekeeping or custody function in the traditional sense. The registrars are neither agents of, nor responsible to, the Depositary or its local agents in Russia. Effective 1 April, 2013, the holding of many Russian securities by investors, such as the Fund, is not evidenced by a direct entry on the issuer's register of shareholders. Instead, the ownership of, and settlement of transactions in, those Russian securities has been moved to a central securities depository, the National Settlement Depository ("**NSD**"). The Depositary or its local agent in Russia is a participant on the NSD. The NSD in turn is reflected as the nominee holder of the securities on the register of the relevant issuer. Therefore, while this is intended to provide a centralised and regulated system for recording of the ownership of, and settlement of transactions in, Russian securities, it does not eliminate all of the risks associated with the registrar system outlined above. Investments in securities listed or traded in Russia will only be made in equity and/or fixed income securities that are listed or traded on level 1 or level 2 of the Moscow Exchange MICEX-RTS. In the event of losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar the Fund may have to pursue its rights directly against the issuer and/or its appointed registrar. The aforesaid risks in relation to safekeeping of securities in Russia may exist, in a similar manner, in other Central and Eastern European countries in which the Fund may invest.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of all of the risks involved in an investment in a Fund. Prospective investors should read this Prospectus and the relevant Supplement in full and consult with their own advisers before deciding to invest in a Fund. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

FEES AND EXPENSES

Each Fund shall pay all of its expenses and its due proportion of any expenses allocated to it which may include costs of (i) establishing and maintaining the Company and any subsidiary company, trust or collective investment scheme approved by the Central Bank and registering the Funds and the Shares with any governmental or regulatory authority or with any regulated market; (ii) management, administration, paying agency, trustee, custodial and related services; (iii) preparation, printing and posting of prospectuses, sales literature, reports to Shareholders, the Central Bank and governmental agencies; (iv) taxes; (v) commissions and brokerage fees; (vi) trading platforms and trade file preparation and transmission; (vii) auditing, tax and legal fees; (viii) applying for and maintaining a particular tax treatment for Shares in any jurisdiction, and reporting to Shareholders in respect thereof; (ix) insurance premiums; (x) litigation, indemnification and extraordinary expenses not incurred in the ordinary course of business; and (xi) other operating expenses.

All costs and losses arising in relation to currency hedging transactions will be borne by the relevant Class of Shares of the relevant Fund and all gains arising in connection with currency hedging transactions will be attributable to the relevant Class of Shares of the relevant Fund.

The Directors shall be entitled to be paid a fee from the assets of the Company by way of remuneration for their services at a rate to be determined from time to time by the Directors, provided that the aggregate amount of Directors' remuneration in any one year shall not exceed €75,000 plus VAT or such other maximum amount as may be determined by the Directors, notified to Shareholders in advance, and disclosed in the Prospectus or the Company's annual report. Mr Lasagna shall not receive a Directors' fee. The Directors will be entitled to be reimbursed by the Company for all reasonable disbursements and out-of-pocket expenses incurred by them.

The cost of establishing the Company, obtaining authorisation from any authority (including, but not limited to, the Central Bank), filing fees, the preparation and printing of this Prospectus, marketing costs and the fees of legal counsel and other professionals involved in the establishment and initial offering of the Company and each of the Funds, will be borne by the Company and amortised over the first five years of the Company's operation and charged to each of the Funds, on such terms and in such manner as the Directors may in their discretion determine. It is not expected that these establishment costs will exceed €200,000.

Initial Sales Charge

Details of the initial sales charge, if any, payable in respect of subscriptions will be set out in the relevant Supplement.

Redemption Charge

Details of the redemption charge, if any, payable on redemptions will be set out in the relevant Supplement.

The following fees will be borne by the Company:

Investment Manager's Fees

Management Fee

The Investment Manager shall be entitled to receive out of the assets of one or more Funds an investment management fee (the "Management Fee") in respect of such Fund or Funds or in respect of each Class of any such Fund as set out in the relevant Supplement.

The Management Fee shall be (i) calculated and accrued daily; and (ii) is calculated by reference to the Net Asset Value of the relevant Shares before the deduction of that days' Management Fee and any accrued Performance Fee. The Management Fee is normally payable in arrears within 14 days' of the end of the relevant month end.

In addition, the Investment Manager shall be entitled to be reimbursed its reasonably vouched out-of-pocket expenses. Each Fund shall bear its pro-rata share of such out-of-pocket expenses.

Performance Fee

The Investment Manager may also be entitled to receive out of the assets of one or more Funds a performance fee as set out in the relevant Supplement.

Depositary's Fee

The Depositary shall be entitled to receive out of the assets of each Fund a fee in respect of such Fund or in respect of each Class of any such Fund as set out in the relevant Supplement.

Administrator's Fee

The Administrator shall be entitled to receive out of the assets of each Fund a fee in respect of such Fund or in respect of each Class of any such Fund as set out in the relevant Supplement.

Remuneration Policy of the Company

In accordance with its obligations pursuant to Directive 2014/91/EU of the European Parliament and of the Council ("the UCITS V Directive"), the Company is required to have remuneration policies and practices for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers whose professional activities have a material impact on the risk profiles of the Company ("identified staff"), that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles, rules or memorandum and articles of association of the Company.

The Company has designed and implemented a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile of the Company or the Articles of Association of the Company. The Company's remuneration policy is consistent with the business strategy, objectives, values and interests of the Company and the Shareholders of the Company and includes measures to avoid conflicts of interest.

The Company is a self-managed investment company with no employees, other than the Board of Directors and the designated persons nominated by the Directors with responsibility for the day to day monitoring and control of each of the management functions (other than decision making which remains with the Directors) (the "Designated Persons") . The Directors and the Designated Persons are therefore the only identified staff of the Company.

In line with the provisions of the Regulations, the Company will apply its remuneration policy and practices in a manner that is proportionate to its size and that of the Company, its internal organisation and the nature, scope and complexity of its activities.

As the Company delegates investment management functions in respect of the Company or any Fund, its remuneration policy requires that it will in accordance with the requirements of the ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive (ESMA/2016/575) (the "ESMA Remuneration Guidelines") ensure that:

a. the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines; or

b. appropriate contractual arrangements are put in place to ensure that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

Details of the Company's up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, where such a committee exists, are available at http://www.algebris.com/ and a paper copy of such remuneration policy is available to investors free of charge upon request.

ADMINISTRATION OF THE COMPANY

Determination of Net Asset Value

The Administrator shall determine the Net Asset Value of the Company, the Net Asset Value of a Fund, the Net Asset Value of each Class of each Fund, the Net Asset Value per Share of each Fund and the Net Asset Value per Share of each Class as the case may be, as at the Valuation Point on or

with respect to each Dealing Day and in accordance with the Articles of Association.

The Net Asset Value per Share of a Fund shall be calculated by dividing the assets of the relevant Fund, less its liabilities, by the number of Shares in issue in that Fund at the relevant Valuation Point. Any liabilities of the Company which are not attributable to any Fund shall be allocated pro rata amongst all the Funds.

The Net Asset Value of each Class shall be determined by establishing the number of Shares in issue in the Class, by allocating relevant expenses and fees to the Class and making appropriate adjustments to take account of distributions paid out of the Funds, if applicable, and apportioning the Net Asset Value of the Funds accordingly. The Net Asset Value per Share of a Class shall be calculated by dividing the Net Asset Value of the Class by the number of Shares in issue in that Class, adjusted to at least two decimal places. Fund expenses or fees or charges not attributable to a particular Class may be allocated amongst the Classes based on their respective Net Asset Value or on any other reasonable basis determined by the Directors having taken into account the nature of the fees and charges. Expenses and fees relating specifically to a Class will be charged to that Class.

The value of the assets of a Fund shall be determined as follows:

1. In determining the value of the assets of a Fund, each investment listed, traded or dealt in on a regulated market for which market quotations are readily available shall be valued at the closing mid-market price, provided that the value of the investment listed, traded or dealt in on a regulated market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange may be valued, taking into account the level of premium or discount as at the date of valuation of the investment and the Depositary must ensure that the adoption of such procedure is justifiable in the context of establishing the probable realisation value of the security. If the investment is normally listed, traded or dealt in on or under the rules of more than one regulated market, the relevant regulated market shall be that which constitutes the main market for the investment. If prices for an investment listed, traded or dealt in on the relevant regulated market are not available at the relevant time or are unrepresentative or in the event that any investments are not listed or traded on any exchange or regulated market, such investment shall be valued at such value as shall be certified with care and good faith as the probable realisation value of the investment by a competent professional person appointed by the Directors and approved for such purpose by the Depositary which may be the Investment Manager. Neither the Investment Manager, nor the Administrator shall be under any liability if a price reasonably believed by them to be the closing mid-market price for the time being may be found not to be such.

2. Units or shares in collective investment schemes which are not valued in accordance with the provisions above shall be valued on the basis of the latest available net asset value per unit/share as published by the collective investment scheme.

3. Cash deposits and similar investments shall be valued at their face value together with accrued interest unless in the opinion of the Directors any adjustment should be made to reflect the fair value thereof.

4. Exchange-traded derivative instruments shall be valued at the relevant settlement price on the applicable exchange, provided that if the settlement price of an exchange-traded derivative instrument is not available, the value of such instrument shall be the probable realisation value estimated with care and in good faith by a competent person appointed by the Directors and approved for the purpose by the Depositary. The counterparty to derivative instruments not traded on an exchange must be prepared to value the contract and to close out the transaction at the request of the Company at fair value. The Company may choose to value over the counter derivatives using either the counterparty valuation or an alternative valuation, such as a valuation calculated by the Company or by an independent pricing

vendor. The Company must value over the counter derivatives on a daily basis. Where the Company values over the counter derivatives using an alternative valuation the Company must follow international best practice and will adhere to the principles on the valuation of over the counter instruments established by bodies such as IOSCO and AIMA. The alternative valuation is that provided by a competent person appointed by the Directors and approved for the purpose by the Depositary. The alternative valuation will be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained. Where the Company values over the counter derivatives using the counterparty valuation the valuation must be approved or verified by a party who is approved for the purpose by the Depositary and who is independent of the counterparty. The independent verification must be carried out at least weekly. Forward foreign exchange contracts shall be valued by reference to freely available market quotations.

5. Money market instruments in a non-money market fund may be valued on an amortised basis in accordance with the Central Bank's requirements.

6. The Directors may adjust the Net Asset Value per Share where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant.

7. In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out above or if such valuation is not representative of an asset's fair market value, a competent person appointed by the Directors and approved for the purpose by the Depositary is entitled to use such other generally recognised valuation method in order to reach a proper valuation of that specific instrument, provided that such method of valuation has been approved by the Depositary.

8. The value of an asset may be adjusted by the Directors or the Investment Manager where such an adjustment is considered necessary to reflect the fair value of an asset in the context of currency, marketability, dealing cost and/or such other considerations which are deemed relevant.

The Administrator shall be entitled, without verification or further enquiry to rely on pricing information in relation to specified investments held by a Fund which is provided by price sources set out in the Company's pricing policy agreed by the Company with the Administrator, this Prospectus or, in the absence of any such price sources, any price sources on which the Administrator may choose to rely (provided that, in such a case, the Administrator exercises reasonable care in its choice of sources upon which to rely). Without prejudice to the generality of the foregoing, the Administrator shall not be liable for any loss suffered by any person as a result of the Administrator not valuing or pricing any such asset or liability of a Fund (save as provided in the administration agreement).

The Administrator will use reasonable endeavours to independently verify the price of any such assets or liabilities of a Fund using its network of automated pricing services, brokers, market makers, intermediaries or other third parties. In the absence of readily available independent pricing sources, the Administrator may rely solely upon any valuation or pricing information (including, without limitation, fair value pricing information) about any such assets or liabilities of a Fund (including, without limitation, private equity investments) which is provided to it by: (i) the Company; (ii) the Investment Manager; and/or (iii) any valuer, third party valuation agent, intermediary or other third party which in each such case is appointed or authorised by the Company or the Investment Manager to provide valuations or pricing information of a Fund's assets or liabilities to the Administrator.

Dilution Adjustment

The actual cost of purchasing or selling the underlying investments in a Fund may be higher or lower than the closing mid-market price used in calculating the Net Asset Value per Share. Where a Fund buys or sells underlying investments in response to a request for the issue or redemption of Shares in that Fund it will generally incur costs made up of dealing costs (which may include taxes) and any spread between the buying and selling prices of the underlying investments, which may not be reflected in the subscription price or redemption price paid by or to the Shareholder. The effect of the dealing costs and the dealing spread may have an adverse effect on the value of a Fund. To prevent this effect, known as 'dilution', the Company may charge a dilution adjustment of a percentage specified in the relevant Supplement of the Net Asset Value per Share when there are net inflows into a Fund or net outflows from a Fund, so that the price of a Share in a Fund is above or below that which would have resulted from a closing mid-market valuation. It is not, however, possible to predict accurately whether dilution will occur on any particular Dealing Day, however it is expected that the Company will make a dilution adjustment on most Dealing Days. Consequently, the charging of a dilution adjustment may either reduce the repurchase price or increase the subscription price of the Shares in a Fund. Where a dilution adjustment is made, it will increase the Net Asset Value per Share where a Fund receives net subscriptions and will reduce the Net Asset Value per Share where a Fund receives net redemptions.

A dilution adjustment will only be imposed in a manner that is, so far as practicable, fair to all Shareholders in a Fund.

The policy is designed to minimise the impact of dilution on any Fund.

In particular, a dilution adjustment will be applied in the following circumstances:

(i) on a Fund experiencing net subscriptions (i.e. subscriptions greater than repurchases); or

(ii) on a Fund experiencing net repurchases (i.e. repurchases greater than subscriptions).

The Directors reserve the right not to apply a dilution adjustment on a particular Dealing Day. The dilution adjustment for each Fund will be calculated by reference to estimated costs of dealing in the underlying investments of that Fund, including any dealing spreads, commissions and transfer taxes. These costs can vary over time and as a result the amount of dilution adjustment will also vary over time. The price of each Class of Share in a Fund will be calculated separately but any dilution adjustment will affect the price of Shares of each Class in a Fund in an identical manner.

The level of dilution adjustments will be calculated by the Investment Manager and applied by the Administrator in the circumstances set out above and details of the dilution adjustments applied to subscriptions and/or redemptions can be obtained by a Shareholder on request from the Administrator.

No dilution adjustment will be payable on the subscription of any Shares during the Initial Offer Period.

Application for Shares

With the exception of Permitted U.S. Investors, applicants should confirm that the Shares are not being acquired either directly or indirectly by or on behalf of any U.S. Person or on behalf of any person in any other jurisdiction that would be restricted or prohibited from acquiring Shares. Applicants should also confirm that they will not sell, transfer, or otherwise dispose of any such Shares, directly or indirectly, to or for the account of any U.S. Person or in the U.S. or to or for the account of any person in such jurisdiction to whom it is unlawful to make such an offer or solicitation. Please see the section "Selling Restrictions" on page i for further information.

Before subscribing for Shares applicants will be required to complete a declaration (included in the subscription agreement) as to the applicant's tax residency or status in the form prescribed by the Revenue Commissioners of Ireland. The Administrator reserves the right to request further details or evidence of identity from an applicant for Shares. Investors must provide such declarations as are reasonably required by the Company, including, without limitation, declarations as to matters of Irish and U.S. taxation. In this regard, investors should take into account the considerations set out in the section entitled "Taxation".

The Company reserves the right to reject in whole or in part any application for Shares. Where an application for Shares is rejected, the subscription monies, subject to applicable law, shall normally be returned to the applicant within seven days of the date of such application without interest. The Company reserves the right from time to time to close a Fund to new subscriptions, either for a specified period or until it otherwise determines. During any such period Shares will not be available for subscription.

Subscription agreements may be obtained from the Administrator. Shares may be issued on any Dealing Day to eligible investors who have forwarded the completed and signed subscription agreement and provided satisfactory proof of identification to the Administrator, so that the subscription agreement shall be received by the Administrator no later than the Trade Cut-Off Time for Subscriptions. The Directors may in their absolute discretion accept subscription agreements received after the Trade Cut-Off Time for Subscriptions in exceptional circumstances, provided that no subscription agreements shall be accepted in respect of the relevant Dealing Day after the Valuation Point. Subscription agreements received by the Administrator after this time will be carried over to the next Dealing Day.

Investors should transmit funds in the relevant Class Currency representing the subscription monies by wire instructions to the relevant accounts set out in the subscription agreement so that the monies are received in the Company's account by the Administrator by the relevant Settlement Time (for Subscriptions). If payment for a subscription is not received by the relevant Settlement Time (for Subscriptions), a subscription may be cancelled or the Directors may alternatively, in their sole discretion, hold over the subscription monies until the next Dealing Day.

The following forms of communication are acceptable to the Company for submitting subscription, redemption, transfer or other instructions to the Administrator:

Fax:	On fax number + 353 1 649 7560; **or**
Mail:	Mailing the original via courier to the Investor Relations Group of the Administrator at Algebris UCITS Funds plc c/o HSBC Securities Services (Ireland) DAC One Grand Canal Square Grand Canal Harbour Dublin 2 Ireland

Initial subscriptions may be made by way of signed original subscription agreement, by way of fax, or by electronic means in such format or method as shall be agreed in writing in advance with the Administrator, subject to and in accordance with the requirements of the Central Bank. In the case of faxed subscription agreements the signed original subscription agreement and all supporting anti-money laundering documentation must be promptly received. No redemption payments may be made until the original subscription agreement and all anti-money laundering documentation have been received from the investor and all anti-money laundering procedures have been carried out.

Notwithstanding the method of communication, the Company and/or the Administrator reserve the right to ask for the production of original documents or other information to authenticate the communication and/or for anti-money laundering purposes. In the case of mis-receipt or corruption of any message, the applicant will be required to re-send the documents. In the event that no acknowledgement of a facsimile sent to the Administrator is received within 5 Business Days of the submission of the request, the applicant should contact the Administrator on telephone number + 353 1 635 6798 to confirm receipt by the Administrator of the request. The applicant must use the form of document provided by the Administrator in respect of the subscription, redemption or transfer of Shares unless such condition is waived by the Company and/or the Administrator in their absolute discretion.

Applications for Shares by in specie transfer may be made by agreement with the Investment Manager on a case-by-case basis and subject to the approval of the Depositary. In such cases the Company shall issue Shares in exchange for investments that would qualify as investments of the relevant fund in accordance with its investment objectives, policies and restrictions and may hold or sell, dispose of or otherwise convert such investments into cash. The Depositary must be satisfied that there is unlikely to be any material prejudice to the existing Shareholders. No Shares shall be issued until the investments are vested in the Depositary or its nominee. The amount of Shares to be issued shall not exceed that which would be issued for the cash equivalent of the subscription in specie.

Dealing is carried out at forward pricing basis i.e. the Net Asset Value next computed after receipt of subscription requests.

Collection Account

The Administrator operates a Collection Account in accordance with the Central Bank's Investor Money Regulations. The Collection Account is held at a credit institution as prescribed by the Investor Money Regulations ("Relevant Credit Institution") in the name of the Administrator and is designated as a "Collection Account" or "Coll a/c". All monies held in the Collection Account will be held by the Relevant Credit Institution on the Administrator's behalf for the benefit of and at the risk of, the investors on whose behalf such monies are being held. The Relevant Credit Institution will hold the cash on the Administrator's behalf (for the benefit of the investors on behalf of whom such monies are being held) in an account separate from any money the Relevant Credit Institution holds for the Administrator in its own right.

In the event of the insolvency of the Relevant Credit Institution, the Administrator may have a claim against the Relevant Credit Institution on behalf of the investors for whom the monies in the Collection Account are being held. In the event of the insolvency of the Administrator, monies in the Collection Account may not form part of the Administrator's assets.

Monies held in the Collection Account are not an asset of the Fund until such time as the monies are transferred to the account of the Fund and investors may be exposed to the creditworthiness of the Relevant Credit Institution where the Collection Account is held. The Fund shall not have any liability or responsibility from any losses arising in the event of the default or other failure of any Relevant Credit Institution in which the money of investors is held. Additionally, investors should note that the Company acting on behalf of a Fund, is not responsible or liable to investors for the default or failure of the Administrator in applying the Investor Money Regulations.

Any subscription monies which are received by the Administrator prior to investment in a Fund will be held in a collection account and will not form part of the assets of the relevant Fund until such monies are transferred from the Collection Account to the account of the relevant Fund.

Redemption proceeds will be paid into the Collection Account on the relevant settlement date and distributions on the relevant distribution payment date, when they will no longer be considered an asset of the relevant Fund.

No interest is payable by the Company or the Administrator on monies credited to the Collection Account.

Money Laundering and Countering Terrorist Financing Measures

Measures aimed at the prevention of money laundering and terrorist financing will require a detailed verification of the investor's identity, address and source of funds and where applicable, the beneficial owner on a risk sensitive basis, and the ongoing monitoring of the business relationship with the Company.

Each applicant for Shares acknowledges that the Administrator and the Company shall be held harmless and shall be indemnified against any loss arising as result of a failure to process his/her application for Shares or redemption request, if such information and documentation has been requested by the Administrator and has not been provided by the applicant or has been provided in incomplete form.

By way of example, an individual will be required to produce a copy of a passport or identification card, which shows a photograph, signature and date of birth, duly certified by a public authority such as a notary public, the police or the ambassador in their country of residence, together with one item evidencing their address such as a utility bill or bank statement (not more than six months old). In the case of corporate applicants this may require production of certified copies of the certificate of incorporation (and any change of name) and of the memorandum and articles of association (or equivalent), a certified copy of the corporation's authorised signatory list, the names, occupations, dates of birth and residential and business addresses of all directors and beneficial owners (who may also be required to verify their identity as described above).

Politically exposed persons ("**PEPs**"), an individual who is or has, at any time in the preceding year, been entrusted with prominent public functions, and immediate family member, or persons known to be close associates of such persons, must also be identified.

Depending on the circumstances of each application, a detailed verification of source of funds might not be required where (i) the investor makes payment from an account held in the investor's name at a recognised financial intermediary; or (ii) the application is made through a recognised intermediary. These exceptions will only apply if the financial institution or intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations or satisfies other applicable conditions.

The Administrator and the Company each reserve the right to request such information as is necessary to verify the identity, address and source of funds of an investor. Investors must provide such declarations as are reasonably required by the Company, including, without limitation, declarations as to matters of Irish and U.S. taxation. In this regard, investors should take into account the considerations set out in the section entitled "Taxation". In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator or the Company may refuse to accept the application and subscription monies, or may retain subscription monies and/or file reports with regulatory authorities that may be confidential. The Administrator may also refuse to process redemption requests or pay redemption proceeds in such circumstances or if required by applicable laws and regulations relating to money laundering or sanctions. Applicants should note that redemption proceeds will only be made to the account of record.

Each applicant for Shares acknowledges that the Administrator and the Company shall be held harmless and shall be indemnified against any loss arising as result of a failure to process his/her

application for Shares or redemption request, if such information and documentation has been requested by the Administrator and has not been provided by the applicant or has been provided in complete form. Furthermore, the Company or the Administrator also reserve the right to refuse to make any redemption payment or distribution to a Shareholder if any of the Directors or the Administrator suspects or is advised that the payment of any redemption or distribution monies to such Shareholder might result in a breach or violation of any applicable anti-money laundering, trade sanctioning or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Company, its Directors or the Administrator with any such laws or regulations in any relevant jurisdiction.

Subsequent Subscriptions

Subsequent subscriptions (i.e. subsequent to an initial subscription for Shares within a Fund) may be made by submitting a subscription agreement to the Administrator by the Trade Cut-Off Time for Subscriptions in writing, by fax, by electronic means or other means in such format or method as shall be agreed in writing in advance with the Administrator subject to and in accordance with the requirements of the Central Bank.

Subsequent faxed subscription requests may be processed without a requirement to submit original documentation.

Amendments to a Shareholder's registration details and payment instruction will only be effected on receipt of original documentation.

Subscription Price

The Initial Offer Price of each Class of Shares during the Initial Offer Period is set out in Schedule I to the relevant Supplement.

Following the Initial Offer Period of each Class of Shares the subscription price per Share shall be the relevant Net Asset Value per Share, subject to any applicable dilution adjustment, on each Dealing Day.

A dilution adjustment may be payable on subscriptions for Shares from time to time as determined by the Investment Manager. In calculating the subscription price, the Directors shall on any Dealing Day when there are net subscriptions adjust the subscription price by adding a dilution adjustment to cover dealing costs and to preserve the underlying assets of the Fund. Please see the section headed "Dilution Adjustment" on page 54.

The minimum initial subscription and minimum additional subscription amounts are set out in Schedule I to the relevant Supplement. The Investment Manager may in its discretion vary or waive the minimum initial subscription and minimum additional subscription amounts.

Written Confirmations of Ownership

The Administrator shall be responsible for maintaining the Company's Register in which all issues, redemptions and transfers of Shares will be recorded. Written confirmations of ownership will be issued in relation to the Shares which shall identify the particular Class of Shares allocated to the Shareholders. Shares shall be in registered form. The Administrator shall not issue a Share certificate in respect of Shares. A Share may be registered in a single name or in up to four joint names. The Register shall be available for inspection upon reasonable notice at the registered office of the Company during normal business hours where a Shareholder may inspect only his entry on the Register.

Redemption Requests

Shares may be redeemed on a Dealing Day by contacting the Administrator so that a signed redemption request (in writing, by fax, by electronic means or other means in such format or method as shall be agreed in writing in advance with the Administrator and in accordance with the requirements of the Central Bank) is received by the Administrator no later than the Trade Cut-Off Time for Redemptions.

In the case of faxed redemption requests, payment will only be made to an account of record in the name of the Shareholder, as set out in the Subscription Agreement. Any changes to the Shareholder's bank details will only be effected on receipt of original documentation in advance of a Redemption Request.

Subject to the agreement of the Administrator, the original of the redemption request may not be required prior to payment of redemption proceeds, provided that an indemnity in relation to faxed or electronic instructions in the form prescribed by the Administrator has been received by the Administrator and the redemption proceeds are paid to the account of record.

Redemption requests received subsequent to the Trade Cut-Off Time for Redemptions shall be effective on the next applicable Dealing Day.

If redemption requests on any Dealing Day exceed 10% of the Net Asset Value of a Fund, the Company may defer the excess redemption requests to subsequent Dealing Days and shall redeem such Shares rateably to the total Net Asset Value of Shares in a Fund held by the Shareholders who have submitted redemption requests for that Dealing Day. Any deferred redemption requests shall be carried forward so that the Shares to which each redemption request relates which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all Shares to which the original request related have been redeemed, subject to the section entitled "Temporary Suspension of Valuation of the Shares and of Sales and Redemptions" below.

The Directors may in their absolute discretion accept redemption requests received for a Dealing Day after the Trade Cut-Off Time for Redemptions for that Dealing Day set forth above in exceptional circumstances, provided that no redemption requests shall be accepted after the Valuation Point in respect of the relevant Dealing Day.

A redemption request, once received, is irrevocable save with the consent of the Directors (which may be withheld in their discretion).

Redemption Price

Shares shall be redeemed at the applicable Net Asset Value per Share, subject to any applicable dilution adjustment, obtained on the Dealing Day on which the redemption is effected.

A dilution adjustment may be payable on the repurchase of Shares from time to time as determined by the Investment Manager. In calculating the repurchase price, the Directors shall on any Dealing Day when there are net repurchases adjust the repurchase price by deducting a dilution adjustment to cover dealing costs and to preserve the underlying assets of the Fund. Please see the section headed "Dilution Adjustment" on page 54.

Settlement for redemptions will normally be made by telegraphic transfer to the bank account of the Shareholder specified in the subscription agreement (at the Shareholder's risk and expenses) within the Settlement Time (for Redemptions) and in any event within ten days of the Trade Cut-Off Time for Redemptions, provided the Administrator is in receipt of all required redemption documentation. Redemption proceeds cannot be released until the signed original subscription agreement and all

documents required in connection with the obligation to prevent money laundering have been received by the Administrator and all anti-money laundering procedures have been completed.

At the discretion of the Company and with the consent of the Shareholder making such redemption request, assets may be transferred to a Shareholder in satisfaction of the redemption monies payable on the redemption of Shares, provided that such distribution is equitable and not prejudicial to the interests of the remaining Shareholders. The allocation of such assets shall be subject to the approval of the Depositary. Where a redemption request represents 5% or more of the Net Asset Value of a Fund, the Company may satisfy the redemption request by the transfer of assets in specie to the Shareholder without the Shareholder's consent. At the request of the Shareholder making such redemption request such assets may be sold by the Company and the proceeds of sale shall be transmitted to the Shareholder. The transaction costs incurred in the sale of the assets will be payable by the Shareholder.

Dealing is carried out at forward pricing basis i.e. the Net Asset Value next computed after receipt of redemption requests.

Mandatory Redemption of Shares

Shareholders are required to notify the Administrator immediately in the event that they become U.S. Persons. Shareholders who become U.S. Persons may be required to dispose of their Shares to non-U.S. Persons on the next Dealing Day thereafter unless the Shares are held pursuant to an exemption which would allow them to hold the Shares.

The Company reserves the right to redeem all or any portion of any Shareholder's Shares at any time upon the giving of written notice to such Shareholder if:

1. the Directors have reason to believe that such Shareholder's ownership of Shares would cause a Fund to be considered to hold "plan assets" within the meaning of ERISA or the Code;

2. if the Directors reasonably believe that the continued participation of such Shareholder in the Company will have a material detrimental effect on the Fund, the Company or any other Shareholder;

3. if the continued participation of such Shareholder in the Company will result in a Fund or the Company being in breach of any law, rule, regulation or judgement;

4. such Shareholder shall refuse to comply with any reasonable request for information that it receives from the Company including, for the avoidance of doubt, any request that relates to or arises from any anti-money laundering or counter-terrorist financing obligations, laws, rules or regulations that the Directors, the Funds or the Company are subject to; or

5. such Shareholder breaches the terms of any agreement entered into between the Company and the Shareholder including, without limitation, any breach of the representation, warranties or undertakings given by the Shareholder to the Directors, a Fund or the Company in the subscription documents that are completed by such Shareholder in connection with its subscription for Shares.

The Company may redeem Shares where during a period of six years no cheque in respect of any dividend on the Shares has been cashed and no acknowledgement has been received in respect of any confirmation of ownership of the Shares sent to the Shareholder and require the relevant Fund to hold the redemption monies in a separate interest bearing account which shall be a permanent debt of that Fund. The Articles of Association also provide that any unclaimed dividends may be forfeited after six years and on forfeiture will form part of the assets of the relevant Fund.

Transfer of Shares

Transfers of Shares may only be made on application to the Company and the Directors shall be entitled in their sole discretion to refuse or to place conditions (including, for the avoidance of doubt, conditions as to the high water mark) on such transfer applications. Shareholders shall be required to provide the Administrator with a transfer request in such form as the Company and the Administrator may require no later than 12 noon (Irish Time) on the relevant Dealing Day. All transfers of Shares shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year. The Directors may decline to register any transfer of Shares unless the instrument of transfer and all required evidence of identity from both the transferor and the transferee is provided to the Administrator together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. Such evidence may include a declaration as to whether the proposed transferee is an Irish Resident.

Withholdings and Deductions

The Company may be required to account for tax on the value of the Shares redeemed or transferred at the applicable rate unless it has received from the transferor a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident in respect of whom it is necessary to deduct tax. The Company reserves the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising therefrom. The Company reserves the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's residency or status in the form prescribed by the Revenue Commissioners of Ireland.

Conversion of Shares

Subject to any minimum subscription amount or minimum additional subscription amount applicable to the relevant Class of shares and with the consent of the Directors, a Shareholder may convert Shares of any class in any Fund into Shares of another Class (such Class being in the same Fund or in a separate Fund) on giving notice to the Administrator in such form as the Administrator may require provided that the shareholding satisfies the minimum investment criteria and provided that the original application is received within the time limits specified above in the case of subscriptions. Conversion is not intended to facilitate short-term or excessive trading. The conversion is effected by arranging for the redemption of Shares of one Class and subscribing for the Shares of the other Class with the proceeds.

Conversion will take place in accordance with the following formula:

$$NS = \frac{(A \times B - TC) \times C}{D}$$

where:

NS = the number of Shares which will be issued in the new Class;

A = the number of the Shares to be converted;

B = the redemption price per Share of the Shares to be converted;

C = the currency conversion factor (if any) on the relevant Dealing Day as determined by the Directors;

D = the issue price of Shares in the new Class on the relevant Dealing Day; and

TC = the transaction charge incurred in connection with the proposed transaction which shall not in any event exceed 5% of the Net Asset Value per Share.

If NS is not an integral number of Shares the Directors reserve the right to issue fractional Shares to 3 decimal places (with natural rounding) in the new Class or to return the surplus arising to the Shareholder seeking to convert the Shares.

The length of time for completion of a conversion will vary depending on the Classes involved and the time when the conversion is initiated. In general, the length of time for completion of a conversion will depend upon the time required to obtain payment of redemption proceeds from the Class whose Shares are being acquired. As the conversion of Shares requires the consent of the Directors, once a request is made the need for such consent may result in Shares being converted on a Dealing Day subsequent to the Dealing Day on which the Shareholder initially wished to have the Shares converted.

Excessive Trading

Investment in a Fund is intended for medium to long-term purposes only. The Company will take reasonable steps to seek to prevent short-term trading. Excessive short-term trading (or market timing) into and out of a Fund or other abusive trading practices may disrupt portfolio investment strategies and may increase expenses and adversely affect investment returns for all Shareholders, including long-term Shareholders who do not generate these costs. The Company reserves the right to reject any application for Shares by any investor or group of investors for any reason without prior notice, including, in particular, if it believes that the trading activity would be disruptive to a Fund. For example, the Company may refuse to effect a subscription (or execute a transfer request) if the Investment Manager believes it would be unable to invest the money effectively in accordance with a Fund's investment policies or a Fund would otherwise be adversely affected due to the size of the transaction, frequency of trading or other factors.

The trading history of accounts under common ownership or control may be considered in enforcing these policies. Transactions placed through the same financial intermediary on an omnibus basis may be deemed a part of a group for purposes of this policy and may be rejected in whole or in part by a Fund.

Transactions accepted by a financial intermediary in violation of the Company's excessive trading policy are not deemed accepted by the Company and may be cancelled or revoked by the Company on the next Business Day following receipt.

Investors should be aware that there are practical restraints both in determining the policy which is appropriate in the interests of long term investors and in applying and enforcing such policy. For example, the ability to identify and prevent covert trading practices or short-term trading where investors act through omnibus accounts is limited. Also, investors such as fund of funds and asset allocation funds will change the proportion of their assets invested in the Company or in Funds in accordance with their own investment mandate or investment strategies. The Company will seek to balance the interests of such investors in a way that is consistent with the interests of long-term investors but no assurance can be given that the Company will succeed in doing so in all circumstances. For example, it is not always possible to identify or reasonably detect excess trading that may be facilitated by financial intermediaries or made difficult to identify by the use of omnibus accounts by those intermediaries.

The Company, where possible from the reports provided by the Administrator to assist in the analysis, will endeavour to monitor "round trips". A "round trip" is a redemption out of a Fund (by any means)

followed by a purchase back into the same Fund (by any means). The Company may limit the number of round trips carried out by a Shareholder.

Publication of the Price of the Shares

Except where the determination of the Net Asset Value per Share has been suspended in the circumstances described below, the Net Asset Value of the Shares in the Funds shall be available at the registered office of the Administrator and shall be available in respect of each Dealing Day via the worldwide web at www.bloomberg.com on the day after each Valuation Day. Such information will relate to the Net Asset Value per Share for the previous Dealing Day and is available for information only. It is not an invitation to subscribe for or repurchase Shares at that Net Asset Value per Share.

Temporary Suspension of Valuation of the Shares and of Sales and Redemptions

The Company may temporarily suspend the determination of the Net Asset Value and the sale or redemption of Shares in the Company, Fund, and/or Class during:

(i) any period (other than ordinary holiday or customary weekend closings) when any market is closed which is the main market for a significant part of a Fund's investments, or when trading thereon is restricted or suspended;

(ii) any period during which disposal or valuation of investments which constitute a substantial portion of the assets of a Fund is not practically feasible or if feasible would be possible only on terms materially disadvantageous to Shareholders;

(iii) any period when for any reason the prices of any investments of a Fund cannot be reasonably, promptly, or accurately ascertained by the Administrator;

(iv) any period when remittance of monies which will, or may, be involved in the realisation of, or in the payment for, investments of a Fund cannot, in the opinion of the Directors, be carried out at normal rates of exchange;

(v) any period when proceeds of the sale or redemption of the Shares cannot be transmitted to or from a Fund's account; or

(vi) upon the service on the Shareholders of a notice to consider a resolution to wind up the Company or close a Fund.

A suspension of redemptions may be made at any time prior to the payment of the redemption monies and the removal of the Shareholder's name from the Register. A suspension of subscriptions may be made at any time prior to the entry of a Shareholder's name on the Register.

Any such suspension shall be notified to the Shareholders of the relevant Fund by the Company if, in the opinion of the Company, such suspension is likely to continue for a period exceeding 14 days and any such suspension shall be notified immediately and in any event within the same Business Day to the Central Bank. Where possible, all reasonable steps will be taken to bring a period of suspension to an end as soon as possible.

Data Protection Notice

Prospective investors should note that by completing the subscription agreement they are providing personal information, which may constitute personal data within the meaning of the Irish Data Protection Act, 1988, as amended by the Data Protection (Amendment) Act, 2003 (the "Data Protection Legislation"). Data will be used for the purposes of administration, transfer agency,

statistical analysis, research and disclosure to the Company, its delegates, and agents including the Investment Manager, its delegates, agents, members and employees. By signing the subscription agreement, prospective investors acknowledge that they are providing their consent to the Company, its delegates and its or their duly authorised agents including for the avoidance of doubt the Administrator and any of their respective related, associated or affiliated companies obtaining, holding, using, disclosing and processing the data for any one or more of the following purposes:

- to manage and administer the investor's holding in the Company and any related accounts on an ongoing basis;

- for any other specific purposes where the investor has given specific consent;

- to carry out statistical analysis and market research;

- to comply with legal and regulatory obligations applicable to the investor and the Company;

- for disclosure or transfer, whether in Ireland or the EU or countries outside Ireland or the EU, which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory bodies, auditors, technology providers, or to the Company and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above; or

- for other legitimate business interests of the Company.

Pursuant to the Data Protection Legislation, investors have a right of access to their personal data kept by the Company and the right to amend and rectify any inaccuracies in their personal data held by the Company by making a request to the Company in writing.

The Company is a data controller within the meaning of the Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with the Data Protection Legislation.

MANAGEMENT AND ADMINISTRATION

The Board of Directors

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the Investment Manager and other parties, subject to supervision and direction by the Directors.

The Directors are listed below with their principal occupations. The Company has delegated the day-to-day administration of the Company to the Administrator and, consequently, none of the Directors is an executive director. The address of the Directors is the registered office of the Company.

Directors and Secretary

Alexander Lasagna

Mr. Lasagna obtained a degree in Monetary Economics from the London School of Economics, a Masters degree in Economics from Johns Hopkins' School of Advanced International Studies in Washington D.C. and a Political Science degree from La Sapienza University in Rome. He started his career in 1992 at Nomisma, Bologna and in 1993 moved to JP Morgan in Milan. He then spent two years in Rome as parliamentary assistant before joining Merrill Lynch as Private Banker in 1997. In May 2000 he was relocated to Merrill Lynch Investment Managers in London as Director, where in 2002 he became responsible for the Ultra High Net Worth Team. He left Merrill Lynch in 2003 to join

Schroders as Executive Director and Head of the Private Bank's International Team. He was a member of the Executive and Investment Committees and dictated the investment and business strategy of the team. He left Schroders in 2006 to become Partner at IN Alternative, an Italian independent asset management business, which he helped manage until he was appointed Head of Business Development and Investor Relations of the Investment Manager in December 2010. In 2012, Mr. Lasagna was appointed Chief Operating Officer of the Investment Manager.

Mr. Carl O'Sullivan

Mr. O'Sullivan was a partner in the firm of Arthur Cox until December 2012 where he specialized in financial services law. He qualified as a solicitor in 1983 and was employed as a legal adviser with Irish Distillers Group Plc from 1983 to 1987 and Waterford Wedgwood Plc from 1987 to 1990. He joined Arthur Cox in 1990. He holds a B.A. Moderatorship in Legal Science from the University of Dublin and a Masters of Business Administration from University College Dublin. He is a director of various other funds.

Mr. Desmond Quigley

Mr. Quigley has held a number of senior positions with accountancy firms over the past 30 years focusing on clients in the financial services sector, prior to retiring in 2010. From 1995 to 2010, Mr. Quigley was head of the Financial Services Group at Ernst & Young in Ireland, covering Asset Management, Banking and Insurance Business. His clients were mostly in Asset Management and he was a founding member (and past Chairman) of the E&Y Global Hedge Fund Committee. Prior to this, from 1988 to 1994, Mr. Quigley served two terms as Managing Partner of Ernst & Young in Ireland. During this time he was also a member of the Ernst & Young International Council. Prior to this, Mr. Quigley was appointed as a partner of Ernst & Whinney in Ireland in 1977. Mr. Quigley is a Chartered Accountant and is a Fellow of Chartered Accountants Ireland.

The Company Secretary is Tudor Trust Limited.

The Articles of Association do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The Articles of Association provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may not vote in respect of any contract in which he has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5% or more of the issued shares of any class of such company or of the voting rights available to members of such Company. A Director may also vote in respect of any proposal concerning an offer of Shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in part.

The Articles of Association provide that the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property or any part thereof and may delegate these powers to the Investment Manager.

No Director has:

(i) any unspent convictions in relation to indictable offences;

(ii) been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director;

(iii) been a director or any company which, while he or she was a director with an executive function or within 12 months after he or she ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors' voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors;

(iv) been a partner of any partnership, which while he or she was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a received appointed to any partnership assets;

(v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or

(vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

The Investment Manager

Algebris (UK) Limited acts as Investment Manager, Distributor and promoter of the Company. The Investment Manager was formed as a private limited company in England and Wales on 2 August, 2016. The Investment Manager is authorised and regulated by the FCA. In addition, the Investment Manager is currently registered with the U.S. Securities and Exchange Commission as an exempt reporting adviser under the U.S. Investment Advisers Act of 1940, as amended. Additional information about the Investment Manager is available on the U.S. Securities and Exchange Commission's website at www.adviserinfo.sec.gov. Registration with the U.S. Securities and Exchange Commission or with any state securities authority does not imply a certain level of skill or training.

The Investment Manager serves as the "commodity pool operator" of the Funds. The Investment Manager is currently exempt from registration with the CFTC as a "commodity pool operator" with respect to the Funds, pursuant to CFTC Rule 4.13(a)(3), because, among other things, the Shares are being offered privately, will be held only by persons who are qualified investors for purposes of Rule 4.13(a)(3), and the Funds' use of commodity interests is limited in scope. The Investment Manager is exempt from registration with the CFTC as a "commodity trading advisor" pursuant to the exemption in CFTC Rule 4.14(a)(5). Because of the foregoing, the Investment Manager is not required to deliver a disclosure document or a certified annual report to Shareholders.

The investment management agreement dated 28 December 2016, as amended, between the Company and the Investment Manager provides that the Investment Manager shall be responsible for the investment and reinvestment of the assets of the Company and for the distribution of the Shares of the Company. The investment management agreement is subject to an initial period of 18 months. After an initial period of 18 months, the investment management agreement shall continue in force until terminated by any of the parties on 90 days' notice in writing to the other parties. Notwithstanding the foregoing, any party may at any time terminate the investment management agreement forthwith by notice in writing to the other parties if at any time any party: (i) commits any material breach of the investment management agreement or commits persistent breaches of the investment management agreement which is or are either incapable of remedy or have not been remedied within thirty (30) days of the other party serving notice upon the defaulting party requiring it to remedy same; (ii) be unable to pay its debts as they fall due or commit any act of bankruptcy under the laws of Ireland; (iii) be the subject of any petition for the appointment of an examiner, administrator or similar officer to it or in respect of its affairs or assets; (iv) have a receiver appointed over all or any substantial part of its undertaking, assets or revenues; (v) go into liquidation except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other

party; or (vi) the Investment Manager ceases to be permitted to act as Investment Manager of the Company under any applicable law or regulation.

Neither: (i) the Investment Manager, its officers, employees and directors; nor (ii) each associated company of the Investment Manager and their respective directors, officers and employees (each an "Indemnified Party") shall be liable to any Fund, the Company or its Shareholders for any loss, costs or damages suffered by them in connection with the management of its assets, except those resulting from the wilful default, fraud or negligence of or any material breach of the investment management agreement by the Indemnified Party. The Company shall, to the fullest extent permitted by law, indemnify and hold harmless each Indemnified Party, from and against any and all actions, proceedings and claims and against all costs, demands, loss and expenses suffered, incurred or sustained by such Indemnified Party by reason of the fact that it, he or she is or was an Indemnified Party, except those resulting from such Indemnified Party's wilful default, fraud or negligence or any material breach of the investment management by such Indemnified Party.

The Investment Manager may delegate the performance of any of its investment management functions. Any fees payable to such sub-investment managers or sub-advisors appointed shall be discharged by the Investment Manager from its investment management fee. Information on any sub-investment manager or sub-advisor appointed will be provided to Shareholders on request and details of the entities will be disclosed in the annual and half-yearly reports and accounts.

The Administrator

The Administrator is HSBC Securities Services (Ireland) DAC which was incorporated in Ireland as a limited liability company on 29 November 1991 and is authorised by the Central Bank of Ireland to act as an administrator of funds. The Administrator is an indirect wholly owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. As at 30 June 2014, HSBC Holdings plc had consolidated gross assets of approximately US$2,754 billion.

An Administration Agreement dated 9 August 2012 between the Company and the Administrator whereby the Administrator has been appointed to provide certain administration, accounting, registrar, transfer agency and related services to the Company. The Administration Agreement will continue until terminated by either party on 90 days' prior written notice to the other party and may be terminated with immediate or subsequent effect by written notice by a party if the other party: (i) has committed a material breach or is in persistent breach of the Agreement and has not remedied such breach within 30 days after service of notice; or (ii) goes into liquidation or has a receiver or its equivalent in any jurisdiction appointed over all or any of its assets. The Administration Agreement provides that in the absence of fraud, negligence or wilful default of the Administrator, the Administrator will not be liable for any loss incurred by the Company. The Company agrees to indemnify the Administrator against any loss suffered by the Administrator save where such loss results from the negligence, fraud or wilful default on the part of the Administrator.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the assets of the Funds other than through providing the services under the Administration Agreement and is not responsible for the preparation of this document other than the preparation of the above description and accepts no responsibility or liability for any information contained in this document except disclosure relating to it.

The Depositary

Pursuant to the Depositary Agreement and for the purposes of and in compliance with the Regulations, HSBC Institutional Trust Services (Ireland) DAC was appointed as depositary of the Company and its Funds.

The Depositary was incorporated in Ireland on 29 November 1991 and is regulated by the Central Bank of Ireland. The Depositary is an indirect wholly owned subsidiary of HSBC Holdings plc, a public limited company incorporated in England and Wales.

The Depositary provides services to the Company as set out in the Depositary Agreement and, in doing so, shall comply with the Regulations.

Duties of the Depositary

The Depositary's duties include the following:

(i) safekeeping the assets of the Funds, which includes (i) holding in custody all financial instruments that may be held in custody in accordance with Regulation 34(4)(a) of the Regulations; and (ii) verifying the ownership of other assets and maintaining records accordingly, in each case in accordance with Regulation 34(4)(b) of the Regulations;

(ii) ensuring that the Funds' cash flows are properly monitored and in particular that all payments made by or on behalf of applicants upon the subscription for Shares of the Funds have been received and that all cash of the Funds has been booked in cash accounts that are in accordance with Regulation 34(3) of the Regulations;

(iii) ensuring that sale, issue, redemption, repurchase and cancellation of each of the Shares of the Funds is carried out in accordance with the Regulations and that the valuation of the Shares of the Funds are calculated in accordance with the Regulations and the Articles of Association;

(iv) carrying out the instructions of the Company, unless they conflict with the Regulations or the Articles of Association;

(v) ensuring that in transactions involving the Funds' assets any consideration is remitted to the Company within the usual time limits;

(vi) ensuring that the Funds' income is applied in accordance with the Regulations and the Articles of Association;

(vii) enquiring into the conduct of the Company in each accounting period and reporting thereon to the Shareholders. The Depositary's report shall state whether in the Depositary's opinion the Company has been managed in that period:

(a) in accordance with the limitations imposed on the borrowing powers of the Company by the Articles of Association and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the Regulations;

(b) otherwise in accordance with the provisions of the Articles of Association and the Regulations; and

(c) if the Company has not been managed in accordance with (a) or (b) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation.

Depositary Liability

Pursuant to the Depositary Agreement, the Depositary will be liable to the Company and its Shareholders for the loss of financial instruments held in custody (i.e. those assets which are required to be held in custody pursuant to the Regulations) or in the custody of any sub-custodian, unless it can prove that loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall also be liable for all other losses suffered by the Company and its Shareholders as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under the Regulations.

The Depositary's liability to the investors of the Company may be invoked directly or indirectly though the Company provided this does not lead to duplication of redress or to unequal treatment of Shareholders.

Depositary Delegation and Conflicts

The Depositary may delegate its safekeeping functions to one or more delegates in accordance with, and subject to the Regulations and on the terms set out in the Depositary Agreement. The performance of the safekeeping function of the Depositary in respect of certain of the Funds' assets has been delegated to the Depositary's global sub-custodian, HSBC London. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates, the identities of which are set forth in Schedule IV hereto. Investors should note that the list of sub-custodian is updated only at each Prospectus review. An up-to-date list of any such delegate(s) or sub-delegates is available from the Depositary on request. The Depositary will have certain tax information-gathering, reporting and withholding obligations relating to payments arising in respect of assets held by the Depositary or a delegate on its behalf.

The liability of the Depositary will not be affected by the fact that it has delegated safekeeping to a third party.

From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the Company and has a financial or business interest in such product or service, or receives remuneration for other related products or services it provides to the Company and its Funds. The Depositary maintains a conflict of interest policy to address this.

Potential conflicts of interest may arise from time to time from the provision by the Depositary and/or its affiliates of other services to the Company and its Funds, and/or other parties. For example, the Depositary and/or its affiliates may act as the depositary, trustee and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and its Funds and/or other funds for which the Depositary (or any of its affiliates) act. Potential conflicts of interest may also arise between the Depositary and its delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to the Company and its Funds. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to the applicable laws.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company and its Funds and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company and its relevant Funds than if the conflict or potential conflict had not existed.

Up-to-date Information

Up-to-date information regarding the name of the Depositary, any conflicts of interest and delegations of the Depositary's safekeeping functions will be made available by the Depositary to Shareholders on request.

The Depositary Agreement

The depositary agreement shall continue in force until terminated by any party giving to the other parties not less than 90 days' notice in writing, or such shorter notice as the parties may agree. The parties may forthwith terminate the depositary agreement by notice in writing in certain circumstances

such as the insolvency of either party or unremedied material breach after notice provided that the Depositary shall continue to act as depositary until a successor depositary approved by the Central Bank is appointed by the Depositary or the Company's authorisation by the Central Bank is revoked.

The Company may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor Depositary (approved by the Central Bank) shall have been appointed in accordance with the Articles of Association and with the prior approval of the Central Bank.

If the Depositary shall have given to the Company notice of its desire to retire from its appointment and no successor shall have been appointed within 90 days from the giving of such notice, then the Company shall serve written notice on the Shareholders of its intention to convene an extraordinary general meeting at which a resolution to wind-up the Company will be considered.

The Company shall, out of the assets of the relevant Fund, indemnify the Depositary, its officers, agents and employees ("Indemnified Persons") on an after-tax basis in respect of any and all Liabilities (as defined in the Depositary Agreement) brought against, suffered or incurred by that Indemnified Person as a result of or in connection with:

a) the appointment of the Depositary under the Depositary Agreement or the performance by the Depositary of the services set out in the Depositary Agreement;
b) any breach by the Company of Applicable Law (as defined in the Depositary Agreement), the Articles of Association, the Depositary Agreement, the Prospectus or fraud, negligence or wilful default of the Company to disclose to the Shareholders any information required by the Depositary Agreement or the Regulations, or to provide the Depositary with any information required by the Depositary in order to provide the services listed in the Depositary Agreement;
c) any Identified Custody Risk or any Identified Segregation Risk (as defined in the Depositary Agreement);
d) the registration of Financial Instruments and Other Assets (both as defined in the Depositary Agreement)in the name of the Depositary or any delegate or Settlement System (as defined in the Depositary Agreement);
e) any breach of or default under any of the representations, warranties, covenants, undertakings or agreements made by the Depositary, a delegate or sub-delegate of a delegate (or a nominee of the Depositary, a delegate or sub-delegate of a delegate) on behalf of the Company in connection with any subscription agreements, application forms, shareholder questionnaires, purchase agreements, related documentation or similar materials relating to the Company's investment in any collective investment scheme, managed account, investment company or similar pooled investment vehicle on behalf of the Company;

provided that such indemnity shall not apply to any Liabilities (as defined in the Depositary Agreement) arising out of the negligence, fraud or wilful default of the Indemnified Person or to the extent that such indemnity would require the Company to indemnify the Depositary for any loss for which the Depositary is liable to the Company, the Funds and the Shareholders under the Regulations.

Paying Agents and Local Representatives

The Company, the Investment Manager or their duly authorised delegates may appoint such paying agents and local representatives as may be required to facilitate the authorisation or registration of the Company, a Fund and/or the marketing of any of the Shares in any jurisdictions.

Local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary entity rather than directly to/from the

Administrator or the Depositary (e.g. a distributor or agent in the local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator or the Depositary for the account of a Fund; and (b) redemption monies payable by such intermediate entity to the relevant investor. The fees of distributors and paying agents will be borne by the relevant Fund and shall be at normal commercial rates.

TAXATION

General

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this document. Legislative, administrative or judicial changes may modify the tax consequences described below and as is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made will endure indefinitely.

The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.

Dividends, interest and capital gains (if any) which the Company or any of the Funds receive with respect to their investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

Irish Taxation

The Directors have been advised that on the basis that the Company is resident in Ireland for taxation purposes the taxation position of the Company and the Shareholders is as set out below.

Definitions

For the purposes of this section, the following definitions shall apply.

"Irish Resident"

- in the case of an individual, means an individual who is resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is resident in Ireland for tax purposes.
- in the case of a company, means a company that is resident in Ireland for tax purposes.

An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 31 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This new test takes effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

A trust will generally be Irish resident where the trustee is resident in Ireland or a majority of the trustees (if more than one) are resident in Ireland.

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:-

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country. This exception does not apply where it would result in an Irish incorporated company that is managed and controlled in a relevant territory (other than Ireland), but would not be resident in that relevant territory as it is not incorporated there, not being resident for tax purposes in any territory;

  or

- the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

The Finance Act 2014 amended the above residency rules for companies incorporated on or after 1 January 2015. These new residency rules will ensure that companies incorporated in Ireland and also companies not so incorporated but that are managed and controlled in Ireland, will be tax resident in Ireland except to the extent that the company in question is, by virtue of a double taxation treaty between Ireland and another country, regarded as resident in a territory other than Ireland (and thus not resident in Ireland). For companies incorporated before this date these new rules will not come into effect until 1 January 2021 (except in limited circumstances).

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and potential investors are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.

"Ordinarily Resident in Ireland"

- in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes

- in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2017 to 31 December 2017 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2020 to 31 December 2020.
The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence.

"Exempt Irish Investor"

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;

- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- a qualifying fund manager within the meaning of Section 784A(1)(a) of the Taxes Act where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying management company within the meaning of Section 739B of the Taxes Act;
- an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- a personal retirement savings account ("PRSA") administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Asset Management Agency;
- the National Treasury Management Agency or a Fund investment vehicle (within the meaning of Section 37 of the National treasury Management Agency (Amendment Act) 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;
- a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Company; or
- any other Irish Resident or persons who are Ordinarily Resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to a charge to tax in the Company;

provided that they have correctly completed the Relevant Declaration.

"Intermediary" means a person who:-

- carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
- holds shares in an investment undertaking on behalf of other persons.

"Recognised Clearing System" means any clearing system listed in Section 246A of the Taxes Act (including, but not limited to, Euroclear, Clearstream Banking AG, Clearstream Banking SA and CREST) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners, as a recognised clearing system.

"Relevant Declaration" means the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act.

"Relevant Period" means a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding Relevant Period.

"Taxes Act" means the Taxes Consolidation Act, 1997 (of Ireland) as amended.

The Company

The Company will be regarded as resident in Ireland for tax purposes if the central management and control of its business is exercised in Ireland and the Company is not regarded as resident elsewhere. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish resident for tax purposes.

The Directors have been advised that the Company qualifies as an investment undertaking as defined in Section 739B (1) of the Taxes Act. Under current Irish law and practice, the Company is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of a Relevant Period) of Shares or the appropriation or cancellation of Shares of a Shareholder by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer. No tax will arise on the Company in respect of chargeable events in respect of a Shareholder who is neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event provided that a Relevant Declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration or the Company satisfying and availing of equivalent measures (see paragraph headed "*Equivalent Measures"* below) there is a presumption that the investor is Irish Resident or Ordinarily Resident in Ireland. A chargeable event does not include:

- An exchange by a Shareholder, effected by way of an arms-length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- Any transactions (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses and former spouses, subject to certain conditions; or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking.

If the Company becomes liable to account for tax if a chargeable event occurs, the Company shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, the Company can make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

Stamp Duty

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. Where any subscription for or redemption of Shares is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B (1) of the Taxes Act or a "qualifying company" within the meaning of Section 110 of the Taxes Act) which is registered in Ireland.

Shareholders Tax

Shares which are held in a Recognised Clearing System

Any payments to a Shareholder or any encashment, redemption, cancellation or transfer of Shares held in a Recognised Clearing System will not give rise to a chargeable event in the Company (there is however ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Shares held in a Recognised Clearing System, apply in the case of chargeable events arising on a deemed disposal, therefore, as previously advised, Shareholders should seek their own tax advice in this regard). Thus the Company will not have to deduct any Irish taxes on such payments regardless of whether they are held by Shareholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Shareholder has made a Relevant Declaration. However, Shareholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Shares are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Shares.

To the extent any Shares are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the discussion in the previous paragraph relating to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder if (a) the Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Shareholder has made a Relevant Declaration on or about the time when the Shares are applied for or acquired by the Shareholder and (c) the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration (provided in a timely manner) or the Company satisfying and availing of equivalent measures (see paragraph headed "*Equivalent Measures*" below) tax will arise on the happening of a chargeable event in the Company regardless of the fact that a Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland no tax will have to be deducted by the Company on the occasion of a chargeable event provided that either (i) the Company satisfied and availed of the equivalent measures or (ii) the Intermediary has made a Relevant Declaration that he/she is acting on behalf of such persons and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland and either (i) the Company has satisfied and availed of the equivalent measures or (ii) such Shareholders have made Relevant Declarations in respect of which the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, will not be liable to Irish tax in respect of income from their Shares and gains made on the disposal of their Shares. However, any corporate Shareholder which is not Irish Resident and which holds Shares directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from their Shares or gains made on disposals of the Shares.

Where tax is withheld by the Company on the basis that no Relevant Declaration has been filed with the Company by the Shareholder, Irish legislation provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

Shareholders who are Irish Residents or Ordinarily Resident in Ireland

Unless a Shareholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Shares are purchased by the Courts Service, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will be required to be deducted by the Company from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will have to be deducted by the Company on any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Shareholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Shares held by them in the Company at the ending of a Relevant Period. Such Shareholders (both companies and individuals) will be deemed to have disposed of their Shares ("deemed disposal") at the expiration of that Relevant Period and will be charged to tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Shares since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the Company will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal, the Company will refund the Shareholder for the excess (subject to the paragraph headed "*15% threshold*" below).

10% Threshold

The Company will not have to deduct tax ("exit tax") in respect of this deemed disposal where the value of the chargeable shares (i.e. those Shares held by Shareholders to whom the declaration procedures do not apply) in the Company (or Fund being an umbrella scheme) is less than 10% of the value of the total Shares in the Company (or the Fund) and the Company has made an election to report certain details in respect of each affected Shareholder to Revenue (the "Affected Shareholder") in each year that the de minimus limit applies. In such a situation the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Shareholder on a self-assessment basis ("self-assessors") as opposed to the Company or Fund (or their service providers). The Company is deemed to have made the election to report once it has advised the Affected Shareholders in writing that it will make the required report.

15 % Threshold

As previously stated where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal (e.g. due to a subsequent loss on an actual disposal), the Company will refund the Shareholder the excess. Where however immediately before the subsequent chargeable event, the value of chargeable shares in the Company (or Fund being an umbrella scheme) does not exceed 15% of the value of the total Shares, the Company may elect to have any excess tax

arising repaid directly by Revenue to the Shareholder. The Company is deemed to have made this election once it notifies the Shareholder in writing that any repayment due will be made directly by Revenue on receipt of a claim by the Shareholder.

Other

To avoid multiple deemed disposal events for multiple units an irrevocable election under Section 739D(5B) can be made by the Company to value the Shares held at the 30th June or 31st December of each year prior to the deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a fund to group shares in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners have provided updated investment undertaking guidance notes which deal with the practical aspects of how the above calculations/objectives will be accomplished.

Shareholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation, transfer or deemed disposal of their Shares. Alternatively they may be entitled to a refund of all or part of any tax deducted by the Company on a chargeable event.

Equivalent Measures

Finance Act 2010 ("Act") introduced measures commonly referred to as equivalent measures to amend the rules with regard to Relevant Declarations. The position prior to the Act was that no tax would arise on an investment undertaking with regard to chargeable events in respect of a shareholder who was neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event, provided that a Relevant Declaration was in place and the investment undertaking was not in possession of any information which would reasonably suggest that the information contained therein was no longer materially correct. In the absence of a Relevant Declaration there was a presumption that the investor was Irish Resident or Ordinarily Resident in Ireland. The Act however contained provisions that permit the above exemption in respect of shareholders who are not Irish Resident nor Ordinarily Resident in Ireland to apply where the investment undertaking is not actively marketed to such investors and appropriate equivalent measures are put in place by the investment undertaking to ensure that such shareholders are not Irish Resident nor Ordinarily Resident in Ireland and the investment undertaking has received approval from the Revenue Commissioners in this regard.

Personal Portfolio Investment Undertaking ("PPIU")

The Finance Act 2007 introduced provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold shares in investment undertakings. These provisions introduced the concept of a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking either directly or through persons acting on behalf of or connected to the investor. Depending on individuals' circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals' who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after 20th February 2007, will be taxed at the rate of 60%. Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered into by the investment undertaking. Further restrictions may be required in the case of investments in land or unquoted shares deriving their value from land.

Reporting

Pursuant to Section 891C of the TCA and the Return of Values (Investment Undertakings) Regulations 2013, the Company is obliged to report certain details in relation to Shares held by investors to the Revenue Commissioners on an annual basis. The details to be reported include the name, address and date of birth if on record of, and the value of the Shares held by, a Shareholder. In respect of Shares acquired on or after 1 January 2014, the details to be reported also include the tax reference number of the Shareholder (being an Irish tax reference number or VAT registration number, or in the case of an individual, the individual's PPS number) or, in the absence of a tax reference number, a marker indicating that this was not provided. No details are to be reported in respect of Shareholders who are:

- Exempt Irish Residents (as defined above);
- Shareholders who are neither Irish Resident nor Ordinarily Resident in Ireland (provided the relevant declaration has been made); or
- Shareholders whose Shares are held in a recognised clearing system.

Capital Acquisitions Tax

The disposal of Shares may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the Company falls within the definition of investment undertaking (within the meaning of Section 739B (1) of the Taxes Act), the disposal of Shares by a Shareholder is not liable to Capital Acquisitions Tax provided that (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland; (b) at the date of the disposition, the Shareholder disposing ("disponer") of the Shares is neither domiciled nor Ordinarily Resident in Ireland; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

With regard to Irish tax residency for Capital Acquisitions Tax purposes, special rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponer will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

i) that person has been resident in Ireland for the 5 consecutive years of assessment immediately preceding the year of assessment in which that date falls; and
ii) that person is either resident or ordinarily resident in Ireland on that date.

European Union – Taxation of Savings Income Directive

On 10 November 2015 the Council of the European Union adopted a Council Directive repealing the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as reporting and exchange of information relating to and account for withholding taxes on payments made before those dates). This is to prevent overlap between the Savings Directive and the new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU) (see section entitled "Common Reporting Standards" below).

Compliance with US reporting and withholding requirements

The foreign account tax compliance provisions ("FATCA") of the Hiring Incentives to Restore Employment Act 2010 represent an expansive information reporting regime enacted by the United States ("US") aimed at ensuring that Specified US Persons with financial assets outside the US are paying the correct amount of US tax. FATCA will generally impose a withholding tax of up to 30% with respect to certain US source income (including dividends and interest) and gross proceeds from

the sale or other disposal of property that can produce US source interest or dividends paid to a foreign financial institution ("FFI") unless the FFI enters directly into a contract ("FFI agreement") with the US Internal Revenue Service ("IRS") or alternatively the FFI is located in a IGA country (please see below). An FFI agreement will impose obligations on the FFI including disclosure of certain information about US investors directly to the IRS and the imposition of withholding tax in the case of non-compliant investors. For these purposes the Company would fall within the definition of a FFI for the purpose of FATCA.

In recognition of both the fact that the stated policy objective of FATCA is to achieve reporting (as opposed to being solely the collecting of withholding tax) and the difficulties which may arise in certain jurisdictions with respect to compliance with FATCA by FFIs, the US developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US Governments signed an intergovernmental agreement ("Irish IGA") on the 21st December 2012 and provisions were included in Finance Act 2013 for the implementation of the Irish IGA and also to permit regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the Irish IGA. In this regard, the Revenue Commissioners (in conjunction with the Department of Finance) have issued Regulations – S.I. No. 292 of 2014 which is effective from 1 July 2014. Supporting Guidance Notes (which will be updated on an ad-hoc basis) were first issued by the Irish Revenue Commissioners on 1 October 2014 with the most recent version being issued in May 2016.

The Irish IGA is intended to reduce the burden for Irish FFIs of complying with FATCA by simplifying the compliance process and minimising the risk of withholding tax. Under the Irish IGA, information about relevant US investors will be provided on an annual basis by each Irish FFI (unless the FFI is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners. The Irish Revenue Commissioners will then provide such information to the IRS (by the 30th September of the following year) without the need for the FFI to enter into a FFI agreement with the IRS. Nevertheless, the FFI will generally be required to register with the IRS to obtain a Global Intermediary Identification Number commonly referred to as a GIIN.

Under the Irish IGA, FFIs should generally not be required to apply 30% withholding tax. To the extent the Company does suffer US withholding tax on its investments as a result of FATCA, the Directors may take any action in relation to an investor's investment in the Company to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI gave rise to the withholding.

Common Reporting Standards

On 14 July 2014, the OECD issued the Standard for Automatic Exchange of Financial Account Information ("the Standard") which therein contains the Common Reporting Standard ("CRS"). The subsequent introduction of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU) provides the international framework for the implementation of the CRS by Participating Jurisdictions. In this regard, the CRS was implemented into Irish law by the inclusion of relevant provisions in Finance Act 2014 and 2015 and the issuance of Regulation S.I. No. 583 of 2015.

The main objective of the CRS is to provide for the annual automatic exchange of certain financial account information between relevant tax authorities of Participating Jurisdictions

The CRS draws extensively on the intergovernmental approach used for the purposes of implementing FATCA and, as such, there are significant similarities between both reporting mechanisms. However, whereas FATCA essentially only requires reporting of specific information in relation to Specified US Persons to the IRS, the CRS has a significantly wider ambit due to the multiple jurisdictions participating in the regime.

Broadly speaking, the CRS will require Irish Financial Institutions to identify Account Holders resident in other Participating Jurisdictions and to report specific information in relation to the these Account Holders to the Irish Revenue Commissioners on an annual basis (which, in turn, will provide this information to the relevant tax authorities where the Account Holder is resident). In this regard, please note that the Company will be considered an Irish Financial Institution for the purposes of the CRS. For further information on the CRS requirements of the Company, please refer to the below "Customer Information Notice".

Customer Information Notice

The Company intends to take such steps as may be required to satisfy any obligations imposed by (i) the Standard and, specifically, the CRS therein or (ii) any provisions imposed under Irish law arising from the Standard or any international law implementing the Standard (to include the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU)) so as to ensure compliance or deemed compliance (as the case may be) with the Standard and the CRS therein from 1 January 2016.

The Company is obliged under Section 891F and Section 891G of the Taxes Consolidation Act 1997 (as amended) and regulations made pursuant to that section to collect certain information about each Shareholder's tax arrangements.

In certain circumstances the Company may be legally obliged to share this information and other financial information with respect to a Shareholder's interests in the Company with the Irish Revenue Commissioners. In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, the following information will be reported by the Company to the Irish Revenue Commissioners in respect of each Reportable Account maintained by the Company;

- The name, address, jurisdiction of residence, tax identification number and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and, in the case of any Entity that is an Account Holder and that, after application of the due diligence procedures consistent with CRS is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, jurisdiction of residence and tax identification number of the Entity and the name, address, jurisdiction of residence, TIN and date and place of birth of each such Reportable Person.
- The account number (or functional equivalent in the absence of an account number);
- The account balance or value as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year or period, the date of closure of the account;
- The total gross amount paid or credited to the Account Holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Financial Institution is the obligor or debtor, including the aggregate amount of any redemption payments made to the Account Holder during the calendar year or other appropriate reporting period;
- The currency in which each amount is denominated.

Please note that in certain limited circumstances it may not be necessary to report the tax identification number and date of birth of a Reportable Person.

In addition to the above, the Irish Revenue Commissioners and Irish Data Protection Commissioner have confirmed that Irish Financial Institutions (such as the Company) may adopt the "wider

approach" for CRS. This allows the Company to collect data relating to the country of residence and the tax identification number from all non-Irish resident Shareholders. The Company can send this data to the Irish Revenue Commissioners who will determine whether the country of origin is a Participating Jurisdiction for CRS purposes and, if so, exchange data with them. Revenue will delete any data for non-Participating Jurisdictions.

The Irish Revenue Commissioners and the Irish Data Protection Commissioner have confirmed that this wider approach can be undertaken for a set 2-3 year period pending the resolution of the final CRS list of Participating Jurisdictions

Shareholders can obtain more information on the Company's tax reporting obligations on the website of the Irish Revenue Commissioners (which is available at http://www.revenue.ie/en/business/aeoi/index.html) or the following link in the case of CRS only: http://www.oecd.org/tax/automatic-exchange/.

All capitalised terms above, unless otherwise defined in this paragraph, shall have the same meaning as they have in the Standard and EU Council Directive 2014/107/EU (as applicable).

Certain UK Tax Considerations

General

The following is a summary of the expected UK tax treatment of the Company and Shareholders who are resident and domiciled (or deemed domiciled for UK income tax purposes) for tax purposes in the UK and who beneficially own Shares as an investment. This summary is based upon UK tax law currently in force and upon the generally published practice of HM Revenue & Customs ("**HMRC**") (which, in either case, may change, possibly with retrospective effect). This summary is of a general nature only and should not be construed as legal or tax advice to any particular investor. Prospective investors should consult their own professional advisers on the tax implications of their investment in any Fund of the Company. This summary is not comprehensive and is not a guarantee to any investor of the tax results of investing in any Fund of the Company.

Taxation of the Company

It is intended that the affairs of the Company will be managed and conducted in such a way that the Company is not resident in the UK for UK tax purposes. Accordingly, the Company will not be subject to UK tax on its income and gains (other than withholding tax on any interest or certain other income received by the Company which has a UK source). However, to the extent that such income or gains are derived from the Company's conduct of a trade in the UK, liability to UK tax will arise unless the trade is carried on through an investment manager operating in a way which satisfies the conditions of the investment manager exemption as set out in Chapter 2 of Part 24 of the Corporation Tax Act 2010 (in relation to corporation tax) or Chapter 1 of Part 14 of the Income Tax Act 2007 (in relation to income tax).

Insofar as the Company does engage in any trading activities in the UK, the Board of Directors of the Company intends that these trading activities will be carried on through the Investment Manager in such manner that the conditions of the investment manager exemption will be satisfied. It cannot, however, be guaranteed that the conditions of this exemption will at all times be met.

Taxation of UK Resident Shareholders

Income

Subject to their personal circumstances, Shareholders resident in the UK for UK tax purposes will be liable to UK income tax or UK corporation tax in respect of any dividends or other distributions of

income arising from an investment in Shares whether or not such distributions are re-invested. Under Part 9A of the Corporation Tax Act 2009, however, corporate Shareholders who are resident in the UK for UK tax purposes and who meet certain conditions may be eligible for an exemption from the charge to UK corporation tax on dividends and other distributions by the Company.

Capital Gains

The UK tax treatment of capital gains derived from the disposal of Shares in the Company will be affected by the tax regime for offshore funds set out in Part 8 of the Taxation (International and Other Provisions) Act 2010 and the Offshore Funds (Tax) Regulations 2009 (as amended) (together, the "**Offshore Fund Rules**"). Each Class of Shares in a Fund issued by the Company will be treated as if it were a separate "offshore fund" for UK tax purposes.

The Offshore Fund Rules operate by reference to whether a fund is approved by HMRC as a "reporting fund" or not.

If any Class of Shares is a reporting fund throughout a Shareholder's period of ownership, any gains arising on a disposal of Shares of that Class will normally be treated for UK tax purposes as capital gains. If any Class of Shares is a reporting fund throughout a Shareholder's period of ownership, any gains arising on a disposal of Shares of that Class would be treated for UK tax purposes as income.

If any Class of Shares is a reporting fund, UK resident Shareholders will be subject to UK income tax or UK corporation tax on their share of any distributions made by the Company for any period of account, together with their share of any undistributed "reportable income" for that same period of account. UK resident Shareholders in non-reporting funds will not be subject to tax on income retained by the non-reporting fund.

It is anticipated that certain Classes of Shares in Funds of the Company may apply for and maintain reporting fund status and that other Classes of Shares in the Funds will not. Accordingly, UK resident investors considering an acquisition of Shares in a Fund may wish to consider whether they prefer to hold Shares of a reporting fund or a non-reporting fund and make their investment in the Fund accordingly. The position in respect of any Class of Shares that is a non-reporting fund may be reconsidered in the future and, accordingly, the Board of Directors of the Company reserves the right to apply to HMRC for approval of any Class of Shares as a reporting fund should they deem it appropriate. Shareholders should note that there can be no guarantee that reporting fund status would be obtained and, if obtained, maintained for any Class of Shares.

Special tax treatment will apply in relation to Shareholders who have invested in a particular Fund if, at any time, that Fund has more than 60% by market value of its investments in certain categories of investment, notably, debt securities, money placed at interest (other than cash awaiting investment), building society shares, certain derivative contracts or contracts for differences or holdings in unit trusts or other offshore funds which hold more than 60% by market value of their investments in such categories of investment. In such a case, Shareholders within the charge to UK corporation tax will have to bring into account as income for UK tax purposes all income and gains arising from fluctuations in the value of the Shares (calculated in accordance with fair value accounting at the end of each relevant accounting period of the Shareholder and at the date of disposal of the interest). As regards Shareholders within the charge to UK income tax, dividends or other income distributions received from the Company will be treated as interest payments in the hands of such Shareholders and taxed at the income tax rates applicable to interest payments rather than those applicable to dividends. It is currently anticipated that these rules will apply to at least some of the Funds.

Special tax rules apply to insurance companies and investment trusts, authorised unit trusts, pension funds and open ended investment companies in the UK as well as individuals resident but not domiciled (or deemed domiciled for income tax purposes) in the UK.

Anti-avoidance

The attention of Shareholders who are individuals resident in the UK is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007 (the "transfer of assets abroad rules"). These provisions are aimed at preventing the avoidance of income tax by such individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad, and may render the individuals liable to income tax in respect of undistributed income of the Company on an annual basis. However, these provisions will not apply if the individual can satisfy HMRC that (broadly) the purpose of avoiding liability to UK taxation was not one of the purposes for which the transactions in question were effected or that the transactions in question were genuine commercial transactions and were not more than incidentally designed for the purpose of avoiding liability to UK taxation. If an individual has been charged to income tax on any income deemed to be his under these provisions, and that income is subsequently distributed to him, that individual will not incur a second charge to income tax on that distribution.

The attention of Shareholders who are companies resident in the UK is drawn to the provisions of Part 9A of the Corporation Tax (International and Other Provisions) Act 2010 (the "**CFC Rules**"), which may subject certain UK resident companies to UK corporation tax on the chargeable profits (excluding capital gains) of companies not so resident in which they have an interest.

The provisions may affect UK resident companies which are deemed to be interested in at least 25% of the profits of a non-resident company which is controlled by residents of the UK and which is resident in a low tax jurisdiction.

Shareholders should note, however, that the CFC Rules focus on the artificial diversion of profits from the UK, using "gateway" provisions to specifically define those profits which are caught. Where a controlled foreign company's profits fall within the "gateway" provisions and are not otherwise excluded by any of the entry conditions, safe harbors or exemptions, any UK resident company with a 25% or more interest in the controlled foreign company may become subject to UK corporation tax on its apportioned share of these profits.

The attention of Shareholders who are resident in the UK is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 ("**Section 13**"). Under these provisions, if a non-UK resident company would be a "close" company if it were resident in the UK, a proportion of any chargeable gains accruing to the company are attributed for UK tax purposes to "participators" in the company who are resident in the UK and who (together with persons connected with them) hold an interest of more than 25% in the company. The term "participator" would include a Shareholder. That part of any gain attributed to the investor will be equal to the proportion of the gain that corresponds on a just and reasonable basis to that person's proportionate interest in the company as a "participator".

Certain U.S. Federal Income Tax Considerations

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION PRIMARILY OF THE U.S. TAX CONSEQUENCES TO PROSPECTIVE SHAREHOLDERS. EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT ITS OWN TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE COMPANY. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE SHAREHOLDER. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE COMPANY BUT WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES.

The following discussion is a general summary of certain U.S. federal income tax considerations relevant to Shareholders in a Fund. It is based upon the Code, U.S. Treasury Regulations

promulgated thereunder, case law and administrative pronouncements all as in effect on the date of this Prospectus and all of which are subject to prospective and retroactive changes. It is not intended as a complete analysis of all possible tax considerations relevant to acquiring, holding or disposing of shares. The discussion does not consider the circumstances of any particular Shareholder, and prospective shareholders should note that the tax consequences of an investment in a Fund may not be the same for all Shareholders. This discussion also does not address the situation of taxpayers subject to special tax regimes (such as banks and certain other financial institutions, insurance companies, trusts, securities brokers or dealers, S corporations, non-U.S. persons, those subject to the alternative minimum tax, and tax-exempt organizations), nor does it address any state, local or foreign tax consequences of an investment in a Fund.

The U.S. federal income tax considerations discussed in this summary are applicable to Shareholders that are U.S. persons. Shareholders who are not U.S. persons should consult their own tax advisors regarding the United States income tax consequences of an investment in a Fund. For purposes of this summary, a "U.S. person" generally is for U.S. federal income tax purposes (1) an individual citizen or resident of the United States; (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (4) a trust which either (i) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person. If an entity treated as a partnership for U.S. federal income tax purposes holds the shares, the U.S. federal income tax treatment of the partnership and an equity holder of the partnership generally depends upon the status of the equity holder and the activities of the partnership. If you are an equity holder in such a partnership holding the shares, you should consult your own tax advisors.

This summary is based on the assumptions that (i) each Shareholder will hold its Shares as a capital asset for U.S. federal income tax purposes and (ii) each Shareholder (and each of its beneficial owners, as necessary under U.S. federal income tax withholding and back-up withholding rules) will provide all appropriate certifications to a Fund in a timely fashion to minimize U.S. withholding (or back-up withholding) on such Shareholder's Shares.

Neither the Company nor any Fund has sought a ruling from the IRS or any other U.S. federal, state or local agency with respect to any of the tax issues affecting the Company or any Fund, nor has the Company or any Fund obtained an opinion of counsel with respect to any U.S. federal tax issues.

The following is a summary of certain potential U.S. federal tax consequences which may be relevant to prospective shareholders. The discussion contained herein is not a full description of the complex tax rules involved and is based upon existing laws, judicial decisions and administrative regulations, rulings and practices, all of which are subject to change, retroactively as well as prospectively. A decision to invest in the Company should be based upon an evaluation of the merits of the trading program, and not upon any anticipated U.S. tax benefits.

U.S. Tax Status

Each Fund intends to operate as a separate corporation for U.S. federal tax purposes separate and apart from the Company and the other Funds, although it cannot be assured that the Company and Funds will be so treated. The remainder of the U.S. tax discussion herein assumes that each Fund will be treated as a separate corporation for U.S. federal tax purposes.

U.S. Trade or Business

Section 864(b)(2) of the Code provides a safe harbor (the "**Safe Harbor**") applicable to a non-U.S. corporation (other than a dealer in securities) that engages in the U.S. in trading securities (including

contracts or options to buy or sell securities) for its own account pursuant to which such non-U.S. corporation will not be deemed to be engaged in a U.S. trade or business. The Safe Harbor also provides that a non-U.S. corporation (other than a dealer in commodities) that engages in the United States in trading commodities for its own account is not deemed to be engaged in a U.S. trade or business if "the commodities are of a kind customarily dealt in on an organized commodity exchange and if the transaction is of a kind customarily consummated at such place." Pursuant to proposed regulations, a non-U.S. taxpayer (other than a dealer in stocks, securities, commodities or derivatives) that effects transactions in the United States in derivatives (including (i) derivatives based upon stocks, securities, and certain commodities and currencies, and (ii) certain notional principal contracts based upon an interest rate, equity, or certain commodities and currencies) for its own account is not deemed to be engaged in a United States trade or business. Although the proposed regulations are not final, the IRS has indicated in the preamble to the proposed regulations that for periods prior to the effective date of the proposed regulations, taxpayers may take any reasonable position with respect to the application of Section 864(b)(2) of the Code to derivatives, and that a position consistent with the proposed regulations will be considered a reasonable position. Each Fund intends to conduct its business in a manner so as to meet the requirements of the Safe Harbor. Thus, based on the foregoing, the Funds' securities and commodities trading activities are not expected to constitute a U.S. trade or business and, except in the limited circumstances discussed below, each Fund does not expect to be subject to the regular U.S. income tax on any of its trading profits. However, if certain of a Fund's activities were determined not to be of the type described in the Safe Harbor, such Fund's activities may constitute a U.S. trade or business, in which case such Fund would be subject to U.S. federal income and branch profits tax on the income and gain from those activities which would substantially reduce its income available for distribution to Shareholders.

Even if a Fund's securities trading activity does not constitute a U.S. trade or business, gains realized from the sale or disposition of stock or securities (other than certain debt instruments with no equity component) of U.S. Real Property Holding Corporations (as defined in Section 897 of the Code) ("**USRPHCs**"), including stock or securities of certain Real Estate Investment Trusts ("**REITs**"), will be generally subject to U.S. income tax on a net basis. However, a principal exception to this rule of taxation may apply if such USRPHC has a class of stock which is regularly traded on an established securities market and the Company generally did not hold (and was not deemed to hold under certain attribution rules) more than 5% (or possibly 10% in certain circumstances) of the value of a regularly traded class of stock or securities of such USRPHC at any time during the five year period ending on the date of disposition. Moreover, if a Fund were deemed to be engaged in a U.S. trade or business as a result of owning a partnership interest in a U.S. business partnership or a similar ownership interest, income and gain realized from that investment would be subject to U.S. income and branch profits tax.

A Fund will also be exempt from tax on dispositions of REIT shares, whether or not those shares are regularly traded, if less than 50% of the value of such shares is held, directly or indirectly, by non-U.S. persons at all times during the five-year period ending on the date of disposition. However, even if the disposition of REIT shares would be exempt from tax on a net basis, distributions from a REIT (whether or not such REIT is a USRPHC), to the extent attributable to the REIT's disposition of interests in U.S. real property, are subject to tax on a net basis when received by a Fund and may be subject to the branch profits tax. Distributions from certain publicly traded REITs to non-U.S. shareholders owning 5% or less of the shares are subject to a 30% gross withholding tax on those distributions and are not subject to tax on a net basis.

Tax Treatment of Investments, Generally

The Fund will recognize ordinary income from the interest income and fees it receives from (indirectly) lending money. Any gain or loss realized on the disposition of debt investments may, depending upon the circumstances of the holder at the time of any such sale, be treated as ordinary or capital. The actual character of a Fund's gain or loss on the disposition of debt investments will depend on several considerations, including whether the holder is treated as a trader or investor, on

the one hand, or a dealer, on the other hand. A trader and an investor are persons who buy and sell securities for their own accounts. A dealer, in contrast, is a person who engages in transactions with "customers" rather than for investment or speculation. If the IRS were to characterize any part of a Fund's activities as those of a dealer, such fund's gain or loss on any "dealer" property would be ordinary income or loss.

Each Fund may recognize ordinary income from accruals of interest on debt investments. A Fund may be deemed to hold (indirectly) debt investments with original issue discount ("OID"), which for this purpose includes "payments-in-kind," or PIK, interest. In such case, a Fund would be required to include amounts in taxable income on a current basis even though receipt of such amounts may occur in a subsequent year. A Fund may also be deemed to hold (indirectly) debt investments with "market discount." Upon disposition of such an obligation, a Fund generally would be required to treat gain recognized as ordinary income to the extent of the market discount that accrued during the period the debt obligation was (indirectly) held by a Fund. Elections also may be made where market discount is included in income by the holder during the term of ownership.

In addition, a Fund may be deemed to (indirectly) hold "contingent payment debt instruments." In general, all of a Fund's income and gains on a contingent payment debt instrument will be ordinary income, including gain on the sale of exchange of a contingent payment debt instrument, regardless of whether a Fund (indirectly) holds the instrument as a capital asset. Furthermore, all of the interest income on a contingent payment debt instrument will be treated as OID, regardless of whether the instrument has regular coupons. The Fund cannot predict what portion of its (indirect) portfolio will consist of contingent payment debt instruments.

Furthermore, there are a number of uncertainties in the federal income tax law relating to debt restructuring. In general, a "significant modification" of a debt obligation acquired by a Fund at a discount is treated as a taxable event to the Fund, with the resulting gain or loss measured by the difference between the principal amount of the debt after the modification and the Fund's tax basis in such debt before the modification. However, other than for certain "safe harbor" modifications specified in U.S. Treasury Regulations, the determination of whether a modification is "significant" is based on all of the facts and circumstances. Therefore, it is possible that the IRS could take the position that the restructuring of a debt obligation acquired by the Fund at a discount amounts to a "significant modification" that should be treated as a taxable event even if the Fund did not so treat the restructuring on its U.S. federal income tax return.

Certain of a Fund's investment practices may be subject to special and complex U.S. federal income tax provisions, including rules relating to short sales, to constructive sales, to so-called "straddle" and "wash sale" transactions, and to "Section 1256 contracts," that may, among other things, (i) disallow, suspend or otherwise limit the allowance of certain losses or deductions, (ii) convert long-term capital gains (which are subject to tax at lower tax rates) into short-term capital gains or ordinary income (which are subject to tax at ordinary income tax rates), (iii) convert an ordinary loss or a deduction into a capital loss (the deductibility of which is more limited), (iv) cause the Fund to recognize income or gain without a corresponding receipt of cash, (v) adversely alter the characterization of certain Fund investments, and (vi) require the capitalization of certain related expenses of the Fund.

In the case of so-called "Section 1256 contracts," the Code generally applies a "mark to market" system of taxing unrealized gains and losses on such contracts and otherwise provides for special rules of taxation. A Section 1256 contract includes certain regulated futures contracts, certain foreign currency forward contracts, and certain options contracts. Under these rules, Section 1256 contracts held by the Fund at the end of each taxable year of the Fund are treated for federal income tax purposes as if they were sold by the Fund for their fair market value on the last business day of such taxable year. The net gain or loss, if any, resulting from such deemed sales (known as "marking to market"), together with any gain or loss resulting from actual sales of Section 1256 contracts, must generally be taken into account by the Fund in computing its taxable income for such year. If a Section 1256 contract held by the Fund at the end of a taxable year is sold in the following year, the

amount of any gain or loss realized on such sale will be adjusted to reflect the gain or loss previously taken into account under the "mark to market" rules.

Generally, forty percent (40%) of the gains and losses from Section 1256 contracts are characterized as short-term capital gains or losses, and the remaining sixty percent (60%) are characterized as long-term capital gains or losses. Certain foreign currency transactions will be marked to market as Section 1256 Contracts, but gains and losses on those transactions will be treated as ordinary income and losses. If an individual taxpayer incurs a net capital loss for a year, the portion thereof, if any, which consists of a net loss on Section 1256 contracts may, at the election of the taxpayer, be carried back three years. Losses so carried back may be deducted only against net capital gain to the extent that such gain includes gains on Section 1256 contracts.

Gain or loss from a short sale of property is generally considered as capital gain or loss to the extent the property used to close the short sale constitutes a capital asset in a Fund's hands. Except with respect to certain situations where the property used to close a short sale has a long-term holding period on the date the short sale is entered into, gains on short sales generally are short-term capital gains. A loss on a short sale will be treated as a long-term capital loss if, on the date of the short sale, "substantially identical property" has been held by the Fund for more than one year. In addition, short sales may also terminate the running of the Fund's holding period of "substantially identical property" held by the Fund.

Gain or loss on a short sale will generally not be realized until such time that the short sale is closed. However, if a Fund holds a short sale position with respect to stock, certain debt obligations or partnership interests that have appreciated in value and then acquires property that is the same as or substantially identical to the property sold short, the Fund generally will recognize gain on the date it acquires such property as if the short sale were closed on such date with such property. Similarly, if the Fund holds an appreciated financial position with respect to stock, certain debt obligations or partnership interests and then enters into a short sale with respect to the same or substantially identical property, the Fund generally will recognize gain as if the appreciated financial position were sold at its fair market value on the date it enters into the short sale. The subsequent holding period for any appreciated financial position that is subject to these constructive sale rules will be determined as if such position were acquired on the date of the constructive sale. Furthermore, to the extent that a stock borrower owns (or acquires) the stock that is the subject of the short sale before the short sale is closed out, a straddle may result.

The Code treats a taxpayer as having entered into a constructive ownership transaction with respect to any financial asset (defined as an equity interest in any pass-through entity, and, to the extent provided in Treasury regulations, any debt instrument and any stock in a corporation that is not a pass-through entity) if the taxpayer holds a long position under a notional principal contract with respect to the asset; enters into a forward or futures contract to acquire the asset; is the holder of a call option and is the grantor of a put option with respect to the asset, and such options have substantially equal strike prices and substantially contemporaneous maturity dates; or, to the extent provided in regulations, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as the transactions described above. In instances where these rules apply and where the taxpayer has gain from a "constructive ownership transaction" that would otherwise be treated as long-term capital gain without regard to these rules, the gain is instead treated as ordinary income to the extent in excess of the "net underlying long-term gain" (with interest being charged on the tax attributable to this ordinary income to the extent this income is allocated under these rules to prior taxable years) and, to the extent the gain nevertheless qualifies for long-term gain treatment, the determination of the capital gains rate(s) applicable to the gain is determined on the basis of the respective rate(s) applicable to the underlying long-term capital gain. The net underlying long-term gain means the amount of net capital gain that the taxpayer would have realized if it had acquired the financial asset for its fair market value on the date the constructive ownership transaction was entered into and sold the asset on the date the constructive ownership transaction was closed.

Gain recognized from certain "conversion transactions" will be treated as ordinary income. Generally, a conversion transaction is one of several enumerated transactions where substantially all of the taxpayer's return is attributable to the time value of the net investment in the transaction. The enumerated transactions are (i) the holding of any property (whether or not actively traded) and entering into a contract to sell such property (or substantially identical property) at a price determined in accordance with such contract, but only if such property was acquired and such contract was entered into on a substantially contemporaneous basis, (ii) certain straddles, (iii) generally any other transaction that is marketed or sold on the basis that it would have the economic characteristics of a loan but the interest-like return would be taxed as capital gain or (iv) any other transaction specified in Treasury regulations.

The Code disallows any deduction for losses arising from the sale or other disposition of "shares of stock or securities," where, within a period beginning thirty (30) days before such sale or disposition and ending thirty (30) days afterwards, the taxpayer acquires by purchase or by an exchange on which the entire amount of gain or loss is recognized "substantially identical" stock or securities. The disallowance also applies where, within the 61-day period, the taxpayer enters into a contract or option to acquire substantially identical stock or securities. In instances where this rule applies, appropriate adjustments are made to the basis of the stock, securities or options the acquisition of which resulted in application of the rule. Hence, if a Fund were to effect a "wash sale" the Fund would not be able to recognize any loss realized in connection with the sale.

Furthermore, the Fund may be deemed to invest in derivatives with complex or uncertain U.S. federal income tax consequences to shareholders

It is possible that a company in which a Fund (indirectly) invests will face financial difficulty, requiring the holder to work-out or otherwise restructure its investment in the company. It is not possible to predict the terms of any such restructuring and accordingly any such restructuring could give rise to adverse U.S. federal income tax consequences to a Fund.

Identity of Beneficial Ownership and Withholding on Certain Payments

In order to avoid a U.S. withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to certain actual and deemed U.S. investments, the Company and each Fund generally will be required to register with the IRS by 31 December 2014 and agree to identify certain of their direct and indirect U.S. account holders (including debtholders and equity holders). A non-U.S. investor in a Fund will generally be required to provide to such Fund information which identifies its direct and indirect U.S. ownership. Any such information provided to a Fund will be shared with the IRS. A non-U.S. investor that is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code will also generally be required to register with the IRS by 30 June 2014 (or such later date applicable to certain entities located in jurisdictions with Model 1 inter-governmental agreements) and agree to identify certain of its own direct and indirect U.S. account holders (including debtholders and equity holders). A non-U.S. investor who fails to provide such information to a Fund, or register and agree to identify such account holders, may be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of such Fund, and the Board of Directors may take any action in relation to an investor's Shares or redemption proceeds to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or comply with such requirements gave rise to the withholding. Shareholders should consult their own tax advisors regarding the possible implications of these rules on their investments in a Fund.

Non-U.S. shareholders may also be required to make certain certifications to the Company or a Fund as to the beneficial ownership of the Shares and the non-U.S. status of such beneficial owner, in order to be exempt from U.S. information reporting and backup withholding on a redemption of Shares.

U.S. Withholding Tax

In general, under Section 881 of the Code, a non-U.S. corporation which does not conduct a U.S. trade or business is nonetheless subject to tax at a flat rate of 30% (or lower tax treaty rate) on the gross amount of certain U.S. source income which is not effectively connected with a U.S. trade or business, generally payable through withholding. Income subject to such a flat tax rate is of a fixed or determinable annual or periodic nature, including dividends, certain "dividend equivalent payments" and certain interest income.

Certain types of income are specifically exempted from the 30% tax and thus withholding is not required on payments of such income to a non-U.S. corporation. The 30% tax does not apply to U.S. source capital gains (whether long or short-term) or to interest paid to a non-U.S. corporation on its deposits with U.S. banks. The 30% tax also does not apply to interest which qualifies as portfolio interest. The term "portfolio interest" generally includes interest (including original issue discount) on an obligation in registered form which has been issued after July 18, 1984 and with respect to which the person who would otherwise be required to deduct and withhold the 30% tax receives the required statement that the beneficial owner of the obligation is not a U.S. person within the meaning of the Code.

Redemption of Shares

Gain realized by shareholders who are not U.S. persons within the meaning of the Code ("**non-U.S. shareholders**") upon the sale, exchange or redemption of Shares held as a capital asset should generally not be subject to U.S. federal income tax provided that the gain is not effectively connected with the conduct of a trade or business in the U.S. However, in the case of nonresident alien individuals, such gain will be subject to the 30% (or lower tax treaty rate) U.S. tax if (i) such person is present in the U.S. for 183 days or more during the taxable year (on a calendar year basis unless the nonresident alien individual has previously established a different taxable year); and (ii) such gain is derived from U.S. sources.

Generally, the source of gain upon the sale, exchange or redemption of Shares is determined by the place of residence of the shareholder. For purposes of determining the source of gain, the Code defines residency in a manner that may result in an individual who is otherwise a nonresident alien with respect to the U.S. being treated as a U.S. resident only for purposes of determining the source of income. Each potential individual shareholder who anticipates being present in the U.S. for 183 days or more (in any taxable year) should consult his tax advisor with respect to the possible application of this rule.

Gain realized by a non-U.S. shareholder engaged in the conduct of a U.S. trade or business will be subject to U.S. federal income tax upon the sale, exchange or redemption of Shares if such gain is effectively connected with its U.S. trade or business.

Tax-Exempt U.S. Persons

The term "**Tax-Exempt U.S. Person**" means a U.S. person within the meaning of the Code that is exempt from payment of U.S. federal income tax. Generally, a Tax-Exempt U.S. Person is exempt from U.S. federal income tax on certain categories of income, such as dividends, interest, capital gains and similar income realized from securities investment or trading activity. This type of income is exempt even if it is realized from securities trading activity which constitutes a trade or business. This general exemption from tax does not apply to the "unrelated business taxable income" ("**UBTI**") of a Tax-Exempt U.S. Person. Generally, except as noted above with respect to certain categories of exempt trading activity, UBTI includes income or gain derived from a trade or business, the conduct of which is substantially unrelated to the exercise or performance of the Tax-Exempt U.S. Person's exempt purpose or function. UBTI also includes (i) income derived by a Tax-Exempt U.S. Person

from debt-financed property; and (ii) gains derived by a Tax-Exempt U.S. Person from the disposition of debt-financed property.

In 1996, Congress considered whether, under certain circumstances, income derived from the ownership of the shares of a non-U.S. corporation should be treated as UBTI to the extent that it would be so treated if earned directly by the shareholder. Subject to a narrow exception for certain insurance company income, Congress declined to amend the Code to require such treatment. Accordingly, based on the principles of that legislation, a Tax-Exempt U.S. Person investing in a non-U.S. corporation such as a Fund is not expected to realize UBTI with respect to an unleveraged investment in Shares. Tax-Exempt U.S. Persons are urged to consult their own tax advisors concerning the U.S. tax consequences of an investment in a Fund.

There are special considerations which should be taken into account by certain beneficiaries of charitable remainder trusts that invest in a Fund. Charitable remainder trusts should consult their own tax advisors concerning the tax consequences of such an investment on their beneficiaries.

U.S. Persons that are not Tax-Exempt U.S. Persons

The Company and each Fund will be classified as a passive foreign investment company ("**PFIC**") for federal income tax purposes. In addition, it is possible that the Company or a Fund will be a controlled foreign corporation ("**CFC**"). Under the PFIC rules, U.S. persons within the meaning of the Code that are not Tax Exempt U.S. Persons ("**Non Tax-Exempt U.S. Persons**") are subject to U.S. federal income taxation with respect to their investment in the Company under one of three methods. Under the "interest charge" method, a Non Tax-Exempt U.S. Person is generally liable for tax (at ordinary income rates) plus an interest charge reflecting the deferral of tax liability (which is not deductible by an individual) when it pledges or sells its Shares at a gain or receives a distribution from the Company or a Fund. Furthermore, the estate of a deceased individual Non Tax-Exempt U.S. Person will be denied a tax-free "step-up" in the tax basis to fair market value for Shares held by that deceased individual that were subject to the "interest charge" method.

Alternatively, a Non Tax-Exempt U.S. Person can make an election under the PFIC rules to have a Fund treated as a qualified electing fund ("**QEF**") with respect to its Shares in such Fund. A Shareholder that has made the QEF election, which may only be revoked with the consent of the IRS, is generally taxed currently on its proportionate share of the ordinary earnings and net long-term capital gains of the applicable Fund, whether or not the earnings or gains are distributed. In addition, Fund expenses, if any, that are properly capitalized will not be deductible for purposes of calculating the income included as a result of the QEF election. If the PFIC realizes a net loss in a particular year, under the QEF rules, that loss will not pass through to the Non Tax-Exempt U.S. Person nor will it be netted against the income of any other PFIC with respect to which a QEF election has been made. Moreover, the loss also cannot be carried forward to reduce inclusions of income with respect to the PFIC in subsequent years. Instead, a Non Tax-Exempt U.S. Person would only realize the loss in calculating its gain or loss when it disposes of its shares in the PFIC. A Non Tax-Exempt U.S. Person should also note that under the QEF rules, it may be taxed on income related to unrealized appreciation in the PFIC's assets attributable to periods prior to the investor's investment in the PFIC if such amounts are recognized by the PFIC after the investor acquires Shares. Moreover, any net short-term capital gains of the PFIC will not pass through as capital gains, but will be taxed as ordinary income. In order for a shareholder to be eligible to make a QEF election, the Company would have to agree to provide certain tax information to such shareholder on an annual basis. The Company intends to provide such information, although we cannot assure you that each Fund will be able to do so.

Finally, if a Fund's shares are considered "marketable", a Non Tax-Exempt U.S. Person would be able to elect to mark its shares to market at the end of every year. Any such mark to market gain or loss would be considered ordinary. Ordinary mark to market losses would only be allowed to the extent of prior mark to market gains. However, as a result of the definition of "marketable" adopted

in regulations, the Company does not anticipate that, with respect to any Fund, the Shares would be eligible for the mark to market election.

Even though the PFIC rules apply, if the Company or a Fund is also a CFC, other rules could apply in addition to the PFIC rules that could cause a Non Tax-Exempt U.S. Person to (i) recognize taxable income prior to his or her receipt of distributable proceeds; or (ii) recognize ordinary taxable income that would otherwise have been treated as long-term or short-term capital gain. Furthermore, the calculation of (a) "net investment income" for purposes of the 3.8% Medicare tax; and (b) taxable income for purposes of the regular income tax may be different with respect to certain income, including income from PFICs and CFCs. In addition, the Medicare tax and the regular income tax may be due in different taxable years with respect to the same income.

INASMUCH AS NON TAX-EXEMPT U.S. PERSONS ARE SUBJECT TO POTENTIALLY ADVERSE TAX CONSEQUENCES IF THEY INVEST IN THE COMPANY OR A FUND AND THE FOREGOING SUMMARY IS ONLY A BRIEF OVERVIEW OF HIGHLY COMPLEX RULES, SUCH POTENTIAL INVESTORS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS BEFORE INVESTING IN THE COMPANY.

Reporting Requirements for U.S. Persons

Any United States person within the meaning of the Code who holds shares in a PFIC such as the Company or a Fund is generally required to report its investment in the PFIC on an annual basis. Furthermore, such persons who are individuals will generally be required to make additional tax filings if their aggregate investment in certain non-U.S. financial assets (including interests in entities such as the Company) exceeds U.S.$50,000. Such filing requirements may be extended to certain U.S. entities who are formed or availed for the purpose of making investments in non-U.S. entities such as the Company or a Fund.

Any U.S. person within the meaning of the Code owning 10% or more (taking certain attribution rules into account) of either the total combined voting power or total value of all classes of the shares (the "**10% Amount**") of a non-U.S. corporation such as the Company or a Fund will likely be required to file an information return with the IRS containing certain disclosure concerning the filing shareholder, other shareholders and the corporation. Any U.S. person within the meaning of the Code who within such U.S. person's tax year (A) acquires shares in a non-U.S. corporation such as the Company or a Fund, so that either (i) without regard to shares already owned, such U.S. person acquires the 10% Amount; or (ii) when added to shares already owned by the U.S. person, such U.S. person's total holdings in the non-U.S. corporation reaches the 10% Amount; or (B) disposes of shares in a non-U.S. corporation so that such U.S. person's total holdings in the non-U.S. corporation falls below the 10% Amount (in each such case, taking certain attribution rules into account), will likely be required to file an information return with the IRS containing certain disclosure concerning the filing shareholder, other shareholders and the corporation. The Company has not committed to provide all of the information about any Fund or its shareholders needed to complete these returns. In addition, a U.S. person within the meaning of the Code that transfers cash to a non-U.S. corporation such as the Company or a Fund may be required to report the transfer to the IRS if (i) immediately after the transfer, such person holds (directly, indirectly or by attribution) at least 10% of the total voting power or total value of such corporation; or (ii) the amount of cash transferred by such person (or any related person) to such corporation during the twelve-month period ending on the date of the transfer exceeds U.S.$100,000.

Certain U.S. persons ("**potential filers**") who have an interest in a foreign financial account during a calendar year are generally required to file FinCEN Form 114 (an "**FBAR**") with respect to such account. Failure to file a required FBAR may result in civil and criminal penalties. Under existing regulatory guidance, potential filers who do not own (directly or indirectly) more than 50% of the voting power or total value of the shares of the Company or a Fund, generally are not obligated to file

an FBAR with respect to an investment in the Company or such Fund. However, potential filers should consult their own advisors regarding the current status of this guidance.

Furthermore, certain U.S. persons within the meaning of the Code may have to file Form 8886 ("**Reportable Transaction Disclosure Statement**") with their U.S. tax return, and submit a copy of Form 8886 with the Office of Tax Shelter Analysis of the IRS if the Company or a Fund engages in certain "reportable transactions" within the meaning of U.S. Treasury Regulations. If the IRS designates a transaction as a reportable transaction after the filing of a reporting shareholder's tax return for the year in which the Company, a Fund or such reporting shareholder participated in the transaction, the reporting shareholder may have to file Form 8886 with respect to that transaction within 90 days after the IRS makes the designation. Shareholders required to file this report include a U.S. person within the meaning of the Code if either (1) the Company or a Fund is treated as a CFC and such U.S. person owns a 10% voting interest or (2) such U.S. person owns 10% (by vote or value) of the Company or a Fund and makes a QEF election with respect to the Company or such Fund. In certain situations, there may also be a requirement that a list be maintained of persons participating in such reportable transactions, which could be made available to the IRS at its request. Moreover, if a U.S. person within the meaning of the Code recognizes a loss upon a disposition of Shares, such loss could constitute a "reportable transaction" for such shareholder, and such shareholder would be required to file Form 8886. A significant penalty is imposed on taxpayers who fail to make the required disclosure. The maximum penalty is U.S.$10,000 for natural persons and U.S.$50,000 for other persons (increased to U.S.$100,000 and U.S.$200,000, respectively, if the reportable transaction is a "listed" transaction). Shareholders who are U.S. persons within the meaning of the Code (including Tax-Exempt U.S. Persons) are urged to consult their own tax advisors concerning the application of these reporting obligations to their specific situations and the penalty discussed above.

Estate and Gift Taxes; State and Local Taxes

Individual holders of Shares who are neither present nor former U.S. citizens or U.S. residents (as determined for U.S. estate and gift tax purposes) are not subject to U.S. estate and gift taxes with respect to their ownership of such Shares.

A Fund and/or its shareholders also may be subject to U.S. state and local taxes.

Future Changes in Applicable Law

The foregoing description of Ireland, UK and U.S. income tax consequences of an investment in and the operations of the Company and a Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Company or a Fund to income taxes or subject shareholders to increased income taxes.

Other Taxes

Prospective shareholders should consult their own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to them.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SHAREHOLDERS.

Foreign Account Tax Compliance

Please see the section entitled "Compliance with US reporting and withholding requirements" under the section entitled "Irish Taxation".

Shareholders and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

INVESTMENTS BY U.S. EMPLOYEE BENEFIT PLANS

The following summary of certain aspects of ERISA is based upon ERISA, judicial decisions, U.S. Department of Labor ("**DOL**") regulations and rulings in existence on the date hereof. This summary is general in nature and does not address every ERISA issue that may be applicable to the Company, a Fund or a particular investor. Accordingly, each prospective investor should consult with its own counsel in order to understand the ERISA issues affecting the Company, each Fund and the investor.

General

Persons who are fiduciaries with respect to a U.S. employee benefit plan or trust within the meaning of and subject to the provisions of ERISA (an "**ERISA Plan**"), an individual retirement account or a Keogh plan subject solely to the provisions of the Code* (an "**Individual Retirement Fund**") should consider, among other things, the matters described below before determining whether to invest in any particular Fund or Funds.

ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, DOL regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes, the risk and return factors of the potential investment, the portfolio's composition with regard to diversification, the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan, the projected return of the total portfolio relative to the ERISA Plan's funding objectives, and the limitation on the rights of Shareholders to redeem all or a portion of their Shares or to transfer their Shares. Before investing the assets of an ERISA Plan in a Fund, a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in such Fund may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

Plan Assets Defined

ERISA and applicable DOL regulations describe when the underlying assets of an entity in which "benefit plan investors", as defined in Section 3(42) of ERISA and any regulations promulgated thereunder ("**Benefit Plan Investors**"), invest are treated as "plan assets" for purposes of ERISA. Under ERISA, the term Benefit Plan Investors is defined to include an "employee benefit plan" that is subject to the provisions of Title I of ERISA, a "plan" that is subject to the prohibited transaction provisions of Section 4975 of the Code, and entities the assets of which are treated as "plan assets" by reason of investment therein by Benefit Plan Investors.

Under ERISA, as a general rule, when an ERISA Plan invests assets in another entity, the ERISA Plan's assets include its investment, but do not, solely by reason of such investment, include any of the underlying assets of the entity. However, when an ERISA Plan acquires an "equity interest"" in

* References hereinafter made to ERISA include parallel references to the Code.

an entity that is neither: (a) a "publicly offered security"; nor (b) a security issued by an investment fund registered under the Investment Company Act, then the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established that: (i) the entity is an "operating company"; or (ii) the equity participation in the entity by Benefit Plan Investors is limited.

Under ERISA, the assets of an entity will not be treated as "plan assets" if Benefit Plan Investors hold less than 25% (or such greater percentage as may be provided in regulations promulgated by the DOL) of the value of each class of equity interests in the entity. Equity interests held by a person with discretionary authority or control with respect to the assets of the entity and equity interests held by a person who provides investment advice for a fee (direct or indirect) with respect to such assets or any affiliate of any such person (other than a Benefit Plan Investor) are not considered for purposes of determining whether the assets of an entity will be treated as "plan assets" for purposes of ERISA. The Benefit Plan Investor percentage of ownership test applies at the time of an acquisition by any person of the equity interests. In addition, an advisory opinion of the DOL takes the position that a redemption of an equity interest by an investor constitutes the acquisition of an equity interest by the remaining investors (through an increase in their percentage ownership of the remaining equity interests), thus triggering an application of the Benefit Plan Investor percentage of ownership test at the time of the redemption.

Under the DOL regulations, because the assets and liabilities of each of the Funds are segregated from the assets and liabilities of each other Fund, the entity to be tested is each Fund and the fact that Benefit Plan Investors may own 25% or more of the class of equity interests representing a particular Fund of the Company does not cause the assets of any other of the Funds to be treated as "plan assets" for purposes of ERISA.

Limitation on Investments by Benefit Plan Investors

Unless otherwise stated in a Supplement issued with respect to a particular Fund, it is the current intent of the Investment Manager to monitor the investments in each of the Funds to ensure that the aggregate investment by Benefit Plan Investors does not equal or exceed 25% (or such greater percentage as may be provided in regulations promulgated by the DOL) of the value of any class of equity interests in each such Fund so that assets of each such Fund will not be treated as "plan assets" under ERISA. Equity interests held in respect of a particular Fund by the Investment Manager or its affiliates are not considered for purposes of determining whether the assets of such Fund will be treated as "plan assets" for the purpose of ERISA. The Company may exercise its right to compulsorily redeem all or any portion of a Shareholder's Shares, including, without limitation, to ensure compliance with the percentage limitation on investment in a particular Fund by Benefit Plan Investors as set forth above. In exercising its right to mandatorily redeem Benefit Plan Investors, the Company may either redeem a portion of all Benefit Plan Investor's Shares or the Shares of the most recently invested Benefit Plan Investors. The Investment Manager reserves the right (but does not have the obligation), however, to waive the percentage limitation on investment in a particular Fund by Benefit Plan Investors and thereafter to comply with ERISA with respect to such Fund.

Representations by Plans

An ERISA Plan proposing to invest in a particular Fund will be required to represent that it is, and any fiduciaries responsible for the ERISA Plan's investments are, aware of and understand such Fund's investment objectives, policies and strategies, and that the decision to invest plan assets in such Fund was made with appropriate consideration of relevant investment factors with regard to the ERISA Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA.

Whether or not the assets of a particular Fund are treated as "plan assets" for purposes of ERISA, an investment in such Fund by an ERISA Plan is subject to ERISA. Accordingly, fiduciaries of ERISA

Plans should consult with their own counsel as to the consequences under ERISA of an investment in a Fund.

ERISA Plans and Individual Retirement Funds Having Prior Relationships with the Investment Manager or its Affiliates

Certain prospective ERISA Plan and Individual Retirement Fund investors may currently maintain relationships with the Investment Manager or other entities that are affiliated with the Investment Manager. Each of such entities may be deemed to be a party in interest to, and/or a fiduciary of, any ERISA Plan or Individual Retirement Fund to which any of the Investment Manager or its affiliates provides investment management, investment advisory or other services. ERISA prohibits ERISA Plan assets to be used for the benefit of a party in interest and also prohibits an ERISA Plan fiduciary from using its position to cause the ERISA Plan to make an investment from which it or certain third parties in which such fiduciary has an interest would receive a fee or other consideration. Similar provisions are imposed by the Code with respect to Individual Retirement Funds. ERISA Plan and Individual Retirement Fund investors should consult with counsel to determine if participation in a Fund is a transaction that is prohibited by ERISA or the Code.

Eligible Indirect Compensation

The disclosures set forth in this Prospectus constitute the Investment Manager's good faith efforts to comply with the disclosure requirements of Form 5500, Schedule C and allow for the treatment of its compensation as eligible indirect compensation.

Future Regulations and Rulings

The provisions of ERISA are subject to extensive and continuing administrative and judicial interpretation and review. The discussion of ERISA contained herein is, of necessity, general and may be affected by future publication of regulations and rulings. Potential investors should consult with their legal advisers regarding the consequences under ERISA of the acquisition and ownership of Shares.

INVESTOR RESTRICTIONS

The Shares are offered only to investors who are: (1) non-"U.S. Persons" (as defined below); and (2) save where otherwise disclosed in the Supplement for a Fund, U.S. Persons which are both "accredited investors" as defined in Regulation D under the Securities Act and "qualified purchasers", as defined under Section 2(a)(51) of the Investment Company Act ("**Permitted U.S. Investors**").

Applicants and transferees will be required to certify whether or not they are Irish Residents.

"United States" means the United States, its states, territories and possessions, and any enclave of the United States government, its agencies or instrumentalities, and the following persons are not considered to be "United States persons": (1) a natural person who is not a resident or citizen of the United States; (2) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and that has its principal place of business in a non-U.S. jurisdiction; (3) an estate or trust, the income of which is not subject to U.S. federal income tax regardless of source, provided that no executor or administrator of such an estate or trustee of such a trust, as the case may be, is a "United States person"; (4) an entity, organised under the laws of a non-U.S. jurisdiction and that has its principal place of business in a non-U.S. jurisdiction, provided that: such entity was not formed by a United States person principally for the purpose of investing in securities not registered under the Securities Act (unless it was organised or incorporated and is owned exclusively by "accredited investors", as defined in U.S. Securities and Exchange Commission rules, who are not natural persons, estates, or trusts); (5) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States, provided that such plan is established and administered in

accordance with the laws of a country other than the United States and customary practices and documentation of such country; and (6) any other person that is not a United States person within the meaning of Section 7701(a)(30) of the Code.

Investors should also review the section entitled "New Issues" on page 15.

Prospective investors must consult their own tax, legal and financial advisers with respect to their individual circumstances and the suitability of an investment in any Fund.

GENERAL

Conflicts of Interest

The Investment Manager, the Depositary and the Administrator may from time to time act as manager, depositary, registrar, administrator, distributor, investment adviser or dealer in relation to, or be otherwise involved in, other funds established by parties other than the Company which have similar investment objectives to those of the Company and a Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Company and a Fund. Each will, at all times, have regard in such event to its obligations to the Company and the Funds and will endeavour to ensure that such conflicts are resolved fairly. In addition, any of the foregoing may deal, as principal or agent, with the Company, provided that such transactions are conducted at arm's length and are in the best interests of Shareholders.

Transactions permitted are subject to:

(a) the value of the transactions being certified by either a person who has been approved by the Depositary (or in the case of a transaction involving the Depositary, the Directors) as being independent and competent; or

(b) the execution being on best terms on an organised investment exchange under the rules of the relevant exchange; or

(c) where the conditions set out in (a) and (b) above are not practical, execution being on terms which the Depositary is (or in the case of a transaction involving the Depositary, the Directors are) satisfied that the relevant transaction is conducted at arm's length and in the best interests of Shareholders.

The Depositary (or in the case of a transaction involving the Depositary, the Directors) must document how it (or they) has (or have) complied with the provisions of paragraph (a), (b) or (c) above. Where a transaction is conducted in accordance with paragraph (c) above, the Depositary (or in the case of a transaction involving the Depositary, the Directors) must document its (or their) rationale for being satisfied that the transaction conformed to the principles outlined above.

The Investment Manager and any of its subsidiaries, affiliates, fellow group members, associates, agents, directors, officers or delegates ("**Connected Persons**" and each a "**Connected Person**") may use brokerage firms that sell Shares or that provide to the Investment Manager research and advisory services, computer hardware, specialised software or research services that can reasonably be expected to benefit the Company, but only in accordance with the FCA's Conduct of Business Rules and when the Connected Person(s) believes that no other firm offers a better combination of quality execution and favourable price, the firm has agreed to provide best execution to the Company and the brokerage rates are not in excess of customary institutional full-service brokerage rates. The Connected Person shall ensure that the Company shall disclose any soft commission arrangements in the periodic reports issued by the Company as required by applicable law and that (a) the broker or counterparty to the arrangement has agreed to provide best execution to the Company; and (b) such soft commission arrangements will assist in the provision of investment services to the Company.

The Articles of Association provide that certain investments of the Funds may be valued based on prices provided by a competent person approved for the purpose by the Depositary. The Investment Manager or a party related to the Investment Manager may be the competent person approved by the Depositary for such purpose. The Investment Manager's fee is calculated by reference to the Net Asset Value of the Fund. The higher the Net Asset Value of a Fund the higher the fee payable to the Investment Manager. Consequently, a conflict may arise where the Investment Manager is approved as the competent person for the purposes of pricing a particular asset of the relevant Fund.

The Investment Manager may enter into commission sharing arrangements with brokers or dealers. Where the Investment Manager successfully negotiates the recapture of a portion of the commission charged by a broker or dealer in connection with the purchase or sale of securities for a Fund, the rebated commission shall be paid to the relevant Fund.

No counsel has been appointed to represent the separate interests of the Shareholders. Accordingly, the Shareholders have not had the benefit of independent counsel in the structuring of the Company or the Funds or determination of the relative interests, rights and obligations of the Investment Manager and the Shareholders. This Prospectus and any Supplements were prepared based on information furnished by the Investment Manager, and Dillon Eustace has not independently verified such information.

The Share Capital

The share capital of the Company shall at all times equal the Net Asset Value. The maximum authorised share capital is five hundred billion shares of no par value. As of the date of this document the Company has issued Subscriber Shares to the value of €300,000. The Subscriber Shares do not participate in the assets of the Funds. The Company reserves the right to redeem some or all of the Subscriber Shares provided that the Company at all times has a minimum issued share capital to the value of €300,000.

A Fund may consist of one or more Classes of Shares. Each such Class of Shares may bear, to the extent applicable, its own fees and expenses which may be different from the fees and expenses paid by another Class of Shares.

Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the relevant Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder. The Subscriber Shares' entitlement is limited to the amount subscribed.

The proceeds from the issue of Shares shall be applied in the books of the Company to the relevant Fund and shall be used in the acquisition on behalf of that Fund of assets in which that Fund may invest. The records and accounts of each Fund shall be maintained separately.

The Directors reserve the right to re-designate any Class of Shares from time to time, provided that shareholders in that Class shall first have been notified by the Company that the Shares will be re-designated and shall have been given the opportunity to have their Shares redeemed by the Company, except that this requirement shall not apply where the Directors re-designate Shares in issue in order to facilitate the creation of an additional Class of Shares in which case Shareholders will be notified that the Shares have been re-designated.

Each of the Shares entitles the holder to attend and vote at meetings of the Company and of the relevant Fund represented by those Shares. The Articles of Association provide that matters may be determined at meetings of the Shareholders on a show of hands unless a poll is requested by three Shareholders or by Shareholders representing not less than ten per cent. of the total voting rights

of all the Shareholders of the Company having the right to vote at meetings and any Shareholder or Shareholders holding shares conferring the right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than ten per cent. of the total sum paid up on the Shares conferring that right.or unless the Chairman of the meeting requests a poll. Each Share gives the holder thereof one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll. No Class of Shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other class of Shares or any voting rights in relation to matters relating solely to any other class of Shares.
Any resolution to alter the class rights of the Shares of a Class requires the approval of three quarters of the holders of Shares represented or present and voting at a general meeting duly convened in accordance with the Articles of Association. The quorum for any general meeting convened to consider any alteration to the class rights of the Shares shall be such number of Shareholders being two or more persons whose holdings comprise one third of the Shares.

The Articles of Association of the Company empower the Directors to issue fractional Shares in the Company, which shall be rounded up to two decimal places. Fractional Shares shall not carry any voting rights at general meetings of the Company or of any Fund and the net asset value of any fractional Share shall be the net asset value per Share adjusted in proportion to the fraction.

The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of any Fund.

Meetings

All general meetings of the Company shall be held in Ireland. In each year the Company shall hold a general meeting as its annual general meeting. Twenty-one days notice (excluding the day of posting and the day of the meeting) shall be given in respect of each general meeting of the Company. The notice shall specify the venue, date and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. An ordinary resolution is a resolution passed by a simple majority of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. The Articles of Association provide that matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested . Each Share (including the Subscriber Shares) gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll. The Chairman of the meeting may with the consent of any meeting at which a quorum is present adjourn the meeting. The quorum at any adjourned meeting shall be one Shareholder present in person or by proxy and entitled to vote.

Reports

In each year the Directors shall cause to be prepared an annual report and audited annual accounts for the Company. These will be forwarded to Shareholders at least twenty-one days before the annual general meeting and, in any event, within four months of the end of the financial year. The Company's annual report and audited financial statements shall be prepared in accordance with the requirements of IFRS. In addition, the Company shall send to Shareholders within 2 months of the end of the relevant period a half-yearly report which shall include unaudited half-yearly accounts for the Company.

Annual accounts shall be made up to 31 December in each year. Unaudited half-yearly accounts shall be made up to 30 June in each year. In the event that the last calendar day of a month is not Business Day, for the purposes of determining the Net Asset Value, the Directors reserve the right to treat certain accruals, such as investment management fees, administration fees and other expenses, that would accrue on the calendar days in such month occurring after the last Business Day as having accrued on such last Business Day.

Audited annual reports and unaudited half-yearly reports incorporating financial statements of the Company shall be sent to each Shareholder free of charge and will be made available for inspection at the registered office of the Investment Manager and the Company.

The Funds and Segregation of Liability

The Company is an umbrella fund with segregated liability between Funds and each Fund may comprise one or more classes of Shares in the Company. The Directors may, from time to time, upon the prior approval of the Central Bank, establish further Funds by the issue of one or more separate classes of Shares on such terms as the Directors may resolve. The Directors may, from time to time, in accordance with the requirements of the Central Bank, establish one or more separate classes of Shares within each Fund on such terms as the Directors may resolve.

The assets and liabilities of each Fund will be allocated in the following manner:

(a) the proceeds from the issue of Shares representing a Fund shall be applied in the books of the Company to the relevant Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Memorandum and Articles of Association;

(b) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Fund;

(c) where the Company incurs a liability which relates to any asset of a particular Fund or to any action taken in connection with an asset of a particular Fund, such a liability shall be allocated to the relevant Fund, as the case may be;

(d) where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, such asset or liability, subject to the approval of the Depositary, shall be allocated to all the Funds *pro rata* to the Net Asset Value of each Fund; and

(e) separate records shall be maintained in respect of each Fund.

Any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund, and neither the Company nor any Director, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such Fund in satisfaction of any liability incurred on behalf of, or attributable to, any other Fund.

There shall be implied in every contract, agreement, arrangement or transaction entered into by the Company the following terms, that:

(i) the party or parties contracting with the Company shall not seek, whether in any proceedings or by any other means whatsoever or wheresoever, to have recourse to any assets of any Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Fund;

(ii) if any party contracting with the Company shall succeed by any means whatsoever or wheresoever in having recourse to any assets of any Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Fund, that party shall be liable to the Company to pay a sum equal to the value of the benefit thereby obtained by it; and

(iii) if any party contracting with the Company shall succeed in seizing or attaching by any means, or otherwise levying execution against, the assets of a Fund in respect of a liability which was

not incurred on behalf of that Fund, that party shall hold those assets or the direct or indirect proceeds of the sale of such assets on trust for the Company and shall keep those assets or proceeds separate and identifiable as such trust property.

All sums recoverable by the Company shall be credited against any concurrent liability pursuant to the implied terms set out in (i) to (iii) above.

Any asset or sum recovered by the Company shall, after the deduction or payment of any costs of recovery, be applied so as to compensate the Fund.

In the event that assets attributable to a Fund are taken in execution of a liability not attributable to that Fund, and in so far as such assets or compensation in respect thereof cannot otherwise be restored to the Fund affected, the Directors, with the consent of the Depositary, shall certify or cause to be certified, the value of the assets lost to the Fund affected and transfer or pay from the assets of the Fund or Funds to which the liability was attributable, in priority to all other claims against such Fund or Funds, assets or sums sufficient to restore to the Fund affected, the value of the assets or sums lost to it.

A Fund is not a legal person separate from the Company but the Company may sue and be sued in respect of a particular Fund and may exercise the same rights of set-off, if any, as between its Funds as apply at law in respect of companies and the property of a Fund is subject to orders of the court as it would have been if the Fund were a separate legal person.

Separate records shall be maintained in respect of each Fund.

Termination

All of the Shares or all of the shares in a Fund or Class may be redeemed by the Company in the following circumstances:

(i) with the sanction of an ordinary resolution of the Company, a Fund or Class at a general meeting of the Company;

(ii) if, so determined by the Directors, provided that not less than thirty days notice in writing has been given to the holders of the shares of that Fund or Class; or

(iii) a period of 90 days shall have elapsed from the date on which the Depositary shall have notified the Company of its desire to retire as Depositary in respect of the Company, a Fund or a Class or the Depositary shall have ceased to be approved by the Central Bank as Depositary and no replacement Depositary shall have been appointed.

Where a redemption of Shares would result in the number of Shareholders falling below two or such other minimum number stipulated by statute or where a redemption of Shares would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged to maintain pursuant to applicable law, the Company may defer the redemption of the minimum number of Shares sufficient to ensure compliance with applicable law. The redemption of such Shares will be deferred until the Company is wound up or until the Company procures the issue of sufficient Shares to ensure that the redemption can be effected. The Company shall be entitled to select the Shares for deferred redemption in such manner as it may deem to be fair and reasonable and as may be approved by the Depositary.

If all of the Shares in a Fund are to be redeemed, the assets available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in proportion to the number of the Shares held in that Fund. The assets of each Fund available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in such Fund

and the balance of any assets of the Company then remaining not comprised in any of the other Funds shall be apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders and shall be distributed among the Shareholders of each Fund pro rata to the number of Shares in that Fund held by them.

With the authority of an ordinary resolution of the Shareholders or with the consent of any Shareholder, the Company may make distributions in specie to Shareholders or to any individual Shareholder who so consents. The allocation of such assets shall be subject to the approval of the Depositary. On a distribution in specie the Company shall, if so requested by a Shareholder entitled to receive such distribution in specie dispose of the relevant assets and transmit the proceeds of such disposal to the Shareholder, provided that there shall be no guarantee as to the price which will be obtained on such a disposal of assets. If all of the Shares are to be redeemed and it is proposed to transfer all or part of the assets of the Company to another company, the Company, with the sanction of a special resolution of Shareholders may exchange the assets of the Company for shares or similar interests in the transferee company for distribution among Shareholders.

On a winding up of the Company, the assets available for distribution shall be distributed pro rata to the number of the Shares held by each Shareholder within each Class of Shares in a Fund.

Miscellaneous

1. The Company is not, and has not been since its incorporation, engaged in any legal or arbitration proceedings and no legal or arbitration proceedings are known to the Directors to be pending or threatened by or against the Company.

2. Except as disclosed below and with the exception of the letters of appointment between the Company and each of the Directors, there are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.

3. None of the Directors are interested in any contract or arrangement subsisting at the date hereof which is significant in relation to the business of the Company.

4. At the date of this document, neither the Directors nor their spouses nor their infant children nor any connected person have any direct or indirect interest in the share capital of the Company or any options in respect of such capital.

5. No Share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option.

6. Save as disclosed herein in the section entitled "Fees and Expenses" above, no commissions, discounts, brokerage, or other special terms have been granted by the Company in relation to Shares issued by the Company.

7. The Company does not have, nor has it had since its incorporation, any employees or subsidiary companies.

8. The Company has engaged Dillon Eustace Solicitors as its legal advisors as to matters of Irish Law on terms such that Dillon Eustace Solicitors have capped their liability to the Company to an amount not to exceed Euro 15,000,000.

Material Contracts

The following contracts, details of which are set out in the section entitled "Management and Administration", have been entered into and are, or may be, material:

(a) the depositary agreement dated 9 August 2012 between the Company and the Depositary as amended and restated by way of an amended and restated depositary agreement dated 13 October, 2016, pursuant to which the latter acts as Depositary to the Company;

(b) the investment management agreement dated 28 December, 2016, between the Company and the Investment Manager as same may be amended from time to time pursuant to which the latter was appointed as investment manager and distributor in relation to the Company; and

(c) the administration agreement dated 9 August 2012 between the Company and the Administrator pursuant to which the latter was appointed as administrator of the Company.

Supply and Inspection of Documents

The following documents are available for inspection free of charge during normal business hours on weekdays (Saturdays and public holidays excepted) at the registered office of the Company:

(a) memorandum and articles of association of the Company;

(b) the certificate of incorporation; and

(c) the Regulations (as amended from time to time) and the Central Bank UCITS Regulations issued by the Central Bank thereunder.

Copies of the memorandum and articles of association of the Company (each as amended from time to time) and the latest financial reports of the Company, as appropriate, may be obtained, free of charge, upon request at the registered office of the Company.

SCHEDULE I

The Regulated Markets on which investments will be listed or traded and Countries and Territories to which the Funds may gain exposure

The Regulated Markets

The following is a list of regulated stock exchanges and markets on which a Fund's investments in securities and financial derivative instruments other than permitted investment in unlisted securities and OTC derivative instruments, will be listed or traded. The exchanges and markets are listed in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations. The Central Bank does not issue a list of approved stock exchanges or markets.

With the exception of permitted investments in unlisted securities the investments of the Funds will be restricted to the following stock exchanges and markets:

- any stock exchange in the European Union and the EEA and any stock exchange in the U.S., Australia, Canada, Japan, New Zealand or Switzerland which is a stock exchange within the meaning of the law of the country concerned relating to stock exchanges;

- the market conducted by listed money market institutions as described in the FCA publication "The regulation of the wholesale cash and OTC derivative markets: The Grey Paper" (as amended from time to time);

- AIM, the Alternative Investment Market in the U.K. regulated and operated by the London Stock Exchange;

- the market organised by the International Capital Market Association which was created on 1 July 2005 following the merger of the International Primary Market Association with the International Securities Markets Association;

- NASDAQ in the U.S.; KOSDAQ in South Korea, SESDAQ in Singapore, TAISAQ/Gretai Market in Taiwan, RASDAQ in Romania;

- the market in U.S. government securities which is conducted by primary dealers regulated by the Federal Reserve Bank of New York and the U.S. Securities and Exchange Commission;

- the over-the-counter market in the United States conducted by primary and second dealers regulated by the U.S. Securities and Exchange Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

- the French market for Titres de Créance Négociable (over-the-counter market in negotiable debt instruments);

- the market in Irish government bonds conducted by primary dealers recognised by the National Treasury Management Agency of Ireland;

- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

- the over-the-counter market in Canadian government bonds regulated by the Investment Dealers Association of Canada;

- and the following stock exchanges and markets:

Argentina:	Buenos Aires Stock Exchange (MVBA), Cordoba Stock Exchange, Mendoza Stock Exchange, Rosario Stock Exchange, La Plata Stock Exchange
Bahrain:	Bahrain Stock Exchange
Bangladesh:	Chittagong Stock Exchange, Dhaka Stock Exchange
Botswana:	Botswana Share Market
Brazil:	Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe – Alagoas, Bolsa de Valores de Extremo, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange
Chile:	Santiago Stock Exchange, Valparaiso Stock Exchange
China:	Hong Kong Stock Exchange, Shenzhen Stock Exchange (SZSE), Shanghai Stock Exchange (SSE)
Colombia:	Bogota Stock Exchange, Medellin Stock Exchange
Croatia	Zagreb Stock Exchange
Egypt:	Cairo and Alexandra Stock Exchange
Ghana:	Ghana Stock Exchange
India:	Ahmedabab Stock Exchange, Cochin Stock Exchange, Magadh Stock Exchange, Mumbai Stock Exchange, Calcutta Stock Exchange, Delhi Stock Exchange Association, Bangalore Stock Exchange, Gauhati Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Madras Stock Exchange, Pune Stock Exchange, Uttar Pradesh Stock Exchange Association, the National Stock Exchange of India
Indonesia:	Jakarta Stock Exchange, Surabaya Stock Exchange
Israel:	Tel Aviv Stock Exchange
Jordan:	Amman Stock Exchange
Kazakhstan:	Kazakhstan Stock Exchange
Kenya:	Nairobi Stock Exchange
Kuwait:	Kuwait Stock Exchange
Lebanon:	Beirut Stock Exchange
Malaysia:	Kuala Lumpur Stock Exchange
Mauritius:	Stock Exchange of Mauritius

Mexico:	Bolsa Mexicana de Valores
Morocco:	Morocco Stock Exchange, Casablanca Stock Exchange
Nigeria:	Lagos Stock Exchange, Kaduna Stock Exchange, Port Harcourt Stock Exchange
Oman:	Muscat Securities Market
Pakistan:	Karachi Stock Exchange, Lahore Stock Exchange
Peru:	Lima Stock Exchange
The Philippines:	the Philippines Stock Exchange, Makati Stock Exchange
Qatar:	Doha Stock Exchange
Russia:	RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange)
Singapore:	Singapore Stock Exchange (the SESDAQ)
South Africa:	Johannesburg Stock Exchange
South Korea:	Korea Stock Exchange (the KOSDAQ)
Sri Lanka:	Colombo Stock Exchange
Taiwan:	Taiwan Stock Exchange
Thailand:	The Stock Exchange of Thailand
Turkey:	Istanbul Stock Exchange
Zambia:	Lusaka Stock Exchange

The Company may invest in listed or over-the-counter financial derivative instruments and foreign exchange contracts, which are listed or traded on derivative markets in the European Economic Area and for financial derivative instruments ("**FDI**") investments the following exchanges and markets:

(A) the market organised by the International Capital Markets Association; the over-the-counter market in the U.S. conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation; the market conducted by listed money market institutions as described in the FCA publication entitled "The Regulation of the Wholesale Cash and OTC Derivatives Markets": "The Grey Paper" (as amended or revised from time to time); the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan; AIM - the Alternative Investment Market in the U.K., regulated by the London Stock Exchange; the French Market for Titres de Créance Négociable (over-the-counter market in negotiable debt instruments); the over-the-counter market in Canadian government bonds regulated by the Investment Dealers Association of Canada; and

(B) American Stock Exchange, Australian Stock Exchange, Bolsa Mexicana de Valores, Borsa Italiana, Chicago Board of Trade, Chicago Board Options Exchange, Chicago Mercantile Exchange, Copenhagen Stock Exchange (including FUTOP), Eurex Deutschland, Euronext Amsterdam, OMX Exchange Helsinki, Hong Kong Stock Exchange, Kansas City Board of Trade, Financial Futures and Options Exchange, Euronext Paris, Korea Exchange, MEFF Rent Fiji, MEFF Renta Variable, Mercado Mexicano de Derivados, Montreal Stock Exchange, New York Futures Exchange, New York Mercantile Exchange, New York Stock Exchange, New Zealand Futures and Options Exchange, EDX London, OM Stockholm AB, Osaka Securities Exchange, Pacific Stock Exchange, Philadelphia Board of Trade, Philadelphia Stock Exchange, Singapore Stock Exchange, South Africa Futures Exchange (SAFEX), Sydney Futures Exchange, The National Association of Securities Dealers Automated Quotations System (NASDAQ); Tokyo Stock Exchange; Toronto Stock Exchange.

These exchanges and markets are listed in accordance with the requirements of the Central Bank which does not issue a list of approved exchanges and markets.

The Countries and Territories to which the Funds may gain exposure

The Funds may gain exposure to the following countries: Albania, Angola, Argentina, Armenia, Australia, Austria, Azerbaijan, Bahrain, Bahamas, Barbados, Belarus, Belgium, Belize, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Cambodia, Cameroon, Canada, Chile, China, Côte d'Ivoire, Colombia, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Gabon, Georgia, Germany, Ghana, Greece, Grenada, Guatemala, Honduras, Hong Kong, Hungary, Iceland, India, Indonesia, Iraq, Ireland, Israel, Italy, Japan, Jamaica, Jordan, Kazakhstan, Kenya, South Korea, Kuwait, Latvia, Lebanon, Liechtenstein, Lithuania, Luxembourg, Macedonia, Madagascar, Malaysia, Mauritius, Mexico, Moldova, Monaco, Mongolia, Montenegro, Morocco, Mozambique, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Puerto Rico, Qatar, Romania, Russian Federation, Rwanda, Saudi Arabia, Senegal, Serbia, Sierra Leone, Singapore, Slovakia (Slovak Republic), Slovenia, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Taiwan, Tanzania, Thailand, Trinidad & Tobago, Turkey, Uganda, United Arab Emirates, United Kingdom, United States, Uruguay, Uzbekistan, Vietnam, Yemen, and Zambia.

Subject to restrictions in place as a result of any applicable sanctions, the Funds may gain exposure to the securities of any country globally where such securities are cleared on Euroclear, Clearstream or The Depositary Trust & Clearing Corporation (DTCC).

SCHEDULE II

Investment Restrictions applicable to the Funds

1	Permitted Investments
	Investments of a UCITS are confined to:
1.1	Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
1.2	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
1.3	Money market instruments other than those dealt on a regulated market.
1.4	Units of UCITS.
1.5	Units of AIFs.
1.6	Deposits with credit institutions.
1.7	Financial derivative instruments.
2	Investment Restrictions
2.1	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
2.2	Recently Issued Transferable Securities Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of a UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations 2011apply. Paragraph(1) does not apply to an investment by a responsible person in U.S. Securities known as "Rule 144A securities" provided that: (a) the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue; and (b) the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 days at the price, or approximately at the price, at which they are valued by the UCITS.
2.3	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
2.4	Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to

	25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.
2.5	The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
2.6	The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
2.7	Deposits with any single credit institution other than a credit institution specified in Regulation 7 of the Central Bank UCITS Regulations held as ancillary liquidity shall not exceed: (a) 10% of the net assets of the UCITS; or (b) where the deposit is made with the Depositary 20% of the net assets of the UCITS.
2.8	The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets. This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA member state) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
2.9	Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, made or undertaken with, the same body may not exceed 20% of net assets: • investments in transferable securities or money market instruments; • deposits; and/or • risk exposures arising from OTC derivatives transactions.
2.10	The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
2.11	Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
2.12	A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members. The individual issuers may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade),

	Government of Singapore, the European Investment Bank, the European Bank for Reconstruction and Development, the International Finance Corporation, the International Monetary Fund, Euratom, the Asian Development Bank, the European Central Bank, the Council of Europe, Eurofima, the African Development Bank, the International Bank for Reconstruction & Development (The World Bank), the Inter-American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC. The UCITS must hold securities from at least 6 different issues with securities from any one issue not exceeding 30% of the net assets.
3	Investment in Collective Investment Schemes ("CIS")
3.1	A UCITS may not invest more than 20% of net assets in any one CIS.
3.2	Investment in AIFs may not, in aggregate, exceed 30% of net assets.
3.3	The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
3.4	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the relevant UCITS investment in the units of such other CIS.
3.5	Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission) the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.
4	Index Tracking UCITS
4.1	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank.
4.2	The limit in paragraph 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
5	General Provisions
5.1	An investment company, ICAV or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
5.2	A UCITS may acquire no more than: (i) 10% of the non-voting shares of any single issuing body;

	(ii) 10% of the debt securities of any single issuing body; (iii) 25% of the units of any single CIS; (iv) 10% of the money market instruments of any single issuing body. NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.
5.3	5.1 and 5.2 shall not be applicable to: (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities; (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State; (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members; (iv) shares held by a UCITS in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that state, where under the legislation of that state such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that state. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in paragraphs 2.3 to 2.11, 3(i), 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 above are observed; (v) shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of shares at Shareholders' request exclusively on their behalf.
5.4	UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
5.5	The Central Bank may allow a UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of its authorisation, provided they observe the principle of risk spreading.
5.6	If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.

5.7	Neither an investment company, ICAV nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may not carry out uncovered sales of:

	- transferable securities; - money market instruments[1]; - units of investment funds; or - financial derivative instruments.
5.8	A UCITS may hold ancillary liquid assets.
6	Financial Derivative Instruments ("FDIs")
6.1	The UCITS global exposure relating to FDI must not exceed its total net asset value.
6.2	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations/ Guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations).
6.3	UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
6.4	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

[1] Any short selling of money market instruments by UCITS is prohibited

SCHEDULE III

Financial Derivative Instruments and Investment Techniques

Permitted Financial Derivative Instruments ("FDI")

1. A Fund may invest in FDI provided that:

   1.1 The FDI does not expose the Fund to risks which the Fund could not otherwise assume;

   1.2 The FDI does not cause the UCITS to diverge from its investment objectives disclosed in the relevant Supplement;

   1.3 The FDI is dealt in on a Regulated Market or alternatively the conditions in paragraph 4 are satisfied;

   1.4 where a Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the assets held by the Fund shall comply with Regulations 70, 71, 72, 73 and 74 of the Regulations.

2. Notwithstanding paragraph 3, a Fund shall only invest in an over-the-counter derivative ("OTC derivatives") if the derivative counterparty is within at least one of the following categories:

   2.1 a credit institution which meets the criteria in Regulation 7 of the Central Bank UCITS Regulations;

   2.2 an investment firm authorised in accordance with the Markets in Financial Instruments Directive;

   2.3 a group company of an entity issued with a bank holding company license from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve.

3. Where the counterparty was:

   3.1 subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Company in the credit assessment process; and

   3.2 where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) of Regulation 8(4) of the Central Bank UCITS Regulations this shall result in a new credit assessment being conducted of the counterparty by the Company without delay;

4. where an OTC derivative is subject to a novation, the counterparty after the novation must be:

   (a) an entity that is within any of the categories set out in paragraph 2.1 or;

   (b) or a central counterparty that is:

      (i) authorised, or recognised under EMIR; or

(ii) pending recognition by ESMA under Article 25 of EMIR, an entity classified:

(a) by the SEC as a clearing agency; or

5. (b) by the Commodity Futures Trading Commission of the United States of America as a derivatives clearing organisation.(a) risk exposure to the counterparty shall not exceed the limits set out in Regulation 70(1)(c) of the Regulations, assessed in accordance with sub-paragraph (b).

(b) In assessing risk exposure to the counterparty to an OTC derivative for the purpose of the Regulations:

(i) the Company shall calculate the exposure to the counterparty using the positive mark-to-market value of the OTC derivative with that counterparty;

(ii) the Company may net derivative positions with the same counterparty, provided that the Company is able to legally enforce netting arrangements with the counterparty. For this purpose netting is permissible only in respect of OTC derivatives with the same counterparty and not in relation to any other exposures a Fund has with the same counterparty;

(iii) the Company may take account of collateral received by a Fund in order to reduce the exposure to the counterparty, provided that the collateral meets with the requirements specified in the Central Bank UCITS Regulations.

- the Fund is satisfied that: (a) the counterparty will value the OTC derivative with reasonable accuracy and on a reliable basis; and (b) the OTC derivative can be sold, liquidated or closed out by an offsetting transaction at fair value at any time at the Fund's initiative;

6. Collateral received must at all times meet with the requirements set out in Schedule 3 to the Central Bank UCITS Regulations (which are set out in paragraph 22 below).

7. A Fund using the commitment approach must ensure that its global exposure does not exceed its total Net Asset Value. The Fund may not therefore be leveraged in excess of 100% of its Net Asset Value. A Fund using the VaR approach must employ back testing and stress testing and comply with other regulatory requirements regarding the use of VaR. The VaR method is detailed in the relevant Fund's risk management procedures for FDI, which are described below under "Risk Management Process and Reporting".

Each Fund must calculate issuer concentration limits as referred to in Regulation 70 of the Regulations on the basis of the underlying exposure created through the use of FDI pursuant to the commitment approach.

8. A Fund must calculate exposure arising from initial margin posted to, and variation margin receivable from, a broker relating to exchange-traded or OTC derivative, which is not protected by client money rules or other similar arrangements to protect the Fund against the insolvency of the broker, within the OTC derivative counterparty limit referred to in Regulation 70(1)(c) of the Regulations.

9. The calculation of issuer concentration limits as referred to in Regulation 70 of the Regulations must take account of any net exposure to a counterparty generated through a stocklending or repurchase agreement. Net exposure refers to the amount receivable by a

Fund less any collateral provided by the Fund. Exposures created through the reinvestment of collateral must also be taken into account in the issuer concentration calculations.

10. When calculating exposures for the purposes of Regulation 70 of the Regulations, a Fund must establish whether its exposure is to an OTC counterparty, a broker, a central counterparty or a clearing house.

11. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments or investment funds, when combined, where relevant, with positions resulting from direct investments, may not exceed the investment limits set out in Regulations 70 and 73 of the Regulations. When calculating issuer-concentration risk, the FDI (including embedded FDI) must be looked through in determining the resultant position exposure. This position exposure must be taken into account in the issuer concentration calculations. Issuer concentration must be calculated using the position exposure of the Fund using the commitment approach or the maximum potential loss as a result of default by the issuer, whichever is greater. It must also be calculated by all Funds, regardless of whether they use VaR for global exposure purposes. This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in Regulation 71(1) of the Regulations.

Cover requirements

12. A Fund must, at any given time, be capable of meeting all its payment and delivery obligations incurred by transactions involving FDI.

13. Monitoring of FDI transactions to ensure they are adequately covered must form part of the risk management process of the Fund.

14. A transaction in FDI which gives rise, or may give rise, to a future commitment on behalf of a Fund must be covered as follows:

    (i) in the case of FDI which automatically, or at the discretion of the Fund, are cash settled, a Fund must hold, at all times, liquid assets which are sufficient to cover the exposure; and

    (ii) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by a Fund. Alternatively a Fund may cover the exposure with sufficient liquid assets where:

        (A) the underlying assets consist of highly liquid fixed income securities; and/or

        (B) the Fund considers that the exposure can be adequately covered without the need to hold the underlying assets, the specific FDI are addressed in the risk management process, which is described below, and details are provided in the Prospectus.

Risk management process and reporting

15. A Fund must provide the Central Bank with details of its proposed risk management process vis a vis its FDI activity. The initial filing is required to include information in relation to:

    - permitted types of FDI, including embedded derivatives in transferable securities and money market instruments;

    - details of the underlying risks;

- relevant quantitative limits and how these will be monitored and enforced; and

- methods for estimating risks.

Material amendments to the initial filing must be notified to the Central Bank in advance. The Central Bank may object to the amendments notified to it and amendments and/or associated activities objected to by the Central Bank may not be made.

16. The Company must submit a report to the Central Bank on its FDI positions on an annual basis. The report, which must include information which reflects a true and fair view of the types of FDI used by the Funds, the underlying risks, the quantitative units and the methods used to estimate those risks, must be submitted with the annual report of the Company. The Company must, at the request of the Central Bank, provide this report at any time.

Techniques and Instruments for the purposes of efficient portfolio management

17. A Fund may employ techniques and instruments relating to transferable securities and money market instruments subject to the Regulations and to conditions imposed by the Central Bank. The use of these techniques and instruments should be in line with the best interests of the Fund.

18. Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management shall be understood as a reference to techniques and instruments which fulfil the following criteria:

(i) they are economically appropriate in that they are realised in a cost-effective way;

(ii) they are entered into for one or more of the following specific aims:

(a) reduction of risk;

(b) reduction of cost;

(c) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund;

(iii) their risks are adequately captured by the risk management process of the Fund, and

(iv) they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

19. Financial derivative instruments used for efficient portfolio management, in accordance with paragraph 21, must also comply with the provisions of the Central Bank UCITS Regulations and guidance "UCITS Financial Derivative Instruments and Efficient Portfolio Management".

20. Repurchase/reverse repurchase agreements and securities lending ("efficient portfolio management techniques") may only be effected in accordance with normal market practice.

21. All assets received by a Fund in the context of efficient portfolio management techniques should be considered as collateral and should comply with the criteria set out below.

22. Collateral must, at all times, meet with the following criteria:

(i) **Liquidity**: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.

(ii) **Valuation**: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.

(iii) **Issuer credit quality**: Collateral received should be of high quality. The Company shall ensure that:

(i) Where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Company in the credit assessment process;

(ii) Where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (i) this shall result in a new credit assessment being conducted of the issuer by the Company without delay.

(iv) **Correlation**: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.

(v) **Diversification (asset concentration)**:

(i) Subject to subparagraph (ii) collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20 per cent. of the Fund's Net Asset Value. When Funds are exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20 per cent. limit of exposure to a single issuer.

(ii) A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a Fund should receive securities from at least 6 different issues, but securities from any single issue should not account for more than 30 per cent. of the Fund's Net Asset Value. Funds that intend to be fully collateralised sin securities issued or guaranteed by a Member State should disclose this fact in the Prospectus. Funds should also identify the Member States, local authorities, or public international bodies or guaranteeing securities which they are able to accept as collateral for more than 20 per cent. of their Net Asset Value.

(vi) **Immediately available**: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

23. Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.

24. Collateral received on a title transfer basis should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated and unconnected to the provider of the collateral.

25. Non-cash collateral cannot be sold, pledged or re-invested.

26. Cash collateral may not be invested other than in the following:

(i) deposits with credit institutions referred to in Regulation 7 of the Central Bank UCITS Regulations;

(ii) high-quality government bonds;

(iii) reverse repurchase agreements provided the transactions are with credit institutions referred to in Regulation 7 of the Central Bank UCITS Regulations and the Fund is able to recall at any time the full amount of cash on an accrued basis; and

(iv) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

27. In accordance with the Central Bank UCITS Regulations, invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or with any entity that is related or connected to the counterparty.

28. A Fund receiving collateral for at least 30 per cent. of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;

b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;

c) reporting frequency and threshold/s for limits and losses; and

d) mitigation actions to be taken to reduce loss including haircut policy and gap risk protection.

29. A Fund should have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, a Fund should take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with Regulation 21 of the Central Bank UCITS Regulations. This policy should be documented and should justify each decision to apply a specific haircut, or to refrain from applying any haircut, to any specific class of assets.

(11) Where a counterparty to a repurchase or a securities lending agreement, which has been entered into by the Company on behalf of a Fund:

(*a*) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the responsible person in the credit assessment process; and

(*b*) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (*a*) this shall result in a new credit assessment being conducted of the counterparty by the Company without delay.

30. A Fund should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

31. A Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the Fund shall use the mark-to-market value of the reverse repurchase agreement for the calculation of the net asset value of the Fund.

32. A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

33. Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.

34. A Fund should disclose in the Prospectus the policy regarding direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the Fund. These costs and fees should not include hidden revenue. The Fund should disclose the identity of the entity(ies) to which the direct and indirect costs and fees are paid and indicate if these are related parties to the management company or the trustee.

35. All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, should be returned to the Fund.

SCHEDULE IV

List of Delegates appointed by the Depositary

The Depositary has appointed the following entities as sub-custodians in each of the markets set out below. This list may be updated from time to time and is available from the Depositary upon written request.

Country	Sub-custodian/Agent
Argentina	HSBC Bank Argentina S.A.
Australia	HSBC Bank Australia Ltd
Austria	UniCredit Bank Austria AG
Bahrain	HSBC Bank Middle East Ltd (Bahrain)
Bangladesh	The Hongkong and Shanghai Banking Corporation Ltd (Bangladesh)
Belgium	BNP Paribas Securities Services (Belgium)
Belgium	Euroclear Bank S.A./N.V.
Bermuda	HSBC Bank Bermuda Ltd
Bosnia-Herzegovina	Unicredit Bank DD (Bosnia)
Botswana	Standard Chartered (Botswana)
Brazil	Kirton Corretora de Titulos e Valores Mobiliarios (prev HSBC Corretora de Titulos e Valores Mobiliarios SA)
Bulgaria	UniCredit Bulbank AD
Canada	Royal Bank of Canada
Chile	Banco Santander Chile
China	HSBC Bank (China) Ltd
Colombia	CorpBanca Investment Trust Colombia SA
Croatia	Privredna Banka Zagreb
Cyprus	HSBC Bank Plc, Athens
Czech Republic	Unicredit Bank Czech Republic, A.S.
Denmark	"Skandinaviska Enskilda Banken AB (publ), Copenhagen Branch"
Egypt	HSBC Bank Egypt SAE
Estonia	AS SEB Pank

Finland	Skandinaviska Enskilda Banken AB (publ.), Helsinki Branch
France	BNP Paribas Securities Services (France)
France	CACEIS Bank
Germany	HSBC Trinkaus & Burkhardt
Ghana	Standard Chartered Bank Ghana Ltd
Greece	HSBC Bank Plc
Hong Kong	The Hongkong & Shanghai Banking Corporation Ltd (CNC) (HK)
Hungary	Unicredit Bank Hungary Zrt
India	The Hongkong and Shanghai Banking Corporation Ltd (India)
Indonesia	The Hongkong and Shanghai Banking Corporation Ltd (Indonesia)
Ireland	HSBC Bank Plc (UK)
Israel	Bank Leumi Le-Israel BM
Italy	BNP Paribas Securities Services (Italy)
Japan	The Hongkong and Shanghai Banking Corporation Ltd (Japan)
Jordan	Bank of Jordan
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya Ltd
Kuwait	HSBC Bank Middle East Ltd (Kuwait)
Latvia	AS SEB Banka
Lebanon	HSBC Bank Middle East Ltd (Lebanon)
Lithuania	SEB Bankas
Luxembourg	Clearstream Banking SA
Malaysia	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Ltd (Mauritius)
Mexico	HSBC Mexico, SA
Morocco	Citibank Maghreb

Netherlands	BNP Paribas Securities Services (Netherlands)
New Zealand	The Hongkong and Shanghai Banking Corporation Ltd (New Zealand)
Nigeria	Stanbic IBTC Bank plc
Norway	"Skandinaviska Enskilda Banken AB (publ) Oslo Branch"
Oman	HSBC Bank Oman S.A.O.G.
Pakistan	Citibank NA (Pakistan)
Palestine	Bank of Jordan (Palestine Branch)
Peru	Citibank del Peru
Philippines	The Hongkong and Shanghai Banking Corporation Ltd (Philippines)
Poland	Bank Pekao SA
Portugal	BNP Paribas Securities Services (Portugal)
Qatar	HSBC Bank Middle East Ltd, Qatar
Romania	Citibank Europe plc, Romania branch
Russia	Citibank ZAO
Saudi Arabia	HSBC Saudi Arabia Ltd
Serbia	Unicredit Bank Serbia JSC
Singapore	The Hongkong and Shanghai Banking Corporation Ltd (Singapore)
Slovakia	Ceskoslovenska Obchodna Banka AS
Slovenia	Unicredit Banka Slovenija DD
South Africa	Standard Bank of South Africa Ltd
South Korea	The Hongkong and Shanghai Banking Corporation Ltd (South Korea)
Spain	BNP Paribas Securities Services (Spain)
Sri Lanka	The Hongkong and Shanghai Banking Corporation Ltd (Sri Lanka)
Sweden	Skandinaviska Enskilda Banken AB (publ.)

Switzerland	Credit Suisse AG
Taiwan	HSBC Bank (Taiwan) Ltd
Tanzania	Standard Chartered Bank (Mauritius) Ltd, Tanzania
Thailand	The Hongkong and Shanghai Banking Corporation Ltd (Thailand)
Turkey	HSBC Bank AS
Uganda	Standard Chartered (Uganda)
United Arab Emirates	HSBC Bank Middle East Ltd (UAE)
United Kingdom	HSBC Bank Plc (UK)
United States	Brown Brothers Harriman & Co
United States	Citibank, N.A. (USA)
United States	HBSC Bank (USA) NA
Vietnam	HSBC (Vietnam) Ltd
Zambia	Standard Chartered Bank (Zambia) Plc