

AMADEUS CAPITAL VISION PLC

An open-ended investment company with variable capital incorporated with limited liability in Ireland with registered number 263156 and an umbrella fund with segregated liability between its sub-funds

PROSPECTUS

This Prospectus is dated 3 July 2017

The Directors of the Company, whose names appear in the section entitled **Directors of the Company** below, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure 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. The Directors accept responsibility accordingly.

1. INTRODUCTION

The information contained in this Prospectus, or any document referred to in it, including any supplement or addenda hereto which may be issued from time to time, is not to be construed as legal, tax or investment advice. If you are in any doubt about the information contained in those documents, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

Defined terms used in this Prospectus shall have the meanings attributed to them in the **Definitions** section below.

This Prospectus describes Amadeus Capital Vision plc (the Company), an open ended investment company with variable capital incorporated on 14 March 1997 under the Companies Act 2014. The Company has been authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended, supplemented or consolidated from time to time (the Regulations). This authorisation however, does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus.

The Company is structured as an open-ended umbrella investment company with segregated liability between Funds. The Articles provide for the creation of Funds, each constituting interests in a defined portfolio of assets and liabilities. Shares representing interests in different Funds of the Company may be issued from time to time by the Directors. Within each Fund, the Directors may issue Shares or more than one Class. All Shares of each Class will rank *pari passu* save as may otherwise be provided herein. 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 strategies applicable to the particular Fund. As the Company has segregated liability between its Funds, any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

At the date of this Prospectus, the Company has one Fund, the Amadeus Asian Real Estate Securities Fund.

Particulars relating to individual Funds and the Classes of Shares available therein are set out in Appendix 4 hereto.

On the introduction of any new Fund (for which prior Central Bank approval is required) or any new Class of Shares (which must be issued in accordance with the requirements of the Central Bank and notified to and cleared in advance by the Central Bank), the Company will prepare and will issue a new or updated Prospectus setting out the relevant details of each such Fund or new Class of Shares as the case may be.

Distribution of this Prospectus is not authorised in any jurisdiction after publication of the most recent annual report and audited accounts of the Company for the period up to 31 December unless accompanied by a copy of such report and accounts or the then latest published semi-annual report and unaudited accounts. Such reports and this Prospectus together form the prospectus for the issue of Shares in the Company.

Restrictions on Distribution and Sale of Shares

The distribution of this Prospectus and the offering or purchase of Shares may be restricted in certain jurisdictions and, accordingly, persons into whose possession this Prospectus comes are required to inform themselves about, and to observe, such restrictions. This Prospectus does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction or in

any circumstances in which such offer or solicitation is unlawful or not authorised or in which the person making such offer or solicitation is not qualified to do so.

Shares are offered only on the basis of the information contained in the current Prospectus. The Company's annual and half yearly reports are incorporated by reference and are available on request as further described in the section entitled **Documents Available for Inspection** in this Prospectus. No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription or sale of Shares other than those contained in the current Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company.

The Company has registered the Amadeus Asian Real Estate Securities Fund with the appropriate authorities in a number of jurisdictions so that Shares in the Amadeus Asian Real Estate Securities Fund may be offered for sale in those jurisdictions. Information in relation to some of these jurisdictions is set out in the section entitled **Registrations** below under the respective country headings. The Company may also register the Amadeus Asian Real Estate Securities Fund in other countries or register other Funds for marketing the Shares in one or more jurisdictions. Any information required to be provided specifically to investors in those countries will be set out either in the section entitled **Registrations** or in a country-specific schedule or in a supplemental prospectus.

The Directors have the power to impose restrictions on the holding of Shares directly or indirectly by (and consequently to redeem Shares held by) such persons or entities as described under the **Mandatory Redemptions** section of this Prospectus.

United States

The Shares have not been and will not be registered under the Securities Act or the securities laws of any state or political subdivision of the United States and may not, except in a transaction which does not violate U.S. securities laws, be directly or indirectly offered or sold in the U.S. or to or for the benefit of any U.S. Person. Neither the Company nor any Fund will be registered under the Investment Company Act of 1940.

Risk Factors

Investors should read and consider the section of this Prospectus entitled **Risk Factors** before investing in the Company.

The value of and income from Shares in a Fund may go up or down and Shareholders may not get back the amount they have invested in the Fund.

Details of any applicable Subscription Charge or Redemption Charge will be disclosed in the herein for a Fund. In the event that such charges are imposed, the difference at any time between the sale and repurchase price of Shares means that any investment in the Company should be viewed as medium to long term.

Shareholders should note that where there is not sufficient income or capital gains to cover the fees and expenses of the Company that all/part of such fees and expenses may be charged to the capital of the Company. This may have the effect of lowering the capital value of your investment so that income will be achieved by foregoing the potential for future capital growth.

Reliance on this Prospectus

This Prospectus and any other documents referred to in it should be read in their entirety before making an application for Shares. Statements made in this Prospectus are based on the laws and practice in force in Ireland at the date of Prospectus which may be subject to changes. Neither the delivery of this Prospectus or key investor information document nor the offer, placement, allotment or issue of any of the Shares shall under any circumstances create any implication or constitute a

representation that the information given in this Prospectus or key investor information document is correct as of any time subsequent to the date this Prospectus or key investor information document. This Prospectus or key investor information document may from time to time be updated in accordance with the requirements of the Central Bank and intending subscribers should enquire of the Distributor or the Administrator as to the issue of any later versions or as to the issue of any reports and accounts of the Company.

The contents of this Prospectus are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters. Each prospective investor must rely upon such investor's own representatives, as to legal, economic, tax and related aspects of the investment described herein and as to its suitability for such investor.

Prospective investors should inform themselves as to (a) the legal requirements within their own jurisdictions, (b) any exchange control requirements and foreign exchange restrictions, (c) the income and other tax consequences and (d) any other governmental or other consents or formalities which may apply in their own jurisdictions and which might be relevant to the purchase, holding or disposal of Shares.

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as this English language document. To the extent that there is any inconsistency between this English language document and the document in another language, this English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Memorandum and Articles of Association of the Company, copies of which are available as mentioned herein.

This Prospectus shall be governed by and construed in accordance with Irish law.

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2. DEFINITIONS

Accounting Date means the date by reference to which the annual accounts of each Fund shall be prepared and shall be 31 December in each year or such other date as the Directors in accordance with the requirements of the Central Bank may determine and, in the case of the termination of the Company or of a Fund, the date on which the final payment of cash and/or Investments shall have been made to Shareholders;

Accounting Period means a period ending on the Accounting Date and commencing on the day following expiry of the last Accounting Period;

Accumulating Shares means Shares of the Company carrying no right to any distribution of income but the income and capital gains attributable to such Shares is retained within the relevant Fund and reflected in the Net Asset Value of such Shares;

Administration Agreement means the agreement dated 30 November 2016 (effective as of 00.01am on 1 December 2016) between the Company and the Administrator as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Administrator means Capita Financial Administrators (Ireland) Limited or any successor thereto duly appointed as the administrator of the Company and each Fund in accordance with the requirements of the Central Bank;

ADR means an American Depository Receipt;

Applicant means any person who completes and submits the Application Form to the Company, care of the Administrator, in accordance with the manner set out in the Prospectus;

Application Form means the agreement pursuant to the provisions of which an Applicant agrees to purchase Shares in and become a Shareholder of the Company as prescribed by the Company from time to time and which may be obtained from the Administrator and the Distributor;

Articles means the Articles of Association of the Company as amended from time to time.

Associated Person means a person who is associated with a Director if, and only if, he or she is:

- (i) that Director's spouse, civil partner, parent, brother, sister or child;
- (ii) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse (or civil partner) or any of his children or any body corporate which he controls; or
- (iii) in partnership with that Director.

A company will be deemed to be associated with a Director if it is controlled by that Director;

Base Currency means, in the case of the Company, the accounting currency of the Company and, in the case of any Fund, such currency as is specified in Appendix 4 below for the relevant Fund;

Business Day means in relation to any Fund such day or days as is or are specified in Appendix 4 below for the relevant Fund;

Central Bank means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising 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 (S.I. No. 420 of 2015), as may be amended from time to time;

CHF means Swiss Francs, the lawful currency of Switzerland or any successor currency thereto;

CIS means an open ended collective investment scheme within the meaning of Regulation 3(2) of the UCITS Regulations and which is prohibited from investing more than 10% of its assets in another such collective investment scheme;

CISA means the Swiss Collective Investment Schemes Act;

CISO means the Swiss Collective Investment Schemes Ordinance issued by the Swiss Federal Council;

Class or Classes means one or more particular division of Shares in a Fund;

Companies Act means the Irish Companies Act 2014 (as amended, consolidated, supplemented or replaced from time to time) including any regulations issued pursuant thereto, insofar as they apply to open-ended investment companies with variable capital;

Company means Amadeus Capital Vision plc;

Connected Party means the persons defined as such in the section headed **Portfolio Transactions and Conflicts of Interest**;

Currency Share Class a Class of Shares denominated in a currency other than the Base Currency of the relevant Fund;

CRS means the Common Reporting Standard more fully described as the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development;

CZK means Czech Crowns, the lawful currency of the Czech Republic or any successor currency thereto;

Data Protection Legislation means the Data Protection Acts 1988 and 2003, as amended from time to time;

Dealing Day means in respect of each Fund such Business Day or Business Days as is or are specified in Appendix 4 below for the relevant Fund provided that there shall be at least two dealing days at regular intervals per month;

Dealing Deadline means in relation to applications for subscription, redemption or exchange of Shares, the day and time specified in Appendix 4 below for the relevant Fund by which such applications must be received;

Depository means BNY Mellon Trust Company (Ireland) Limited or any successor thereto duly appointed as depository of the Company in accordance with the requirements of the Central Bank;

Depository Agreement means the agreement dated 30 November 2016 (effective as of 00.01am on 1 December 2016) between the Company and the Depository as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Developed Countries means such countries that fall into the World Bank's category of "high gross national income (GNI) per capita";

Directors mean the Directors of the Company for the time being and any duly constituted committee thereof, each a **Director**;

Distributing Shares means Shares in a Fund in respect of which the net income and capital gains arising may be distributed;

Distributor means EII Capital Management, Inc. or any additional or successor or addition thereto duly appointed as the distributor for the Company in accordance with the requirements of the Central Bank;

DKK means Danish Crowns, the lawful currency of Denmark or any successor currency thereto;

EDR means a European Depository Receipt;

EEA means the European Economic Area;

EEA Member State means a member state of the EEA;

EMIR means Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories;

EU means the European Union;

Euro, EUR or € means the lawful currency of the Eurozone or any successor currency;

Eurozone means those countries who use the Euro as their lawful currency;

Exchange Charge means the charge, if any, payable on the exchange of Shares as is specified in Appendix 4 below for the relevant Fund;

FATCA means the US Foreign Account Tax Compliance Act (as amended, consolidated or supplemented from time to time), including any regulations issued pursuant thereto (including an intergovernmental agreement between the US and any other jurisdiction which facilitates the implementation of any law or regulation relating to FATCA);

FDI means a financial derivative instrument or instruments;

Foreign Person means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the Company with the appropriate declaration under Schedule 2B TCA and the Company is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the Company is in possession of written notice of approval from the Revenue to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject have been satisfied;

Fund means a separate portfolio of assets which is invested in accordance with the investment objective and strategies as set out in Appendix 4 below 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 and any other funds as may be established by the Company from time to time with the prior approval of the Central Bank;

GBP, Stg £ or Pounds Sterling means Pound Sterling, the lawful currency of the United Kingdom or any successor currency thereto;

GDR means a Global Depository Receipt;

Hedged Currency Share Class means a Currency Share Class whose denominated currency is hedged against the Base Currency of the relevant Fund;

HUF means Hungarian Forint, the lawful currency of Hungary or any successor currency thereto;

IGA means the intergovernmental agreement entered into by U.S. and Irish governments to improve international tax compliance and to implement FATCA;

Initial Issue Price means the price per Share at which Shares are initially offered in a Fund or Class during the Initial Offer Period (excluding the Subscription Charge, if any) as specified in Appendix 4 below;

Initial Offer Period means the period during which Shares in a Fund are initially offered at the Initial Issue Price as specified in Appendix 4 below;

Intermediary means an organisation other than a Distributor arranging for the subscription and redemption of Shares;

Investment Company Act means the United States Investment Company Act of 1940 as amended;

Investment Management Agreement means the agreement dated 1 December 2016 between the Company and the Investment Manager as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Investment Manager means EII Capital Management, Inc., or any successor or addition thereto duly appointed in accordance with the requirements of the Central Bank and/or as specified in Appendix 4 below in respect of each Fund as the investment manager for that relevant Fund;

Ireland means the Republic of Ireland;

IRS means the U.S. Internal Revenue Service;

Issue Price means the Net Asset Value per Share of the relevant Fund or Class as at the Valuation Point for the Dealing Day plus a provision for any duties and charges as set out in this Prospectus or in Appendix 4 below and any Subscription Charge;

JPY means Japanese Yen, the lawful currency of Japan or any successor currency thereto;

Key Investor Information Document means the key investor information document issued in respect of one or more Classes of Shares in a Fund;

Member State means a member state of the EU;

Memorandum of Association means the Memorandum of Association of the Company;

Minimum Additional Investment Amount means such minimum cash amount or minimum number of Shares (if any) as the Directors may prescribe as the minimum additional investment amount required by each Shareholder for Shares in a Fund or Class thereof (after investing the Minimum Initial Investment Amount) as is specified in Appendix 4 below;

Minimum Fund Size means such amount (if any) as the Directors may decide for a Fund and which, if relevant, will be set out in Appendix 4 below;

Minimum Initial Investment Amount means such minimum cash amount or minimum number of Shares (if any) as the Directors may from time to time determine as the minimum initial investment amount required by each Applicant for Shares in a Fund or Class thereof as is specified in Appendix 4 below;

Minimum Redemption Amount means such minimum number or minimum value of Shares (if any) as the Directors may from time to time prescribe as the minimum redemption amount for Shares in a Fund or Class thereof as is specified in Appendix 4 below;

Minimum Shareholding means such minimum number or minimum value of Shares (if any) which must be held at any time by a Shareholder as is specified in Appendix 4 below for the relevant Fund;

Money Market Instruments means instruments normally dealt in on the money markets which are liquid and have a value that can be accurately determined at any time;

month means a calendar month;

Net Asset Value means in respect of the assets of a Fund or attributable to a Class thereof the amount determined in accordance with the Articles as described in the **Calculation of Net Asset Value/Valuation of Assets** section of this Prospectus;

Net Asset Value per Share means the Net Asset Value of a Fund divided by the number of Shares in issue in that Fund or the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class rounded to such number of decimal places as the Directors may determine in accordance with the Articles and as further described in the **Calculation of Net Asset Value/Valuation of Assets** section below as the Net Asset Value per Share;

NOK means Norwegian Crowns, the lawful currency of Norway or any successor currency thereto;

Non-Developed Countries means such countries that do not fall into the World Bank's category of "high gross national income (GNI) per capita";

Non-Member State means a state which is not a Member State;

OECD means the Organisation for Economic Co-operation and Development;

OECD Member State means a member state of the OECD;

OTC derivative means a financial derivative instrument dealt in over the counter;

Paying Agent means one or more paying agents that may be appointed by the Company in certain jurisdictions;

PLN means Polish Zloty, the lawful currency of Poland or any successor currency thereto;

Prospectus means the current prospectus of the Company and any supplements and addenda thereto;

Redemption Charge means in respect of a Fund the charge payable (if any) on a redemption of Shares as is specified in Appendix 4 below for the relevant Fund;

Redemption Price means the Net Asset Value per Share of the relevant Fund or Class as at the Valuation Point for the Dealing Day less any duties and charges (other than the Redemption Charge, if any);

Redemption Proceeds means the Redemption Price less the Redemption Charge (if any);

Regulated Market means any exchange or market on which the Company may invest and which is regulated, recognised, open to the public and operating regularly and which is set out in Appendix 2 hereto;

Regulations mean the European Communities (Undertaking 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 and as may be modified, amended, consolidated or re-enacted from time to time;

REITS means an investment vehicle which allows investors to participate in a public company which invests primarily in income producing real estate or real estate related loans. REITS are not subject to corporation tax once they distribute at least 95% of their taxable income to shareholders each year. However, the distribution will be subject to U.S. withholding tax;

Related Companies has the meaning assigned thereto in Section 2(10) of the Companies Act, 2014, as amended from time to time. In general this states that companies are related where 50% of the paid up share capital of, or 50% of the voting rights in, one company are owned directly or indirectly by another company;

Relevant Period means a period of 8 years beginning with the acquisition of a Share and each subsequent period of 8 years beginning immediately after the preceding relevant period;

Revenue means The Revenue Commissioners, the Irish Government agency responsible for customs, excise, taxation and related matters;

Securities Act means the United States Securities Act of 1933, as amended;

SEK means Swedish Crowns, the lawful currency of Sweden or any successor currency thereto;

Semi-Annual Accounting Date means, in the case of any Fund, any date up to which unaudited semi-annual accounts are prepared and the Semi-Annual Accounting Date in respect of each Fund is 30 June in each year or such other date as the Directors in accordance with the requirements of the Central Bank may determine;

Settlement Date means in respect of receipt of monies for subscription for Shares or dispatch of monies for the redemption of Shares, unless otherwise approved by the Directors, the date specified herein or in

Appendix 4 below for the relevant Fund. In the case of redemptions this date will be no more than ten Business Days after the relevant Dealing Deadline;

SGD means Singapore Dollars, the lawful currency of Singapore or any successor currency thereto;

Shares means participating shares in the Company representing interests in a Fund and where the context so permits or requires any Class of participating shares representing interests in a Fund and **Share** means any one of them;

Shareholders means registered holders of Shares, and each a **Shareholder**;

Subscription Charge means in respect of a Fund, the charge payable (if any) on the subscription for Shares as is specified in Appendix 4 below;

Subscription Price means the Net Asset Value per Share of the relevant Fund or Class as at the Valuation Point for the Dealing Day plus any duties and charges (other than the Subscription Charge, if any);

Taxable Irish Person means any person, other than:

- (1) a Foreign Person;
- (2) an intermediary, including a nominee, for a Foreign Person;
- (3) a qualifying management company within the meaning of section 739B TCA;
- (4) a specified company within the meaning of section 734 TCA;
- (5) an investment undertaking within the meaning of section 739B TCA;
- (6) an investment limited partnership within the meaning of section 739J TCA;
- (7) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;
- (8) a company carrying on life business within the meaning of section 706 TCA;
- (9) a special investment scheme within the meaning of section 737 TCA;
- (10) a unit trust to which section 731(5)(a) TCA applies;
- (11) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
- (12) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA, section 787I TCA or section 848E TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A TCA);
- (13) the Courts Service;
- (14) a Credit Union;
- (15) a company within the charge to corporation tax under section 739G(2) TCA, but only where the fund is a money market fund;
- (16) a company within the charge to corporation tax under section 110(2) TCA;
- (17) the National Asset Management Agency;
- (18) the National Treasury Management Agency or a fund investment vehicle within the meaning of section 739D(6)(kb);
- (19) the National Pensions Reserve Fund Commission or a Commission investment vehicle (within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 as amended);
- (20) the State acting through the National Pensions Reserve Fund Commission or a Commission investment vehicle within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 (as amended); and
- (21) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27 Chapter 1A TCA,

in respect of each of which the appropriate declaration set out in Schedule 2B TCA or otherwise and such other information evidencing such status is in the possession of the Company on the appropriate date;

TCA means the Taxes Consolidation Act, 1997, as amended;

Transferable securities shall have the meaning prescribed in the Regulations;

UCITS means an undertaking for collective investment in transferable securities established pursuant to the Regulations or pursuant to the legislation or regulation that transposed the UCITS Directive in a Member State other than Ireland, as the case may be;

UCITS Directive means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directives 2009/65/EC on the coordination of laws, regulations and administrative provisions relating or undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions and as may be further amended from time to time;

Unhedged Currency Share Class means a Class of Shares where typically, Shares may be applied and paid for, income payments calculated and paid and redemption proceeds paid in a currency other than the Base Currency of the relevant Fund on the basis of a currency conversion at the prevailing spot currency exchange rate of the relevant Base Currency for the currency of the relevant Class of Shares;

United Kingdom and UK means the United Kingdom of Great Britain and Northern Ireland;

United States and U.S. means the United States of America, (including each of the states, the District of Columbia and the Commonwealth of Puerto Rico) its territories, possessions and all other areas subject to its jurisdiction;

U.S. Dollars, USD and \$ means the lawful currency of the United States or any successor currency;

U.S. Person means, unless otherwise determined by the Directors, a person resident in the U.S., a citizen of the U.S., a corporation, partnership or other entity created or organized in or under the laws of the U.S., an estate or trust treated as a resident of the U.S. for income tax purposes, or any person falling within the definition of the term U.S. Person under Regulation S of the U.S. Securities Act or FATCA and includes: (i) any natural person resident in the U.S.; (ii) any partnership or corporation organized or incorporated under the laws of the U.S.; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a non-United States entity located in the U.S.; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary, organized, incorporated, or (if an individual) resident in the U.S.; and (viii) any partnership or corporation if: (A) organized or incorporated under the laws of any non-U.S. jurisdiction; and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts;

Valuation Point the point in time by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified herein or in Appendix 4 below for the relevant Fund;

VaR means value-at-risk.

3. FUNDS

The Company has adopted an umbrella structure which may be comprised of different Funds with segregated liability between its Funds, to provide both individual and institutional investors with a choice of Shares in different Funds. Each Fund may be differentiated by its specific investment objective, strategy, currency of denomination or other specific features as described in Appendix 4 below. A separate pool of assets is maintained for each Fund and is invested in accordance with each Fund's respective investment objective. Because the Company has segregated liability between its Funds, any liability incurred on behalf of, or attributable to, any Fund shall be discharged solely out of the assets of that Fund. Shares may be issued in relation to each Fund.

3.1. Classes

Each Fund may comprise of one or more Classes. The different Classes of Shares available for issue in each Fund will be set out in Appendix 4 below. The different Classes of Shares in a Fund may, inter alia, have the following distinguishing features: currency of denomination; distribution policy, may be Hedged Currency Share Classes or Unhedged Currency Share Classes; levels of fees and expenses, charging structures and may have different Minimum Initial, Minimum Additional Investment Amounts, Minimum Redemption Amounts and/or Minimum Shareholding. The different Classes of Shares within a Fund together represent interests in the single pool of assets maintained for that Fund.

All Shares participate equally in the income and liquidation proceeds of the respective Class of Shares.

3.2. Shares

Within each Fund and Class, the Company may issue Accumulating Shares and Distributing Shares which shall represent interests in the same distinct portfolio of investments. The net income per Distributing Share may be distributed or re-invested in accordance with the dividend policy for the Fund as set out in Appendix 4 below and may be in the form of additional Shares to Shareholders of Distributing Shares. No declarations or distributions shall be made in respect of the Accumulating Shares.

3.3. Investment Objective and Strategies

The investment objective and policies of each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policies for each Fund of the Company appear in Appendix 4 below.

Any change to the investment objective or a material change to investment policies of a Fund will be subject to the prior written approval of all Shareholders of the Fund or approval by ordinary resolution passed at a general meeting of the relevant Fund duly convened or held. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or material change of investment policies of a Fund on the basis of an ordinary resolution passed at a general meeting of the Shareholders of the Fund, a reasonable notification period must be given to each Shareholder of the Fund to enable a Shareholder to have its Shares repurchased prior to the implementation of such change.

The Investment Manager has been given full discretion in the investment and reinvestment of the assets of each Fund, provided that it complies with the Fund's investment objective, policies and restrictions in exercising that discretion. Each Fund's investments will be limited to investments permitted by the Regulations as set out under the **Investment Restrictions** section below. The Investment Manager decides on the composition of each Fund depending on an assessment of the market situation and taking into consideration the Fund's investment objective, policies. Accordingly, the exposure of each Fund to individual issuers, instruments or markets shall be determined from time to time solely by the Investment Manager in accordance with the Fund's investment objective, policies and restrictions. The Funds are not managed according to the tax regime of any Shareholder.

The list of Regulated Markets on which a Fund's investments in securities and financial derivative instruments, other than permitted investments in unlisted securities and OTC derivatives, will be listed or traded is set out in Appendix 2.

A Fund may invest in other Funds where provided for in Appendix 4 below of the investing Fund. Actual limits of such investment will be set out in Appendix 4 below and will be in accordance with the section headed **Investment in other collective investment schemes** under the Appendix 3. Cross investment in a Fund may not be made if that Fund holds Shares in another Fund.

3.4. **Investment Restrictions**

The investment restrictions for each Fund will be formulated by the Directors, in consultation with the Investment Manager, at the time of the creation of the Fund. The Articles provide that investments may only be made as permitted by the Articles and the Regulations.

In addition, the general investment restrictions in Appendix 3 apply to each Fund except where restrictions are expressly or implicitly disappplied in accordance with the requirements of the Central Bank. In that case, Appendix 4 below will set out the extent to which such investment restrictions do not apply for the relevant Fund and specify if any additional restrictions apply.

3.5. **Borrowing and Lending Powers and Restrictions**

The Company may borrow up to 10% of a Fund's Net Asset Value at any time and the assets of such Fund may be charged as security for any such borrowing, provided that such borrowing is only for temporary purposes. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding. The Company may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classed as borrowings for the purposes of the borrowing restrictions set out above provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding. Where the offsetting deposit is not denominated in the Base Currency of the relevant Fund, changes in the exchange rate between the Base Currency and the currency of the offsetting deposit may lead to a depreciation of the value of the offsetting deposit as expressed in the Base Currency.

Without prejudice to the powers of the Company to invest in transferable securities, money market instruments and other financial instruments referred to in paragraph 1 of the Investment Restrictions under the heading **Permitted Investments** above, the Company may not lend to, or act as guarantor on behalf of, third parties.

A Fund may acquire transferable securities, money market instruments and other financial instruments referred to in paragraph 1 of the Investment Restrictions above which are not fully paid. The Company may not carry out uncovered sales of transferable securities, money market instruments and other financial instruments.

A Fund may engage in leverage through the use of financial derivative instruments to the extent permitted by the Central Bank UCITS Regulations. The extent to which a Fund may be leveraged, if any, will be set out in Appendix 4 below.

Any particular borrowing restrictions for a Fund will appear in Appendix 4 below.

3.6. **Changes to Investment and Borrowing Restrictions**

It is intended that the Company shall have the power (subject to the prior approval of the Central Bank) to avail itself of any change in the investment and borrowing restrictions specified in the Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the Regulations.

3.7. **Use of FDI and Efficient Portfolio Management**

Where disclosed in Appendix 4 below, a Fund may utilise FDI dealt on a regulated market and/or OTC derivatives for investment purposes and/or for efficient portfolio management purposes, including for hedging against market movements, currency exchange or interest rate risks, subject to the general restrictions outlined in Appendix 3 and the conditions of, and within the limits laid down by, the Central Bank.

FDI can be used in a Fund in different ways, such as:

- (i) for hedging purposes with the aim to reduce the Fund's level of risk or to hedge the currency exposure in a hedged currency class of Shares; hedging may lead to correspondingly lower potential gains;
- (ii) as a replacement for direct investment in transferable securities in order to avail of cost or liquidity advantages of FDI over transferable securities; or
- (iii) for investment purposes to increase the level of investment above the level of investment of a Fund that is fully invested in transferable securities, with the aim of increasing returns (leverage). Such a strategy typically leads to an increase in the level of risk of the Fund; if the Fund employs FDI to increase the level of investment, it will do so within the limits set by the Central Bank.

Engagement in FDI may include short transactions in FDI (creating negative positions) which can lead to gains in the Fund if the prices of certain securities, investment markets or currencies fall, or to losses in the Fund if underlying prices rise. The ability to use strategies using FDI may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved.

Techniques and instruments utilised for the purposes of efficient portfolio management may only be used in accordance with the investment strategy of the relevant Fund. Any such technique or instrument should be reasonably believed by the Investment Manager to be economically appropriate to the efficient portfolio management of the relevant Fund, i.e., the use of such a technique or instrument may only be undertaken for the purpose of one or more of the following:

- (i) a reduction in risk;
- (ii) a reduction in cost; or
- (iii) an increase in capital or income returns to a Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in Regulation 70(1)(c) of the Central Bank UCITS Regulations.

The specific techniques and instruments to be utilised by a Fund (if any) will be set out in Appendix 4 below.

Subject to the terms set out in Appendix 4 below in respect of a Fund, the following FDI, techniques and instruments may be used by a Fund:

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Futures may also be used to equitise cash balances, both pending investment of a cash flow and with respect to fixed cash targets. Using futures to achieve a particular strategy instead of using the underlying or related security or index frequently results in lower transaction costs being incurred. Furthermore, with futures the duration of a portfolio can be changed (e.g. by the use of financial futures).

Options

An option is a contract whereby the contract buyer has the right, but not the obligation, to exercise a feature of the option, such as a specific quantity of a particular product, asset or financial instrument, on or before a future date (the exercise date). The "writer" (seller) has the obligation to honour the specified feature of the contract. Since the option gives the buyer a right and the seller an obligation, the buyer pays the seller a premium. Put options are contracts that give the option buyer the right to sell and call options are contracts that give the option buyer the right to buy from the seller of the option the underlying product or financial instrument at a specified price on, or before, the exercise date. Options may also be cash settled. A

combination of one call option and one put option, both with the same underlying, direction (long or short), strike, and expiration date is called a straddle. Options are used to hedge against the movements of a particular market or financial instrument, including futures, or to gain exposure to a particular market or financial instrument instead of using a physical security. Options can also be used, if sold (written), to earn income in form of the option premium. The potential risk of the use of options is the exposure of the option relative to the movement in the underlying's price.

Swaps

A standard swap is an agreement between two counterparties in which the cash flows from two assets are exchanged as they are received for a fixed time period, with the terms initially set so that the present value of the swap is zero. Swaps may extend over substantial periods of time, and typically call for the making of payments on a periodic basis. Many different types of swaps exist, including equity swaps, interest rate swaps or currency swaps. Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party are paid by one party to the other. Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency. These agreements are used to transform the currency denomination of assets and liabilities. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity. Moreover, there are the "quanto" or "differential" swaps. These combine both an interest rate and a currency transaction. Interest rate swaps can be used to hedge against or gain exposure to changes in certain segments of a yield curve, to change the duration of a portfolio or to benefit from anomalies in the make-up of yield curves. Likewise, other swap types can be used to transform the exposure to one product or parameter into that of another, for example exposure to one currency, financial instrument, collective investment scheme, index or basket to that of another. Swap counterparties may agree to exchange the proceeds of deposits, financial securities, money market instruments, units/shares of collective investment schemes, FDI, financial indices or security or index baskets against the proceeds of other deposits, financial securities, money market instruments, units/shares of collective investment schemes, FDI, financial indices or security or index baskets, subject to the above conditions. It is not intended that the counterparties to total return swaps entered into by a Fund assume any discretion over the composition or management of the Fund's investment portfolio or over the underlying of the FDI, or that the approval of the counterparty is required in relation to any portfolio transactions by the Fund.

Swaptions

Swaptions are contracts whereby one party receives a fee in return for agreeing to enter into a swap at a predetermined fixed rate if some contingency event occurs (normally where future rates are set in relation to a fixed benchmark). Swaptions can be used for hedging and investment purposes or, if sold, as a source of additional income in form of a premium.

Forwards

A forward contract locks in the price an index or asset may be purchased or sold at on a future date. In currency forward contracts (forward foreign exchange contracts), the contract holders are obligated to buy or sell a specified amount of one currency at a specified price with another currency on a specified future date. An interest rate forward determines an interest rate to be paid or received on an obligation beginning at a start date sometime in the future. A forward rate agreement ("FRA") is a forward contract where the parties agree that a certain interest rate will apply to a certain notional loan or deposit during a specified future period of time. A FRA is similar to an FX forward contract where the exchange rate for a future date is set in advance. Forward contracts may be cash settled between the parties. These contracts cannot be transferred but they can be "closed out" by entering into a reverse contract. Forwards can be used to alter the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, and shifting exposure to currency fluctuations from one currency to another. Forward foreign exchange contracts are specifically useful for the hedging in connection with Hedged Currency Classes of Shares of a Fund. FRAs are usually used to protect the borrower against rising interest rates. The purpose of a FRA is to guarantee the future interest rate, and there is no direct link between the FRA and the underlying loan. Borrowers use FRAs to gain interest rate certainty on a portfolio of loans, while investors use them to protect asset portfolios from decreasing interest rates.

Caps and Floors

Caps and floors are agreements under which the seller agrees to compensate the buyer if interest rates rise above a pre-agreed strike rate on pre-agreed dates during the life of the agreement. In return the buyer pays the seller a premium up front. A floor is similar to a cap except that the seller compensates the buyer if interest rates fall below a pre-agreed strike rate on pre-agreed dates during the life of the agreement. As with a cap, the buyer pays the seller a premium up front. Caps and floors can be used to hedge against interest rate changes or, if sold, to earn additional income in form of the premium.

Contracts for Differences (CFD)

A CFD is an agreement to exchange the difference between the opening and closing price of the position under the contract on various financial instruments. CFD trading is an effective and convenient speculative instrument for trading shares, indices, futures and commodities. A CFD allows a direct exposure to a market, sector or security without buying into the underlying market, sector or security directly. The financial instrument underlying a CFD contract is not delivered to the purchaser. A CFD on a company's shares will specify the price of the shares when the contract was started. The contract is an agreement whereby the party which is in profit on the closing day receives cash from the other party on the difference between the starting share price and the share price on the closing date of the contract. CFDs enable profits to be made from falling values of the underlying as easily as from rising values without actually selling short any assets. Therefore, CFDs can be used for hedging purposes as well as for gaining positive exposure to the underlying without the need for full capital expenditure (only a margin of usually 5 –10 % of the contract amount and a commission are payable).

Credit Derivatives

Credit derivatives can be defined as arrangements that allow one party (protection buyer or originator) to transfer credit risk of a reference asset, which it may or may not own, to one or more other parties (the protection sellers). Credit derivatives include credit default swaps, total return swaps and credit linked notes.

A credit default swap is a refined form of a traditional financial guarantee, with the difference that a credit default swap need not be limited to compensation upon an actual default but might even cover events such as downgrading, apprehended default etc. In a credit default swap, the protection seller agrees, for an upfront or continuing premium or fee, to compensate the protection buyer upon the happening of a specified event, such as a default, downgrading of the obligor, apprehended default etc. If an event of default occurs, the seller must pay the buyer the "par value", or some other amount based on a designated reference or strike price, of the reference obligation in exchange for the reference obligation. A credit default swap covers only the credit risk inherent in the asset, while risks on account of other factors, such as interest rate movements, remains with the originator. A Fund may buy or sell credit default swaps. If a Fund is a buyer and no event of default occurs, the Fund will lose its investment and recover nothing. However, if an event occurs, a Fund (if the buyer) will receive the full notional value of the reference obligation. As a seller, a Fund receives a fixed rate of income throughout the term of the contract, which typically is between six months and three years, provided that there is no default event. If an event of default occurs, the seller must pay the buyer the full notional value of the reference obligation.

As the name implies, a total return swap is a swap of the total return out of an asset against a contracted predefined return. The total return out of an asset can be affected by various factors, some of which may be quite extraneous to the asset in question, such as interest rate movements, exchange rate fluctuations etc. Nevertheless, the protection seller here guarantees a predefined return to the buyer, who, in turn, agrees to pass on the entire returns from the asset to the protection seller, i. e. the protection buyer swaps the total return from an asset for a predefined return.

Credit linked notes are a securitised form of credit derivatives and are regarded as transferable securities. The protection buyer issues notes whereas the investor who buys the notes has to suffer either a delay in repayment or has to forego interest if a specified credit event, such as default or bankruptcy, takes place. This device also transfers merely the credit risk and not other risks involved with the credit asset.

Credit default products may be cash settled or involve the physical delivery of an obligation of the reference entity following a default. The reasons for using credit derivatives include the protection against the risk of deterioration of the creditworthiness of credit takers and, for the protection seller, earning income in form of premiums.

Structured Products

Structured products usually have the legal form of transferable securities but contain economic characteristics of FDI. Due to their characteristics or elements of FDI they are included in the Investment Manager's risk management process. Structured products can be defined as any financial instrument into which at least one FDI or derivative element is embedded, unless the embedded derivative (element) has no significant influence on the risk profile and pricing of the financial instrument, or it is absolutely clear that no inadmissible risk will be attached to a Fund through this financial instrument. Examples of securities which have a derivative element but are not regarded as structured products for the above-mentioned reasons are callable, puttable, perpetual, revenue, rating-linked and inflation-linked bonds. These are regarded as standard transferable securities. Many structured products are listed for trading on an exchange. Structured products may also be traded OTC. Structured products are often issued in the form of certificates or notes, which are commonly referred to as certificates and structured notes respectively. Examples of structured products include notes and certificates which are linked to fixed income indices, interest rate indices or equity indices; equity linked notes or certificates; convertible securities including convertible bonds; exchangeable securities; asset or mortgage backed securities (synthetic) and credit linked notes (for the latter see under credit derivatives). Structured products can be used to tailor investments into a specific scenario, to eliminate certain risks that are undesired (FX, credit, interest rates) or to offer profit potential with a known downside. As such, they can be used for tailored hedging strategies as well as investment purposes in that they provide investors with an opportunity to take advantage of views not only about the direction of interest rates but also the volatility, the range, the shape of the term structure (i. e., long term rates vs. short term rates), and the direction of commodity and equity prices.

The main feature of index certificates and index linked notes on fixed income or interest rate indices is that the coupons and/or redemption amounts depend on the development of fixed income or interest rate indices. Similarly, the redemption amounts of index certificates and index linked notes on equity indices depend on the performance of an equity index. The value of such certificates or notes normally corresponds to the underlying index, equity or equity basket which sometimes is adjusted by a subscription and/or foreign exchange factor.

Convertible and exchangeable securities are securities which contain the right to convert the securities into equities at a predefined price or conversion/exchange ratio. These equities can be stocks/shares of the issuer (convertibles) or of another company (exchangeable). The conversion right can be held by the investor or by the issuer (reverse convertible).

Asset and mortgage backed securities are securities which are covered by miscellaneous types of liabilities. These liabilities are not the property of the issuer. In a synthetic asset and mortgage backed structure the credit risk from these liabilities is transferred synthetically to the creditor of the securities by credit linked notes or credit default swaps.

A warrant in the classic sense is a security that entitles the holder to buy stock of the company that issued it at a specified price. Warrants have similar characteristics to call options, but are typically issued together with preferred stocks or bonds or in connection with corporate actions and are usually of little value. There are other types of warrants, including (without limitation) currency warrants and index warrants which are issued by financial institutions and may or may not be exchange traded. Such warrants may have the characteristics of call or put options. From a commercial aspect, warrants work in a similar way as options.

Rights are securities giving shareholders in a company entitlement to purchase new shares of the company at a predetermined price (normally less than the current market price) in proportion to the number of shares already owned. Rights are issued only for a short period of time, after which they expire.

Hybrid Securities

Hybrid securities are securities that combine two or more financial instruments, for example a traditional stock or bond with an option or forward contract. Generally, the principal amount payable upon maturity or redemption, or interest rate of a hybrid security, is tied (positively or negatively) to the price of some currency or securities index or another interest rate or some other factor (each called a "benchmark"). The interest rate or (unlike most fixed income securities) the principal amount payable at maturity of a hybrid security may be increased or decreased, depending on the changes in the value of the benchmark. Hybrid securities combine the most advantageous features of debt and equity with the aim of reducing the issuing companies' tax bills, reducing financing costs and bolstering their credit ratings. Reasons for a Fund to use

hybrid securities include exploiting their hedging potential and earning additional income in the form of higher yields than standard securities.

Repurchase Agreements, Reverse Repurchase Agreements and Stocklending Agreements

In a repo contract, one party sells securities or money-market instruments to the other party and either:

- (i) the parties agree to repurchase and resell, respectively, the securities or money-market instruments at a price fixed and within a period of time agreed to when the agreement was entered into; or
- (ii) one party has the right to resell to the other party or require the other party to resell the securities or money-market instruments at a price fixed and within a period of time agreed to when the agreement was entered into.

The securities and money-market instruments that are subject to a repo contracts may not be sold during the life of the agreement and the Fund holding such agreement must at all times be able to comply with its contractual obligations.

A Fund may enter into stocklending (also referred to as “securities lending”) agreements for the purpose of generating additional returns and within the limits and conditions set out above. The borrower in a securities lending agreement borrows securities or money-market instruments for a period of time, for example to cover delivery obligations. The lender lends securities or money-market instruments it holds for the purpose of generating additional returns. In accordance with normal market practice, borrowers may be required to provide collateral to the Company of a value of at least equal to the market value of any securities loaned in accordance with the Company' collateral policy as set out in section 3.8 below. The Company shall ensure that income generated from these arrangements will accrue to the relevant Fund net of any operational costs/ fees, including transaction expenses in connection with such loans. For securities lending made with connected persons of the Depositary, it must be made on arm's length commercial terms as detailed in section 5.7 below.

For the purpose of providing margin or collateral in respect of transactions in FDI, the Company may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Fund.

Before utilising any FDI on behalf of a Fund, a suitable risk management process report must be being submitted to and cleared by the Central Bank, which specifies for that purpose, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in any FDI applicable to a Fund. A Fund will not employ any instruments that are not included in the existing risk management process which has been cleared by the Central Bank. Prior to investing in financial derivative instruments which are not included in the cleared risk management process, a revised risk management process report will be cleared by the Central Bank.

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

Investors should refer to the **Risk Factors** section in this Prospectus for an overview of the risks associated with the use of FDI and techniques and instruments for investment and/or efficient portfolio management purposes.

Operational Costs/Fees

Direct and indirect operational costs and/or fees arising from the use of techniques and instruments for efficient portfolio management purposes on behalf of a Fund may be deducted from the revenue delivered to the relevant Fund. These costs and/or fees will be charged at normal commercial rates and will not include hidden revenue.

Where applicable, the entities to which such direct and indirect operational costs and/or fees have be paid during the annual period to the relevant accounting year end of the Fund (including whether such entities are related to the Company or Depositary) will be disclosed in the annual report for such period.

3.8. Collateral Policy

Non Cash Collateral

Non-cash collateral must, at all times, meet with the following requirements:

- (i) **Liquidity:** Non-cash collateral 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 UCITS Regulations (paragraphs 5.1-5.3 in Appendix 3);
- (ii) **Valuation:** Collateral must be capable of being 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;
- (iv) **Correlation:** Collateral received should be issued by an entity that is independent from the counterparty. There should be a reasonable ground to expect that it would not display a high correlation with the performance of the counterparty;
- (v) **Diversification (asset concentration):**
 - (a). Subject to sub-paragraph b. below, collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Net Asset Value of the relevant Fund. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.
 - (b) 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, provided that the Fund receives securities from at least 6 different issues, with securities from any one issue not exceeding 30% of the Net Asset Value of the Fund. Please see section 2.12 of the section of Appendix 3 for individual issuers.
- (vi) **Immediately available:** Collateral received should be capable of being fully enforced by the Company at any time without reference to or approval from the relevant counterparty; and

Non-cash collateral received cannot be sold, pledged or reinvested by the Fund.

Cash Collateral

Reinvestment of cash collateral must be in accordance with the following requirements:

- (i) cash received as collateral may only be invested in the following:
 - (a) deposits with a credit institution authorised in the European Economic Area (EEA) (EU Member States, Norway, Iceland, Liechtenstein), a credit institution authorised within a signatory state, other than an EU Member State or a Member State of EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand (the Relevant Institutions);
 - (b) high quality government bonds;

- (c) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on an accrued basis;
- (d) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049);
- (ii) invested cash collateral must be diversified in accordance with the paragraph entitled **Diversification (asset concentration)** above;
- (iii) invested cash collateral may not be placed on deposit with the counterparty or a related entity.

Level of Collateral Required

Unless otherwise specified in in Appendix 4 below for a Fund, the levels of collateral required are as follows:

Repurchase agreements	at least 100% of the exposure to the counterparty
Reverse repurchase agreements	at least 100% of the exposure to the counterparty
Lending of portfolio securities	at least 100% of the exposure to the counterparty
OTC derivatives	Such collateral to ensure, in any event, that counterparty exposure is managed within the limits set out in Appendix 3

Haircut Policy

In advance of a Fund entering into OTC derivative transactions, repurchase and reverse any, haircut may be required and acceptable for each class of asset to be received as collateral, which will be set out in the agreement with the relevant counterparty or otherwise documented at the time of entering into such agreement. Such haircut will take into account the characteristics of the asset such as the credit standing or price volatility of the assets received as collateral and, where applicable, the outcome of any stress test performed in accordance with the Central Bank's requirements.

3.9. Share Class Hedging

The Company may (but is not obliged to) enter into certain currency and/or interest rate related transactions in order to hedge the currency and/or interest rate exposure of the assets of a Fund attributable to a particular Share Class for the purposes of efficient portfolio management. In addition, a Currency Share Class may be hedged against exchange rate fluctuation risks between the denominated currency of the Currency Share Class and the Base Currency of the Fund in which that Class of Shares is issued. Any financial instruments used to implement such strategies with respect to one or more Hedged Currency Share Classes shall be assets/liabilities of a Fund as a whole but will be attributable to the relevant Hedged Currency Share Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Currency Share Class. Where a Share Class is to be hedged this will be disclosed in in Appendix 4 below for the Fund in which such Share Class is issued. Any currency rate exposure of a Hedged Currency Share Class may not be combined with or offset against that of any other Share Class of a Fund. The currency rate exposure of the assets attributable to a Hedged Currency Share Class may not be allocated to other Share Classes. Where the Company seeks to hedge against currency and/or interest rate fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, over-hedged positions will not exceed 105% of the Net Asset Value of the relevant Share Class and hedged positions will be kept under review to ensure that positions materially in excess of 100% of the Net Asset Value will

not be carried forward from month to month. To the extent that hedging is successful for a particular Hedged Currency Share Class the performance of the Hedged Currency Share Class is likely to move in line with the performance of the underlying assets with the result that Shareholders in that Hedged Currency Share Class will not gain if the Hedged Currency Share Class currency falls against the Base Currency and/or the currency in which the assets of the particular Fund are denominated. A Hedged Share Class will not be leveraged as a result of such currency hedging transactions.

In the case of an Unhedged Currency Share Class a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates. The value of the Share expressed in the Share Class currency will be subject to exchange rate risk in relation to the Base Currency.

3.10. Dividend Policy

The Directors decide the dividend policy and arrangements relating to each Fund in accordance with the provisions of the Articles and, where applicable, details are set out in Appendix 4 below. The current dividend policy for Distributing Shares is to distribute net income received by and due to a Fund, including income equalisation, for a relevant period. The Company may also decide to distribute realised and unrealised gains less realised and unrealised losses incurred during a relevant period. The Company may, but is not obliged to, take account of taxation considerations in determining the amount of any distributions to be paid. No declarations or distributions shall be made in respect of the Accumulating Shares. Accordingly, any distributable income will remain in the relevant Fund's assets and will be reflected in the Net Asset Value of the Accumulating Shares.

Dividends payable to Shareholders will be paid by electronic transfer to the bank account designated by the Shareholder in the original Application Form (or as otherwise agreed with the Directors) at the expense of the payee and will be paid within the time frame as provided for in Appendix 4 below. Distribution payments in cash will be made in the currency of denomination of the relevant Share Class unless provided otherwise in Appendix 4 below. The Company, or the Administrator on its behalf, shall be entitled to deduct from the distribution such amount as may be necessary to discharge any liability to tax in respect of such distribution and shall arrange to discharge the amount of tax due. Until payment, dividend proceeds may be held in the Umbrella Cash Subscriptions and Redemptions Account. The payee of such dividend proceeds from the Umbrella Cash Subscriptions and Redemptions Account will be an unsecured general creditor of the particular Fund with respect to the dividend proceeds held in the Umbrella Cash Subscriptions and Redemptions Account. Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of dividend proceeds.

The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. A Shareholder may request the Company instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same.

The Company may where the amount of the distribution payable to a Shareholder is less than EUR 250 or an equivalent amount in another currency treat the distribution, less any tax required to be deducted therefrom, as a subscription by that Shareholder for Shares of the same Class of Shares. The distribution will be reinvested by reference to the first Subscription Price to be calculated after the distribution is paid, except that Subscription Charge will be payable.

Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of dividend payments. In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the Fund until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which such dividend will be paid.

Dividends not claimed within six years from their due date will lapse and revert to the relevant Fund.

The dividend policy for each Fund and the type of Shares available therein are set out in Appendix 4 below. Any change in the dividend policy for a Fund will be notified to all Shareholders in that Fund in advance and full details of such a change will be provided in an updated Prospectus.

4. RISK FACTORS

4.1. General

The risks described below should not be considered to be an exhaustive list of the risks which potential investors should consider in addition to all of the information in this Prospectus, including the risk profile for the Fund, before investing in a Fund. Different risks may apply to different Funds and/or Classes. Details of risks specific to any Fund or Class in addition to those set out below will be disclosed in Appendix 4 below. Potential investors should be aware that an investment in a Fund may also be exposed to normal market fluctuations and other risks from time to time. Although care is taken to understand and manage the risks described below, the Funds and accordingly the Shareholders in the Funds will ultimately bear the risks associated with the investments of the Funds. Potential investors should consult their professional financial and tax advisers before making an investment. The difference at any one time between the Subscription Price (to which may be added a Subscription Charge) and the redemption price of Shares (from which may be deducted a Redemption Charge) means an investment should be viewed as medium to long term.

Among the principal risks of investing in the Funds which could adversely affect their Net Asset Value, yield and total return, are:

4.2. Investment Risk

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 a Fund. The capital return and income of a Fund are based on the capital appreciation and income on the securities held, less expenses incurred. Therefore, a Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income. Neither the Investment Manager, the Company nor any third parties offer any guarantee with regard to the performance of a Fund. The Subscription Charge levied when Shares are purchased could reduce, or even erode, any returns on an investment, particularly if the period of investment is short. If Shares are redeemed in order to invest the proceeds in another type of investment, the investor may, in addition to the costs already incurred (e.g. the Subscription Charge for the purchase of Shares), incur additional costs, such as sales charges for the purchase of other units. These events and circumstances could result in Shareholder losses.

4.3. General Market Risk

By investing directly or indirectly in securities and other assets, a Fund is exposed to general market trends, especially on the securities markets. The complex and, at times, irrational factors which underpin general market trends can under certain circumstances even result in significant and long lasting falls in securities prices affecting the entire market. Securities issued by highly-rated issuers are subject to general market risk in essentially the same way as other securities and assets.

4.4. Company-Specific Risk

Changes in the market price of securities and other instruments held directly or indirectly by a Fund are also dependent on company-specific factors, for example, the issuer's business situation. If these company-specific factors deteriorate, the price of the particular security may drop significantly and permanently, regardless and independent of general stock market trends, either positive or negative.

4.5. Investment Risk

The issuer of a security held directly or indirectly by a Fund or the debtor of a Fund may become insolvent. This could result in the corresponding asset of the Fund becoming economically worthless.

4.6. Risk of Settlement Default

An additional risk exists, particularly in the case of investments in unlisted securities, that settlement through a transfer system will not take place as expected due to payments or deliveries being delayed or not being agreed.

4.7. Risk of Insolvency

The issuer of a security held directly or indirectly by a Fund or the debtor of a claim held directly or indirectly by a Fund may become insolvent. This could result in the corresponding asset of the Fund becoming economically worthless.

4.8. Counterparty Risk

Where a Fund's investments are not dealt on a stock exchange or a regulated market (OTC transactions), there is a risk additional to the general risk of insolvency that the counterparty of the trade may default or not completely fulfil its obligations. This applies in particular to transactions involving FDI and techniques and instruments used for the purpose of efficient portfolio management purposes.

4.9. Political Risks

The value of a Fund's assets may be affected by uncertainties, such as political developments, changes in government policies, taxation and currency repatriation and restrictions on foreign investment. Adverse developments in these areas can result in losses to a Fund.

4.10. Country/Transfer Risk

Economic or political instability in countries in which a Fund is invested may result in the Fund not receiving the full amount or any of the monies to which it is entitled regardless of the solvency of the issuer of the particular security or asset. Currency or transfer limitations or other legal changes, for example, may be of significance in this regard.

4.11. Portfolio Currency Risk

A Fund's investments and, where applicable, the investments of any collective investment scheme in which a Fund invests, may be acquired in a wide range of currencies other than the Base Currency of the Fund. Changes in the exchange rate between the Base Currency of the Fund and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The Investment Manager may, but is not obliged to, mitigate this risk by using financial instruments.

A Fund may from time to time utilise techniques and instruments to seek to protect (hedge) currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline.

A Fund may enter into currency exchange and other transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency or interest rate, they also limit any potential gain that might be realised should the value of the hedged currency or interest rate increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations. Fund performance may be strongly influenced by movements in FX rates because currency positions held by the Fund may not always correspond with the securities positions held.

4.12. Share Class Currency Risk

A Currency Share Class will be denominated in a currency other than the Base Currency of the Fund. Changes in the exchange rate between the Base Currency and such denominated currency of a Currency Share Class may lead to a depreciation of the value of such Shares as expressed in the denominated currency. The Investment Manager may try but is not obliged to mitigate this risk by using financial instruments such as those described under the heading **Portfolio Currency Risk**, for Hedged Currency Share Classes provided that such instruments shall in no case exceed 105% of the Net Asset Value attributable to the relevant Hedged Currency Share Class of the Fund. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Hedged Currency Share Class from benefiting if the denominated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances Shareholders of the relevant Hedged Currency Share Class of the Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Currency Share Class of the Fund.

4.13. Industry Risk

Where a Fund focuses its investments on a limited number of industries, the level of risk diversification is reduced. Consequently, such a Fund's performance is particularly dependent on general commercial developments and corporate profitability trends not only in these industries but also in industries that impact on companies whose securities are within a Fund's investment focus.

4.14. Country and Region Risk

Where a Fund focuses its investments on a limited number of countries or regions, the level of diversification is also reduced. Consequently, such a Fund's performance is particularly dependent on the development of individual or related countries and regions, and of companies based and operating in those countries or regions.

4.15. Concentration Risk

Where a Fund focuses its investments on a limited number of markets or types of investment, it will not enjoy the same level of diversification of risks across different markets or types of investment which would be possible if investments were not so concentrated. Consequently, such a Fund is particularly dependent on the development of these investments as well as of individual or related markets or of companies included in those markets.

4.16. Liquidity Risk

Even relatively small orders for sales or purchases of illiquid securities (being securities that cannot be sold readily) can lead in particular to significant price changes. If an asset is not liquid, there is the risk that it cannot be sold or that it can only be sold at a significant discount to the purchase price. The purchase of an illiquid asset may cause its purchase price to increase significantly.

4.17. Custodial Risk

A Fund could be denied access, in whole or in part, to investments held in custody in case of the bankruptcy, negligence, wilful misconduct or fraudulent activity on the part of the Depositary or its sub-custodian.

4.18. FDI and Efficient Portfolio Management Techniques and Instruments (EPM)

Subject to the Investment Policy of a Fund specified in Appendix 4 below, a Fund may use FDI for hedging and investment purposes and may use EPM techniques and instruments such as repurchase agreements, reverse repurchase agreements and stocklending agreements. Each Fund may seek to protect or enhance its returns by using FDI and EPM techniques and instruments in accordance with this Prospectus. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved. The use of FDI and EPM techniques and instruments involves investment risks and transaction costs to which a

Fund would not be subject if such Fund did not use these strategies. If the predictions of movements in the direction of the respective underlying(s) are inaccurate, the adverse consequences to a Fund may leave a Fund in a worse position than if such strategies were not used.

Risks inherent in the use of FDI and EPM techniques and instruments include, but are not limited to:

- (i) the dependence on the ability to predict correctly movements in the direction of the underlying interest rates, securities prices, currency markets or other parameters;
- (ii) the possibly imperfect correlation between the price of FDI and movements in their underlying interest rates, securities prices, currency markets or other parameters;
- (iii) the fact that skills needed to use these strategies are different from those needed to select securities;
- (iv) the possible absence of a liquid secondary market for any particular instrument at any time;
- (v) the possible inability of a Fund to purchase or sell an instrument at a time that otherwise would be favourable for it to do so, or the possible need for a Fund to sell an instrument at a disadvantageous time;
- (vi) the potential loss arising from the use of FDI and EPM techniques and instruments may not be predictable and may even exceed the margins or other collateral paid;
- (vii) the risk of insolvency or default of a counterparty;
- (viii) the risk, in particular in the case of OTC FDI or EPM techniques and instruments, that the relevant documentation might not accurately reflect the terms agreed or be legally enforceable or the risk of loss due to the unexpected application of a law or regulation; and
- (ix) potential conflicts of interests as detailed in section 5.6 of this Prospectus.

Futures Contracts

Positions in futures contracts may be closed out only on an exchange that provides a secondary market for such futures. However, there can be no assurance that a liquid secondary market will exist for any particular futures contract at any specific time. Thus, it may not be possible to close a futures position. In the event of adverse price movements, a Fund would continue to be required to make daily cash payments to maintain its required margin. In such situations, if a Fund has insufficient cash, it may have to sell portfolio securities to meet daily margin requirements at a time when it may be disadvantageous to do so. In addition, a Fund may be required to make delivery of the instruments underlying futures contracts it holds. The inability to close options and futures positions also could have an adverse impact on the ability to effectively hedge the Fund. The risk of loss in trading futures contracts in some strategies can be substantial, due both to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a futures contract may result in immediate and substantial loss (as well as gain) to the investor. Thus, a purchase or sale of a futures contract may result in losses in excess of the amount of investment in the contract. The relevant Fund also incurs the risk that the Investment Manager will incorrectly predict future stock market trends. Utilisation of futures transactions by a Fund does involve the risk of imperfect or no correlation where the securities underlying the futures contracts have different maturities than a Fund's securities being hedged. It is also possible that a Fund could both lose money on futures contracts and also experience a decline in the value of its other securities. There is also a risk of loss by a Fund of margin deposits in the event of the bankruptcy of a broker with whom a Fund has an open position in a futures contract or related option. Finally, futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as **daily price fluctuation limits** or **daily limits**. Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Fund from liquidating unfavourable positions.

Forward Trading

Forward contracts and options thereon, unlike futures 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. Forward and **cash** 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. Market illiquidity or disruption could result in major losses to a Fund.

Foreign Exchange Transactions

Where a Fund utilises FDI which alter the currency exposure characteristics of transferable securities held by the Fund, the performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Options

Because option premiums paid or received by a Fund will be small in relation to the market value of the investment underlying the options, trading in options could cause a Fund's Net Asset Value to be subject to more frequent and wider fluctuations than would be the case if a Fund did not utilise options. Upon the exercise of a put option written by a Fund, it may suffer a loss equal to the difference between the price at which a Fund is required to purchase the underlying asset and its market value at the time of the option exercise, less the premium received for writing the option. Upon the exercise of a call option written by a Fund, it may suffer a loss equal to the excess of the market value of the asset at the time of the option's exercise over the price at which the Fund is obliged to sell the asset, less the premium received for writing the option. No assurance can be given that a Fund will be able to effect closing transactions at a time when it wishes to do so. If a Fund cannot enter into a closing transaction, it may be required to hold assets that it might otherwise have sold, in which case it would continue to be at market risk on such assets and could have higher transaction costs, including brokerage commissions. In addition, options that are not exchange traded will subject a Fund to risks relating to its counterparty, such as the counterparty's bankruptcy, insolvency, or refusal to honour its contractual obligations.

Swaps

Payments under a swap contract may be made at the conclusion of the contract or periodically during its term. If there is a default by the counterparty to a swap contract, a Fund will be limited to contractual remedies pursuant to the agreements 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 Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to swap contracts. In addition, because swap contracts are individually negotiated and ordinarily non-transferable, there also may be circumstances in which it would be impossible for a Fund to close out its obligations under the swap contract. Under such circumstances, a Fund might be able to negotiate another swap contract with a different counterparty to offset the risk associated with the first swap contract. Unless a Fund is able to negotiate such an offsetting swap contract, however, it could be subject to continued adverse developments, even after the Investment Manager has determined that it would be prudent to close out or offset the first swap contract. The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary portfolio securities transactions. If the Investment Manager is incorrect in its expectations of market values or interest rates, the investment performance of a Fund would be less favourable than it would have been if the swap were not entered into.

Credit Default Swaps

Credit default swaps (**CDS**) provide a measure of protection against defaults of debt issuers. A Fund's use of CDS does not assure their use will be effective or will have the desired result.

The buyer in a CDS contract is obliged to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. If the Fund is a buyer and no credit event occurs the Fund's losses will be limited to the periodic stream of payments over the term of the contract. As a seller, the Fund will receive a fixed rate of income throughout the term of the contract, provided that there is no credit event. If a credit event occurs, the seller must pay the buyer the full notional value of the reference obligation.

There is no assurance that CDS counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to CDS contracts. As a buyer of a CDS, the Fund is exposed to the failure to make payment by the counterparty in the event of a credit event. As a seller of a CDS, the Fund is exposed to non-payment of the periodic stream of payments over the term of the contract and to the full notional value of the reference obligation in the event of a credit event.

Structured Notes

The structured note needs to be bifurcated between the host contract and the embedded derivative. The embedded derivative (e.g. an option) then needs to be viewed as a stand-alone FDI for risk management purposes and is subject to the same risks as the equivalent FDI.

A Fund may not be able to hedge its exposure to the underlying derivative should it wish to do so due to the possibility of there not being availability on the market of an equivalent offsetting FDI. Sale of a structured note may also not be possible as they may also be illiquid as discussed above under Liquidity Risk.

Structured notes will subject a Fund to risks relating to its counterparty, such as the counterparty's bankruptcy, insolvency, or refusal to honour its contractual obligations.

Repurchase Agreements

The value of the security purchased may be more or less than the price at which the counterparty has agreed to purchase the security. If the other party to a repurchase agreement should default, the Fund might suffer a delay or loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund in connection with the repurchase agreement are less than the repurchase price. In addition, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or its failure to repurchase the securities as agreed, the Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement.

Reverse Repurchase Agreements

Reverse repurchase transactions involve risks in that (a) in the event of the failure of the counterparty with which cash of a Fund has been placed there is the risk that collateral received may realise less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; and that (b) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment.

Stock-Lending Risk

As with any extensions of credit, there are risks of delay and recovery. 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. However, a Fund could experience delays and costs in recovering the securities loaned or in gaining access to the collateral. The collateral will typically be maintained at a value of at least equal to the market value of any securities loaned. However in the event of a sudden market movement there is a risk that the value of the collateral may fall below the value of the securities transferred.

Counterparty Risk

The Funds will be exposed to a credit risk on the counterparties with which they trade in relation to non-exchange traded contracts. Non-exchange traded contracts are not afforded the same protections as may apply to participants trading such contracts on organised exchanges, such as the performance guarantee of an exchange clearing house. Non-exchange traded contracts are agreements specifically tailored to the needs of an individual investor which enable the user to structure precisely the date, market level and

amount of a given position. The counterparty for these agreements will be the specific company or firm involved in the transaction rather than a recognised exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which a Fund trades such contracts could result in substantial losses to a Fund. If settlement never occurs the loss incurred by the Fund will be the difference between the price of the original contract and the price of the replacement contract or, in the case where the contract is not replaced, the absolute value of the contract at the time it is voided. Furthermore, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the Fund meets its settlement obligations but the counterparty fails before meeting its obligations under the relevant contract. Furthermore, if the creditworthiness of a derivative counterparty declines, the risk that the counterparty may not perform could increase, potentially resulting in a loss to the portfolio. Regardless of the measures a Fund may implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that a Fund will not sustain losses on the transactions as a result.

OTC Markets Risk

Where any Fund acquires securities on OTC markets, there is no guarantee that the Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

Collateral Risk

Cash received as collateral may be invested in other eligible securities, including shares of a short term money market fund in accordance with the requirements of the Central Bank. Investing this cash subjects that investment, as well as the securities loaned, to market appreciation or depreciation and the risks associated with such investments, such as failure or default of the issuer of the relevant security.

4.19. Emerging Markets Risks – Liquidity and Settlement Risks

Shareholders should note that emerging markets are less liquid and more volatile than stock markets in developed markets and this may result in fluctuations in the prices of the Shares in a Fund. In addition, market practices in relation to the settlement of securities transactions and the custody of assets could provide increased risk. In particular, some of the markets in which a Fund may invest do not provide for settlement on a delivery-versus-payment basis and the risk in relation to such settlements has to be borne by the Fund.

4.20. Emerging Markets Risks – Regulatory Risks and Accounting Standards

It should be remembered that the legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of shareholder protection or information to investors as would generally apply internationally. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from international accounting standards. This may affect the valuation of a Fund's assets.

4.21. Emerging Markets Risks – Custodial Risks

Investments in emerging markets are currently subject to certain heightened risks with regard to the ownership and custody of securities. In certain countries, ownership is evidenced by entries in the books of a company or its registrar. In such instances, no certificates representing ownership of companies will be held by the Depositary or any of its local correspondents or in an effective central depository system. As a result of this system and the lack of effective state regulation and enforcement, a Fund, completely outside of its control, could lose its registration and ownership of securities through fraud, negligence or even mere oversight.

4.22. Fund Size Risk

Given the risks to which a Fund is exposed, its capital may decrease due to a fall in asset values. Similarly, the size of a Fund may decline due to a high level of redemptions or conversions of a Fund's Shares or the payment of distributions. A reduction in the size of a Fund could make the Fund uneconomic and this could in turn lead to a decision to terminate the Fund and, potentially, to Shareholders suffering losses.

4.23. Risk of Dealing Restrictions and Compulsory Actions

The redemption or exchange of the Shares in a Fund may be subject to restrictions. If the redemption of Shares in a Fund is temporarily suspended or if the Directors decide to exercise their discretion to restrict the number of Shares redeemed to 10 % of the outstanding Shares in a Fund on a particular Dealing Day, Shareholders would be compelled to remain invested in the Fund for a longer period of time than originally intended or desired with the consequence that their investments continue to be subject to the risks inherent to the Fund. If a Fund is terminated by the compulsory repurchase of Shares or if the Company exercises the right to compel the redemption or exchange of Shares in a Fund, Shareholders will no longer have the opportunity to remain invested in a Fund. The same applies if a Fund or Class of Shares held by the investors merges with another fund, in which case the investors automatically become shareholders in another fund. The Subscription Charge levied when Shares are acquired could reduce or even erode any returns on an investment, particularly if the period of investment is short. If Shares are redeemed in order to invest the proceeds in another type of investment, the investor may, in addition to the costs already incurred (e.g. the Subscription Charge for the purchase of Shares), incur additional costs, such as an initial charge for the purchase of other units. These events and circumstances could result in investor losses.

4.24. Inflation Risk

Inflation risk is the risk that assets will lose value because of a decrease in the value of money. Inflation can reduce the purchasing power of gains made on an investment in a Fund. Different currencies are subject to different levels of inflation risk.

4.25. Risk of General Changes

Over time, the framework (e.g. economic, legal or tax) within which an investment is made may change. This could have a negative effect on the investment and on the treatment of the investment by the Shareholder.

4.26. Risk of Changes in Constitutional Documentation, Investment Objective and Policies and General Conditions

The Articles, the investment objective and/or policies of a Fund and other general conditions may change subject to, in certain cases, the approval of Shareholders. Changes of this nature can alter the nature of the risks of a Fund.

4.27. Key Person Risk

Funds which have achieved positive investment performance in the past may attribute this success to the skills, qualifications and expertise of certain personnel making investment management decisions. As the composition of personnel within an organisation can change over time, there is a risk that new personnel may achieve less success than their predecessors.

4.28. Risk of Transaction Costs due to Subscriptions, Exchanges and Redemptions Affecting the Entire Fund as well as the Individual Class

As a result of subscriptions for, exchanges or redemptions of Shares, investment transactions in the form of purchases (investment of subscription proceeds) and sales (generation of liquidity for redemptions) take place. These transactions give rise to costs, which, especially if there are significant net subscriptions or net redemptions (including the subscription and redemption parts respectively of conversions) on a Dealing Day, can have a negative impact on the Net Asset Value of a Fund including the Class of Shares which had significant net subscriptions or redemptions.

4.29. Risk of Interest Rate Changes

To the extent that a Fund invests directly or indirectly in interest-bearing assets, it is exposed to risk of interest rate changes. If the prevailing interest rate increases, the price of the interest-bearing assets held by the Fund may drop significantly. This applies to an even greater degree if the Fund holds interest-bearing assets with a longer period to maturity and a lower nominal interest rate.

4.30. Creditworthiness Risk

The creditworthiness (solvency and willingness to pay) of the issuer of a security or money-market instrument held directly or indirectly by a Fund may fall. This usually leads to a decline in the price of the security or money market instrument over and above general market fluctuations.

4.31. **Real Estate Funds Risks**

The ability to trade REITS in the secondary market can be more limited than other stocks.

4.32. **Performance Fee Risk**

Where performance fees are payable, these will be based on net realised and net unrealised gains and losses as at the end of each calculation period. As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

4.33. **Specific Risks of Investing in Target Funds**

If a Fund uses other collective investment schemes (**target funds**) as an investment vehicle for its assets by acquiring units/shares in such target funds, it assumes, in addition to the risks generally associated with investment policies of the target funds, the risks that result from the structure of the target fund vehicle. As a result it is itself subject to, among other risks: fund size risk; the risk of settlement default; the risk of dealing restrictions and compulsory actions; the risk of general changes; the risk of changes in constitutional documentation, investment objective and policies and general conditions; key person risk; the risk of transaction costs due to subscriptions, conversions and redemptions affecting the entire fund as well as the individual class; and, in general, investment risk.

The fund managers of different target funds operate independently of one another. This may lead to several target funds assuming opportunities and risks in the same or related markets or assets, which concentrates the opportunities and risks of the Fund holding these target funds on the same or related markets or assets. It could also have the effect of cancelling out the economic opportunities and risks assumed by the different target funds.

If a Fund invests in target funds, costs are regularly incurred both at the level of the Fund making the investment and at the level of the target funds, in particular management fees (fixed and/or performance-related), depositary fees and other costs; these result in increased charges to the investors in the Fund making the investment.

4.34. **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 under Irish law. However, 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.

4.35. **Umbrella Cash Subscription and Redemption Account**

Subscription monies received in respect of a Fund in advance of the issue of Shares will be held in the umbrella cash subscriptions and redemptions account (**Umbrella Cash Subscriptions and Redemptions Account**) in the name of the Company and will be treated as an asset of the relevant Fund.

In consideration of the issue of Shares, the subscription proceeds are transferred to the relevant Fund custody cash account at the Settlement Date. Until the issue of Shares with reference to the relevant Valuation Point on the Dealing Day, the entitlement of Applicants to the subscription monies paid into the Umbrella Cash Subscriptions and Redemptions Account is that of an unsecured creditor of the relevant Fund with respect to the amount subscribed and held in the Umbrella Cash Subscriptions and Redemptions Account. Investors do not become a Shareholder until the Shares are issued and the subscription monies are received. Investors will be unsecured creditors of the relevant Fund with respect to the amount subscribed and held by the Company until Shares are issued on the Dealing Day. As such, investors will not benefit from any appreciation in the Net Asset Value of the relevant Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant Dealing Day. In the event of an insolvency of the Fund or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment of repurchase proceeds and dividends in respect of Shares in a Fund is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the particular Fund, from the relevant Dealing Day. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder, be held in the Umbrella Cash Subscriptions and Redemptions Account in the name of the Company. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the relevant Fund, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Umbrella Cash Subscriptions and Redemptions Account. In the event of an insolvency of the relevant Fund or the Company, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

4.36. **Taxation Risk**

The income and gains of a Fund from its assets may suffer withholding tax which may or may not be reclaimable in the countries where such income and gains arise. If the position changes in the future and either the application of a higher or lower rate results in an additional payment of tax or a repayment to the relevant Fund respectively, the Net Asset Value will not be re-stated and the benefit or the cost will be allocated to the existing Shareholders of the relevant Fund rateably at the time of the adjustment.

In addition, potential Applicants' attention is drawn to the taxation risks associated with investing in the Company and in the Funds. See section headed **Taxation**.

4.37. **Fraud Risk**

None of the Company, the Investment Manager, the Administrator or the Depositary or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of or acting upon instructions from Shareholders, including but not limited to requests for redemptions of Shares, reasonably believed to be genuine, and shall not in any event be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorized or fraudulent instructions. Although, the Administrator shall employ reasonable procedures to seek to establish that instructions are genuine and that the subscription, redemption and switching procedures of the Company are adhered to, as appropriate. In the event that a Fund suffers a loss due to the payment of redemption monies to, for example, a fraudster who has successfully redeemed a Shareholder's holding or part thereof, the Net Asset Value of that Fund shall be reduced accordingly and in the absence of any negligence, fraud, recklessness or willful default on the part of the Administrator or the absence of any negligence, fraud, recklessness or willful default on the part of the Investment Manager and Depositary, the Company will not be compensated for any such loss which will therefore be absorbed by the Shareholders equally.

4.38. **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 unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorized 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 Managers, 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 a Company's ability to calculate its NAV; impediments to trading for a Fund's portfolio; the inability of Shareholders to transact business with a Fund; 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 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.

5. MANAGEMENT OF THE COMPANY

5.1. Directors of the Company

The Directors of the Company are described below:

Christian A. Lange

Mr Lange is the president and co-founder of EII Capital Management, Inc. Mr. Lange was born in Germany and received an MBA from the Johann Wolfgang Goethe University in Frankfurt am Main in 1967. From 1968 to 1974, Mr Lange served as vice-president of Goldman Sachs International in New York, and in 1974 he founded and managed Goldman Sachs AG, Zurich. From 1976 until 1983, Mr. Lange was a managing director of Friedrich Flick Industrieverwaltung KgaA, with responsibilities for their international securities portfolios, real estate investments and major direct industrial investments. Mr Lange has over 29 years' experience in the securities industry.

Declan McCourt

Mr McCourt is Group Chief Executive and partner in the OHM Group. His company markets and distributes, on an exclusive basis, leading makes of motor cars and trucks and is well established in that industry. He was born in Dublin and graduated from University College Dublin with a BA in Economics and Politics in 1967, an MA in Economics in 1968, was called to the Irish Bar in 1968 and graduated with an MBA from Harvard Business School in 1973. He worked for six years with Seagram in their Overseas Division initially as Marketing Director for Europe based in Italy and then as Vice President, Worldwide Operations in New York. He returned to Ireland 1978 where he joined the TMG Group Limited as Chief Operating Officer and main Board Director. In 1982 he became a partner and Chief Executive in the OHM Group where he helped to expand the company to its present level.

Mary Broughan

Ms Broughan was an executive director and the company secretary of Woodchester Investments plc from 1980 to 1994 and the managing director of Woodchester Credit Lyonnais Bank from 1988 to 1994. Since 1994 Ms Broughan has been semi-retired and has not been a full-time employee of any company. Ms Broughan holds a number of non-executive directorships in Irish companies. Ms Broughan is a fellow of the Institute of Bankers in Ireland and holds a BA in politics and philosophy from University College Dublin.

For the purposes of this Prospectus, the address of all of the Directors is the registered office of the Company.

5.2. Investment Manager and Distributor

The Company has appointed EII Capital Management, Inc. (**EII**) to act as the Investment Manager and Distributor of the Funds pursuant to an Investment Management Agreement (further details of which are set out in the section entitled **Material Contracts** below). EII is also the promoter of the Company.

EII is a privately owned asset management firm with over 20 years' experience of investing in direct real estate and real estate securities throughout North America, Europe and Asia, including managing separately managed accounts and fund vehicles for institutions, advisors and families in the US, Europe and Asia.

Subject to the overall supervision of the Directors and to each Fund's investment objectives, policies and restrictions, the Investment Manager will manage the investment and re-investment of each Fund's assets.

The Investment Manager, with the prior approval of the Central Bank, may from time to time seek the advice of or recommendation of any adviser, analyst, consultant or other suitably qualified person to assist it in the performance of its duties.

EII, as Distributor, is responsible for promoting the sale of the Shares in accordance with the provisions of this Prospectus under the terms of the Investment Management Agreement as described in Material Contracts. The Company may appoint other distributors from time to time in accordance with the requirements of the Central Bank.

5.3. **Depositary**

The Company has appointed BNY Mellon Trust Company (Ireland) Limited to act as the depositary to the Company pursuant to the Depositary Agreement. The Depositary is a private limited liability company incorporated in Ireland on 13 October 1994. The principal activity of the Depositary is to act as the depositary and trustee of the assets of collective investment schemes. The Depositary is authorised by the Central Bank under the Investment Intermediaries Act, 1995 (as amended).

The duty of the Depositary is to provide safekeeping, oversight and asset verification services in respect of the assets of the Company and each Fund in accordance with the provisions of the Regulations.

The Depositary will be obliged, *inter alia*, to ensure that the sale, issue, repurchase and cancellation of Shares in the Company is carried out in accordance with the Regulations and the Articles. The Depositary will carry out the instructions of the Company, unless they conflict with the Regulations or the Articles. The Depositary is also obliged to enquire into the conduct of the Company in each financial year and report thereon to Shareholders.

Pursuant to the Depositary Agreement, the Depositary will be liable for loss of financial instruments held in custody 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 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 as a result of the Depositary's negligent or intentional failure to fulfil its obligations under the Regulations.

Under the Depositary Agreement, the Depositary has power to delegate the whole or any part of its depositary functions, however, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary has delegated its safe-keeping duties in respect of financial instruments in custody to The Bank of New York Mellon SA/NV and/or The Bank of New York Mellon. The list of sub delegates appointed by The Bank of New York Mellon SA/NV or The Bank of New York Mellon is set out in Appendix 1 hereto. The use of particular sub delegates will depend on the markets in which the Company invests. No conflicts arise as a result of such delegation.

Potential conflicts of interest affecting the Depositary and its delegates may arise from time to time, including, without limitation, where the Depositary or a delegate has an interest in the outcome of a service or an activity provided to the Company, or a transaction carried out on behalf of the Company, which is distinct from the Company's interest, or where the Depositary or a delegate has an interest in the outcome of a service or activity provided to another client or group of clients which is in conflict with the Company's interests. From time to time conflicts may also arise between the Depositary and its delegates or affiliates, such as 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. The Depositary maintains a conflict of interest policy to address such conflicts.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company, applicable law, and its conflicts of interest policy. Up-to-date information regarding the duties of the Depositary, any conflicts of interest that may arise and the Depositary's delegation arrangements will be made available to investors by the Company on request.

The Depositary is a wholly-owned indirect subsidiary of The Bank of New York Mellon Corporation. BNY Mellon is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. BNY Mellon is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. As at 31 December 2016, it had US\$29.9 trillion in assets under custody and administration and US\$1.6 trillion in assets under management.

Up-to-date information in respect of the following will be made available to investors on request:

- (a) the identity of the Depositary;
- (b) a description of the Depositary's duties;
- (c) a description of any conflicts of interest which may arise; and
- (d) a description of any safekeeping functions delegated by the Depositary and the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation.

5.4. **Administrator**

Capita Financial Administrators (Ireland) Limited has been appointed by the Company to act as administrator, registrar and transfer agent under the terms of the Administration Agreement as described in Material Contracts. The Administrator is a private limited liability company incorporated in Ireland on 22 February 2006. The principal business activity of the Administrator is the administration of collective investment schemes.

The duties and functions of the Administrator include, inter alia, the calculation of the Net Asset Value and the Net Asset Value per Share, the keeping of all relevant records in relation to the Company as may be required with respect to the obligations assumed by it pursuant to the Administration Agreement, the preparation and maintenance of the Company's books and accounts, liaising with the Auditor in relation to the audit of the financial statements of the Company and the provision of certain Shareholder registration and transfer agency services in respect of shares in the Company.

5.5. **Paying Agents/Correspondent Banks**

Local laws/regulations in EEA Member States may require the appointment of paying agents/representatives/distributors/correspondent banks (**Paying Agent(s)**) and maintenance of accounts by such agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to the Administrator (e.g. a Paying Agent in a 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 for the account of the Company or the relevant Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

The Company may, in accordance with the requirements of the Central Bank, appoint Paying Agents in one or more countries. Where a Paying Agent is appointed in a particular country it will maintain facilities whereby Shareholders who are resident in the relevant country can obtain payment of dividends and redemption proceeds, examine and receive copies of the Articles of Association and periodic reports and notices of the Company and make complaints if and when appropriate which shall be forwarded to the Company's registered office for consideration.

5.6. **Portfolio Transactions and Conflicts of Interest**

Subject to the provisions of this section, the Directors, the Investment Manager, the Administrator, the Depositary, the Distributor or any of their respective subsidiaries, associates or group companies or delegates (each a **Connected Party**) may contract or enter into any financial, banking or other transaction with one another or with the Company. This includes, without limitation, investment by the Company in securities of any Connected Party or investment by any Connected Party in any company or bodies any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions. In addition, any Connected Party may invest in and deal in Shares relating to any Fund or any property of the kind included in the property of any Fund for their respective individual accounts or for the account of someone else. In the event of a conflict arising, each Connected Party shall ensure that the conflict will be resolved fairly.

Each Connected Party is or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Company and/or their respective roles with respect to the Company. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services,

valuation of securities (in circumstances in which fees may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Company may invest.

Conflicts of interest may arise as a result of transactions in FDI and EPM techniques and instruments. For example, the counterparties to, or agents, intermediaries or other entities which provide services in respect of, such transactions may be related to the Investment Manager or the Depositary. As a result, those entities may generate profits, fees or other income or avoid losses through such transactions. Furthermore, conflicts of interests may also arise where the collateral provided by such entities is subject to a valuation or haircut applied by a related party.

Any cash of the Company may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2010, of Ireland, as amended by the Central Bank and Financial Services Regulatory Authority of Ireland Acts, 2003 to 2004 with any Connected Party or invested in certificates of deposit or banking instruments issued by any Connected Party. Banking and similar transactions may also be undertaken with or through a Connected Party.

Any Connected Party may also deal as agent or principal in the sale or purchase of securities and other investments to or from the relevant Fund. There will be no obligation on the part of any Connected Party to account to the relevant Fund or to Shareholders for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are conducted at arm's length and are consistent with the best interests of the Shareholders of that Fund and:

- (i) a certified valuation by a person approved by the Depositary (or the Directors in the case of a transaction involving the Depositary) as independent and competent; or
- (ii) the relevant transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or
- (iii) where the conditions set out in (i) and (ii) above are not practical, the relevant transaction is executed on terms which the Depositary is (or the Directors are in the case of a transaction involving the Depositary) satisfied conform that such transactions are conducted at arm's length and are consistent with the best interests of the Shareholders of that Fund.

The Depositary or Company, in the case of transactions entered into by the Depositary, will document how it complied with paragraphs (i), (ii) and (iii) and where transactions are carried out in accordance with paragraph (iii), the Depositary or Company, in the case of transactions entered into by the Depositary, will document its rationale for being satisfied that the transaction conformed to the principles outlined.

As the fees of the Investment Manager are based on the Net Asset Value of a Fund, if the Net Asset Value of the Fund increases so too do the fees payable to the Investment Manager and accordingly there is a conflict of interest for the Investment Manager in cases where the Investment Manager is responsible for determining the valuation price of a Fund's investments.

5.7. Soft Commissions

The Investment Manager may cause a Fund to pay soft commissions to brokers or financial institutions in exchange for direct research on companies and markets. In the event that the Investment Manager does enter into any soft commission arrangements on behalf of a Fund, it will ensure that the broker or other counterparty will provide best execution to the Fund and that the benefits provided assist in the provision of investment services to the Fund. Details of any such soft commission arrangements shall be disclosed in the periodic reports of the Company.

6. SHARE DEALINGS

6.1. Subscription for Shares

The details of the Shares available in each Fund are set out in Appendix 4 below. Information on the Classes of Shares in issue can be obtained from the Distributor, Intermediaries and the Administrator.

Issues of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. The Dealing Deadline relating to each Fund is set out in Appendix 4 below. The Directors may nominate additional Dealing Days upon advance notice to Shareholders.

Applications for the initial subscription for Shares should be submitted in writing or sent by facsimile or any other approved electronic means or such other means as may be agreed with the Company and the Administrator in advance and in accordance with the requirements of the Central Bank (with the original Application Form and supporting documentation in relation to money laundering prevention checks to follow promptly by post) to the Administrator on or prior to the Dealing Deadline. An Application Form may be obtained from the Administrator or the Distributor. Applications received after the Dealing Deadline for the relevant Dealing Day shall be deemed to have been received by the next Dealing Deadline, unless it is specified in Appendix 4 below that the Directors may at their discretion and on an exceptional basis, accept applications received after the Dealing Deadline provided they are received prior to the Valuation Point for the relevant Dealing Day. Applications will be irrevocable unless the Directors and/or a delegate otherwise agrees.

Subsequent subscription requests may be submitted in writing or sent by facsimile or any other approved electronic means or such other means as may be agreed with the Company and the Administrator in advance and in accordance with the requirements of the Central Bank. An original need not follow by post in respect of such applications for the additional issue of Shares. Any changes to a Shareholder's registration or payment details or payment instructions will only be made on receipt of an original written instruction. No redemption payment may be made to a Shareholder until the original Application Form has been received (including any supporting documentation required in connection with anti-money laundering requirements) and the anti-money laundering procedures have been completed.

The Minimum Initial Investment Amount for Shares of each Fund that may be subscribed for by each Applicant on initial application and the Minimum Shareholding for Shares of each Fund is set out in Appendix 4 below.

Under the Articles, the Directors have absolute discretion to accept or reject in whole or in part any applications for Shares without assigning any reason therefore. The Application Form contains certain conditions regarding the application procedure for and the holding of Shares in the Company and certain indemnities in favour of the Directors, the Investment Manager, the Administrator, the Depositary, the Distributor and the other Shareholders for any loss suffered by them as a result of certain Applicants acquiring or holding Shares.

If an application is rejected, the Administrator at the cost and risk of the Applicant will, subject to any applicable laws, return application monies or the balance thereof, without interest, expenses or compensation by electronic transfer to the account from which it was paid.

6.2. Issue Price

The Initial Issue Price for Shares in the relevant Fund during the Initial Offer Period shall be set in Appendix 4 below.

Following the Initial Offer Period, Shares shall be issued at the Subscription Price per Share as determined on the day on which they are deemed to be issued.

The Directors may make an adjustment by way of an addition to the subscription amount which will be reflected in the issue price when there are net subscriptions to include a charge/anti-dilution levy which the Investment Manager considers represents an appropriate figure to cover dealing costs and/or to preserve

the value of the underlying assets of the relevant Fund. Any such charge/levy shall be retained for the benefit of the relevant Fund and the Directors reserve the right to waive such charge at any time.

A Subscription Charge on subscriptions may be payable to the Fund, the Distributors and/or Intermediaries and shall be deducted from the subscription monies received pursuant to an applicant for Shares. The balance of the subscription monies shall be used to purchase the Shares. Where applicable, the details of the Subscription Charge for a particular Class will be set out in Appendix 4 below.

6.3. Payment for Shares

Payment in respect of the issue of Shares must be made to the Company (the relevant account will be specified in the Application Form or otherwise notified to investors in advance) by the relevant Settlement Date by wire transfer in cleared funds in the currency of denomination of the relevant Share Class.

It is the responsibility of Applicants to transmit payment for subscriptions promptly, with clear customer identification. Applicants shall be responsible for their own bank charges, including any lifting fees or commissions. The value received in the Company's bank account must equal the subscription amount.

An account is maintained by the Company and operated by the Administrator at umbrella level in the name of the Company, the Umbrella Cash Subscription and Redemption Account, for the purposes of (i) receiving subscriptions monies from applicants for the issue of Shares; (ii) paying redemption proceeds to investors; and (iii) paying dividends to Shareholders of Distributing Shares. The subscription monies are held in the Umbrella Cash Subscription and Redemption Account for the account of the relevant Fund pending settlement of the associated issue of Shares.

If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, all or part of any allotment of Shares made in respect of such application may, at the discretion of the Directors, be cancelled and return the relevant monies to the Applicant at his risk, or, alternatively, the Administrator may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Directors may charge the Applicant for any resulting losses and costs incurred by the relevant Fund.

In the event of a delay in the settlement of subscription proceeds, the Company may temporarily borrow an amount up to the value of the delayed subscription on or after the relevant Settlement Date. Any such borrowing will be subject to the restrictions on borrowing set forth above. Once the required subscription monies have been received, the Company will use this to repay the borrowings. The Company reserves the right to charge the relevant Shareholder interest at the EURIBOR overnight rate plus 2% on the late receipt of subscription monies. The Company has the right to redeem any Shares to pay the amount of interest due.

When subscribing for Shares through Distributors and paying and information agents in Italy, investors may also have to pay transaction fees in addition to a Subscription Charge. The amount of such transaction fees is set out under **Distributors Fees** in the section entitled **Fees and Expenses** below. If the period of investment is short, these fees may reduce or even eliminate any returns on an investment in Shares of a Fund and a longer investment horizon is therefore recommended.

6.4. In Specie Issues

The Directors may in their absolute discretion accept payment for Shares of a Fund in specie, and may allot Shares in the Fund provided that arrangements are made to vest in the Depositary on behalf of the Company investments which would form part of the assets of the relevant Fund and provided that (a) the Depositary is satisfied that there is unlikely to be any material prejudice to existing Shareholders in the relevant Fund; and (b) such investments would qualify as an investment of the relevant Fund in accordance with its investment objective, strategies and restrictions. The number of Shares to be issued in this way shall be the number which would have been issued for cash against the payment of a sum equal to the value of the investments, and an amount may be deducted from the value of the investments to allow for attributable transaction costs incurred by the Fund as a result of accepting the assets. The value of the investments to be vested shall be calculated by applying the valuation methods described under the section entitled **Calculation of Net Asset Value/ Valuation of Assets** below.

6.5. **Anti-Money Laundering Provisions**

Measures provided for under the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (the **AML Act**) which is aimed towards the prevention of money laundering, require identification and verification of the identity of each Applicant and its beneficial owners, as applicable, and on-going due diligence of the Applicant and the Applicant's account with the Company.

The Company and the Administrator each reserve the right to request information and documentation to comply with its obligations to the Company or otherwise, including but not limited to, information and documentation in relation to the verification of identity of an Applicant and its beneficial owners, as applicable, the source of funds and/or ongoing due diligence of an Applicant and its account with the Company. In the event of delay or failure by the Applicant to produce any information or documentation required for such purposes, the Company and/or the Administrator may refuse to accept the application and return all subscription monies or compulsorily redeem such Shareholder's Shares and/or payment of redemption proceeds will be withheld and will not be dispatched to a Shareholder until such information or documentation is received by the Administrator and none of the Fund, the Directors, the Investment Manager, the Depositary or the Administrator shall be liable to the Applicant or Shareholder where an application for Shares is not processed or Shares are compulsorily redeemed or redemption proceeds are withheld in such circumstances. If an application is rejected, the Administrator will return application monies or the balance thereof by electronic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the Applicant.

6.6. **Form of Shares and Confirmation of Ownership**

Shares are issued in registered form. Share certificates will not be issued.

The Administrator shall maintain each Fund's register of Shareholders in which all issues, redemptions, exchange and transfers of Shares will be recorded.

A contract note which will give details of the subscription, exchange, transfer or redemption made will be sent to Shareholders within two Business Days after the relevant Dealing Day. The contract note is a confirmation of ownership. A holding of Shares may only be registered in a single name. All Shares issued will be registered and the register will be the sole evidence of ownership of these Shares.

6.7. **Data Protection**

Prospective investors should note that by completing the Application Form and providing any other personal information in connection with an application for or the holding of Shares in the Company they are providing personal information, which may constitute personal data within the meaning of the data protection legislation of Ireland. This data will be used for the purposes of client identification, administration, transfer agency, statistical analysis, research and disclosure to the Company, its delegates and agents. By signing the Application Form, investors acknowledge that they are providing their consent to the Company, its delegates and its or their duly authorised agents 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:

- (i) to manage and administer the investor's holding in the relevant Fund and any related accounts on an on-going basis;
- (ii) for any other specific purposes where the investor has given specific consent or for such specific purpose as set out in the Application Form;
- (iii) to carry out statistical analysis and market research;
- (iv) to comply with legal and regulatory obligations or tax requirements in any jurisdiction applicable to the investor and the Company;
- (v) for disclosure or transfer whether in Ireland or countries outside Ireland and outside of the European Economic Area, including without limitation, the United States of America, which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory bodies, tax authorities, auditors, technology providers or to the Company, the

Investment Manager, the Administrator, the Depositary and their delegates or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above; and

(vi) for other legitimate business interests of the Company.

Pursuant to data protection legislation in Ireland, Shareholders have a right of access to their personal data kept by the Company or the Administrator on its behalf and the right to amend and rectify any inaccuracies in their personal data held by the Company or the Administrator on its behalf by making a request to the Company in writing.

By signing the Application Form, Applicants consent to the recording of telephone calls made to and received from Applicants and Shareholders by the Administrator, its delegates, its duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes.

6.8. Limitations on Purchases

Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under **Suspension of Calculation of Net Asset Value** below. Applicants for Shares will be notified of such postponement and, unless withdrawn, their applications will be processed as at the next Dealing Day following the ending of such suspension.

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for U.S. Persons unless the Directors determine that (i) the transaction is permitted under an exemption available under the Securities Act (ii) the relevant Fund and Company continues to be entitled to an exemption from registration as an investment company under the Investment Company Act if such person holds Shares and (iii) such holding of Shares shall not cause the Company to incur any adverse U.S. taxation consequences.

Shareholders are required to notify the Company and the Administrator immediately in the event that they become a U.S. Person and the Company may, at the discretion of the Directors, redeem or otherwise dispose of the Shares held by such Shareholder to non U.S. Persons.

6.9. Redemption of Shares

All requests for the redemption of Shares should be made in writing or by facsimile or any other approved electronic means or such other means as may be agreed with the Company and the Administrator in advance and in accordance with the requirements of the Central Bank to the Administrator or in writing to any Distributor or an Intermediary (for onward transmission to the Administrator) and should include any written notification which may be specified by the Administrator, Distributor or Intermediary.

Requests received on or prior to the relevant Dealing Deadline will, subject as mentioned in this section and in Appendix 4 below, normally be dealt with on the relevant Dealing Day. Redemption requests received after the Dealing Deadline shall be treated as having been received by the following Dealing Deadline, unless it is specified in Appendix 4 below that the Directors may, at their discretion and on an exceptional basis, accept redemption requests received after the Dealing Deadline provided they are received prior to the Valuation Point for the relevant Dealing Day.

If requested, the Directors may, in their absolute discretion agree to designate additional Dealing Days and Valuation Points for the redemption of Shares relating to any Fund provided that all Shareholders in the relevant Fund shall be notified in advance.

The Minimum Redemption Amount (if any) of Shares of each Fund that may be redeemed by a Shareholder is set out in Appendix 4 below. Where applicable, the Directors or the Administrator may decline to effect a redemption request which is below the Minimum Redemption Amount or which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that Class of Shares of that Fund. Any redemption request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that

Class of Shares of that Fund may be treated by the Company as a request to redeem the Shareholder's entire holding of that Class of Shares.

No redemption payment may be made to a Shareholder until the original Application Form and all supporting documentation required by the Administrator, including any document in connection with the AML Act or other requirements and/or any anti-money laundering procedures have been completed, sent to and received by the Administrator.

6.10. **Redemption Price**

The Redemption Price at which Shares will be redeemed on a Dealing Day is the Net Asset Value per Share of the relevant Class on the relevant Dealing Day less any duties and charges as set out in this Prospectus or in Appendix 4 below.

When redeeming Shares through Distributors and paying and information agents in Italy, investors may also have to pay transaction fees. The amount of such transaction fees is set out under **Transaction Fee for Italy** in the section entitled **Fees and Expenses**. If the period of investment is short, these fees may reduce or even eliminate any returns on an investment in Shares of a Fund and a longer investment horizon is therefore recommended.

The Directors may make an adjustment by way of a deduction from the Redemption Price when there are net redemptions to include a charge/anti-dilution levy that the Investment Manager considers represents an appropriate figure to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund. Any such charge/levy shall be retained for the benefit of the relevant Fund and the Directors reserve the right to waive such charge at any time.

6.11. **Payment of Redemption Proceeds**

The Redemption Proceeds will be paid at the Shareholder's risk and expense by electronic transfer to an account in the name of the Shareholder in the currency of denomination of the relevant Share Class (or in such other currency as the Directors shall determine) by the Settlement Date, unless a shorter period is agreed with the Company. In respect of redemption requests received in writing, by facsimile or any other approved electronic means, payment of such Redemption Proceeds will be made to the registered Shareholder.

Where the Administrator receives a request for the redemption of Shares from any Shareholder in respect of which the Administrator is required to account for, deduct or withhold taxation, the Administrator shall be entitled to deduct from the Redemption Proceeds such amount of taxation as the Administrator is required to account for, deduct or withhold and shall arrange to discharge the amount of tax due. Alternatively, the Administrator may arrange for the redemption and cancellation of such number of the Shares of such Shareholder as are sufficient after the deduction of any redemption charges to discharge any such tax liability.

On the redemption of Shares by reference to the relevant Valuation Point on the Dealing Day, such Shares shall be cancelled and withdrawn and the Shareholder shall cease to be a Shareholder with respect to such redeemed Shares. Thereafter and until payment of the Redemption Proceeds, such Redemption Proceeds will be held in the Umbrella Cash Subscriptions and Redemptions Account. The payee of such Redemption Proceeds from the Umbrella Cash Subscriptions and Redemptions Account will be an unsecured general creditor of the particular Fund and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights with respect to the redemption proceeds held in the Umbrella Cash Subscriptions and Redemptions Account.

Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of Redemption Proceeds. In such circumstances, the Administrator will process any redemption request received by a Shareholder, however the proceeds of that redemption shall remain an asset of the Fund and the Shareholder will rank as a general creditor of the Company until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which redemption proceeds will be released.

6.12. **Limitations on Redemption**

The Company may not redeem Shares of any Fund during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under the section entitled **Suspension of Calculation of Net Asset Value** below. Shareholders requesting redemption of Shares will be notified of such postponement and, unless withdrawn, their applications will be processed as at the next Dealing Day following the ending of such suspension.

The Directors may at their discretion limit the number of Shares of a Fund redeemed on any Dealing Day to Shares representing 10% or more of the total number of Shares in the Fund or Shares representing 10% or more of the Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply *pro rata* so that all Shareholders wishing to have Shares of that Fund redeemed on that Dealing Day realise the same proportion of such Shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day subject always to the foregoing limit. If requests for redemptions are so carried forward, the Administrator will inform the Shareholders affected.

6.13. In Specie Redemptions

The Directors may at the request and/or with the consent of the relevant Shareholder satisfy a redemption request by a distribution of investments of the relevant Fund in specie provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund.

Where a redemption request received from a Shareholder would result in Shares representing more than 5% of the Net Asset Value of any Fund being redeemed by the Company on any Dealing Day, the Directors may, at their discretion, determine to satisfy the redemption request by a distribution of investments of the relevant Fund in specie. Where the Shareholder requesting such redemption receives notice of the Company's intention to elect to satisfy the redemption request by such a distribution of assets that Shareholder may require the Company, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale.

In all cases, the particular assets to be transferred will be determined by the Directors in consultation with the Investment Manager on such basis as the Directors in their discretion, with the approval of the Depositary, consider not to be prejudicial to the interests of the remaining Shareholders in the Fund. The value of the assets to be transferred will be determined on the same basis as used in calculating the Net Asset Value of the Fund and may be adjusted as the Directors in consultation with the Investment Manager may determine to reflect the liabilities of the Fund as a result of the transfer of such assets, provided that the asset allocation is subject to the approval of the Depositary. Any shortfall between the value of the assets transferred on a redemption in specie and the redemption proceeds which would have been payable on a cash redemption will be satisfied in cash. Any decline in the value of the assets to be transferred in settlement of a redemption between the relevant Dealing Day and the day on which such assets are delivered to the redeeming Shareholder will be borne by the redeeming Shareholder.

6.14. Mandatory Redemptions

The Company may compulsorily redeem all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size as may be specified in Appendix 4 below.

The Company reserves the right to impose restrictions on the holding or transfer of Shares directly or indirectly by or to (and consequently to redeem Shares held by):

- (i) a person or entity who, in the opinion of the Directors is a U.S. Person or has acquired such shares on behalf of a U.S. Person as defined herein or falling within the definition of **U.S. Person** under FATCA unless the Directors determine (i) the transaction is permitted under an exemption available under the Securities Act and (ii) the relevant Fund and the Company continue to be entitled to an exemption from registration as an investment company under the securities laws of the U.S., including the Investment Company Act and (iii) does not cause the Company or the Investment Manager to incur any adverse U.S. taxation or regulatory or legal consequences;
- (ii) a person or entity who breached or falsified representations on the Application Form;

- (iii) a person or entity who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person or entity is not qualified to hold Shares or if the holding of the Shares is unlawful;
- (iv) a person or entity who has not provided the required tax documentation or supporting documentation for money laundering prevention checks;
- (v) a person or entity if the holding of the Shares by that person is less than the Minimum Shareholding for that Class of Shares;
- (vi) a person or entity in circumstances which (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund incurring any liability to taxation or suffering any pecuniary liability to taxation or suffering other pecuniary, legal, regulatory or material administrative disadvantage which the relevant Fund might not otherwise have incurred or suffered (including where the relevant Fund suspects market timing) or might result in the relevant Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Articles of Association;
- (vii) any holding or transfer in respect of which the any payment of taxation remains outstanding or the Company (or the Administrator on its behalf) is required to deduct, withhold or account for tax;
- (viii) in any other circumstances set out in the Articles.

In addition, the Company is permitted by the Articles of Association to redeem the 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 other confirmation of ownership of the Shares sent to the Shareholder and the redemption proceeds will be held in a separate trust account.

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 any restrictions imposed by the Directors, the Directors shall be entitled to (i) give notice (in such form as the Directors deem appropriate) to such person requiring such person to transfer such Shares to a person who is qualified or entitled to own the same or to request in writing the redemption of such Shares in accordance with the Articles of Association and/or (ii) as appropriate, compulsorily redeem and/or cancel such number of Shares held by such person and may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by such person including any interest or penalties payable thereon.

Any outstanding proceeds of such compulsory redemption will not be paid unless the original Application Form signed by or on behalf of the Shareholder has been received by the Administrator and all documentation required by the Administrator, including any document in connection with the AML Act or other requirements and/or any anti-money laundering procedures have been completed.

6.15. Exchange of Shares

A Shareholder may exchange Shares of a Class of Shares of a Fund held in whole or in part to Shares of the corresponding Class of Shares of another Fund if the applicable Minimum Initial Investment Amount of the new Class of Shares is met. If applicable, In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Shareholding for the original Class. Shares may not be exchanged from one Class of Shares to another in the same Fund or to a non-corresponding Class of Shares in another Fund.

An application for the exchange of Shares of one Fund for Shares of another Fund will be treated in the same way as an application for redemption of the Shares of one Fund and the simultaneous application for the subscription for Shares of the other Fund. All conditions, information and procedures with regard to the subscription for and redemption of Shares, in particular also the rules on settlement periods and dates, also apply correspondingly to the exchange of Shares, with the exception of the rules on the Subscription Charge. An exchange fee is charged for the exchange of Shares. This fee corresponds to the Subscription

Charge of the Class of Shares to be acquired and is calculated as a percentage of the Net Asset Value per Share of a Class of Shares. The Company may levy a lower exchange fee at its own discretion. Balances of less than EUR 10.00 or the equivalent in other currencies resulting from an exchange will not be paid out to the Shareholders and will revert to the assets of the Fund being subscribed for.

As a rule, both the redemption and the subscription parts of the exchange application are calculated on the basis of the values of a single Dealing Day. If there are different Dealing Deadlines and/or different Settlement Dates for the payment of subscription and redemption proceeds for the Funds in question, the calculation may deviate from this, in particular depending on the sales channel. For example, either:

- (i) the calculation of the redemption part might be based on the relevant general rules for redemptions while the calculation of the subscription part is based on the relevant general rules for subscriptions (which might lead to the redemption part being calculated and processed prior to the subscription part); or
- (ii) the redemption part might be calculated at a later time than that applicable under the relevant general rules for redemptions, together with the calculation of the subscription part in accordance with the relevant general rules for subscriptions; or
- (iii) the proceeds of the redemption part might be paid at a later time than that applicable under the relevant general rules for redemptions, at the same time the proceeds of the subscription part are payable under the rules for the payment of subscription proceeds.

When exchanging Shares through Distributors and paying and information agents in Italy, investors may also have to pay transaction fees in addition to an exchange fee. The amount of such transaction fees is set out under **Transaction Fee for Italy** in the section entitled **Fees and Expenses** section. If the period of investment is short, these charges may reduce or even eliminate any returns on an investment in Shares of a Fund and a longer investment horizon is therefore recommended. If Shares are converted other than through the Distributors, the Company, the Administrator or the paying and information agents, additional costs may be incurred.

An exchange may only be effected if at this time both the redemption of the Shares to be converted and the subscription of the Shares to be subscribed for (for more on this, see the sections entitled “Subscription for Shares” and “Redemption of Shares”) are simultaneously possible; there will be no partial execution of the application except in situations where issuing the Shares of the subscription part has become impossible after the redemption part of a conversion has been processed.

Each application for the exchange of Shares is irrevocable, except during the period of a suspension of the calculation of the Net Asset Value of the Shares to be redeemed and during the period of a suspension of the redemption of Shares to be redeemed. If the calculation of the Net Asset Value of the Shares to be subscribed for is suspended after the Shares to be converted have already been redeemed, only the subscription part of the exchange application can be revoked during this suspension.

In observance of the above provisions, Shares are exchanged by applying the following formula:

- N = the number of the new Shares to be issued (as a result of the exchange), rounded down to the nearest available fraction of a Share
- A = the number of Shares to be exchanged
- B = the Redemption Price of the Shares to be exchanged on the Dealing Day
- C = the currency exchange factor based on the applicable exchange rate
- D = the Subscription Price of the Shares to be issued on the Dealing Day (taking into consideration any exchange fees due)

Any Shareholder who undertakes an exchange of Shares may realise a taxable profit or loss, depending on the legal provisions of the country of which he is a citizen or in which he is domiciled or of which he is a permanent resident.

The exchange process may vary depending on the Distributor or paying and information agent the Shareholder uses for the exchange.

6.16. Limitations on Exchanges

Shares may not be exchanged for Shares of a different Class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under the section entitled Suspension of Calculation of Net Asset Value below. Applicants for the exchange of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

If on any Dealing Day a Fund receives aggregate requests for the redemption of Shares, including the redemption part of an exchange of Shares, the value of which amounts to 10 % or more of the outstanding Shares in issue of that Fund or Shares representing 10% or more of the Net Asset Value of that Fund on that Dealing Day, the Company may elect to restrict the total number of Shares redeemed to 10 % of the outstanding Shares in issue of such Fund or Shares representing 10% or more of the Net Asset Value of that Fund on that Dealing Day, as applicable, in which case requests will be scaled down pro rata. The balance will be redeemed or exchanged, as applicable, on the next appropriate Dealing Day whereby redemptions will be processed at the Redemption Price prevailing on that subsequent Dealing Day and exchanges will be processed in accordance with the general rules for exchanges, in each case subject to the repeated application of the 10 % restriction if necessary.

6.17. Transfer of Shares

Shares in each Fund will be transferable by instrument in writing via the completion of a stock transfer form, in common form or in any other written form approved by the Directors, or the Administrator on their behalf, and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor.

The transferee will be required to complete an Application Form and any other documentation required by the Company or the Administrator in addition to providing any documentation or information under the AML Act or its anti-money laundering procedures.

No Share transfer will be permitted until the original Application Form and transfer instruction of the transferor and all documentation required by the Administrator, including any document in connection with the AML Act or other requirements and/or procedures have been received by the Administrator from 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.

Shares may not be transferred to any person as described in the **Mandatory Redemptions** section of the Prospectus.

In the event that the Administrator is required to deduct, withhold or account for tax on a disposal of Shares by a Shareholder by way of a transfer of Shares, the Administrator shall be entitled to arrange for the redemption and cancellation of such number of the Shares of such Shareholder as are sufficient to discharge any such tax liability and the Administrator may decline to register a transferee as a Shareholder until such time as they receive from the transferee such declarations as to residency or status as they may require. The Administrator shall arrange to discharge the amount of tax due.

In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders.

The registration of transfers may be suspended at such times and for such periods as the Company from time to time may determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year.

6.18. Dealing Restrictions

Market Timing

The Company, at its discretion, reserves the right to refuse to accept any application for initial or subsequent subscription or to compulsorily redeem Shares held by any Shareholder, without giving any reason, where the Company suspects market timing. Without limiting the foregoing, and as further described below, the Company may not be used as a vehicle for frequent trading in response to short term market fluctuations (so called **market timing**). Accordingly, the Company may reject any subscriptions or compulsorily redeem Shares from any investor that it determines is engaged in market timing or other activity which it believes is harmful to the Company or any Fund. If a subscription is rejected, subscription proceeds will be returned without interest to the Applicant, as soon as practicable. Where the Company compulsorily redeems the Shares of a Shareholder in such circumstances in accordance with section 6.14 above, the Shareholder will receive the Redemption Proceeds for the relevant Dealing Day which could be less than the amount originally subscribed for.

Excessive Trading Policies

Excessive trading into and out of a Fund can disrupt portfolio investment strategies and increase the Fund's operating expenses. The Funds are not designed to accommodate excessive trading practices. The Directors reserve the right to restrict, reject or cancel purchase, redemption and exchange orders as described above, which represent, in their sole judgment, excessive trading.

To the extent that the Company or its agents are unable to curtail excessive trading practices in a Fund, these practices may interfere with the efficient management of the Fund's portfolio, and may result in the Fund engaging in certain activities to a greater extent than it otherwise would, such as maintaining higher cash balances, using a line of credit and engaging in portfolio transactions. Increased portfolio transactions and the use of a line of credit would correspondingly increase a Fund's operating costs and decrease the Fund's investment performance, and maintenance of a higher level of cash balances would likewise result in lower Fund investment performance during periods of rising markets.

7. CALCULATION OF NET ASSET VALUE/VALUATION OF ASSETS

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

Where a Fund is made up of one or more than one Class of Shares, the Net Asset Value of each Class shall be determined by calculating the amount of the Net Asset Value of a Fund attributable to each Class. The amount of the Net Asset Value of a Fund attributable to a Class shall take account of relevant fees and expenses of that Class and make appropriate adjustments for distributions paid out of a Fund, if applicable. The Net Asset Value per Share of a Class shall be calculated by dividing the Net Asset Value of a Class by the number of Shares in issue in that Class.

Where a Class of Shares is denominated in a currency other than the Base Currency of the relevant Fund the Directors shall at the time of creation of such Class determine if such Class of Shares shall be constituted as a Hedged Share Class or an Unhedged Currency Share Class. The costs and gains/losses of any hedging transactions relating to a Hedged Share Class shall accrue solely to the Shareholders in such Class and shall not form part of the assets of the relevant Fund or constitute a liability of the relevant Fund. Any hedging transaction relating to a Hedged Share Class shall be valued in accordance with the provisions of the Articles.

The Articles provide for the method of valuation of the assets and liabilities of each Fund and of the Net Asset Value of each Fund, which is outlined below:-

The valuation of any investment of a Fund which is listed, quoted or dealt in on a Regulated Market shall be the average of the latest available bid and offer prices for such investment as at the Valuation Point (i.e. the mid-price between the latest bid and offer prices) on the Dealing Day on the Regulated Market on which the investment is listed, quoted or dealt in. Where an investment is listed, quoted or dealt in on several Regulated Markets, the value shall be that on the Regulated Market which, in the opinion of the Company, is the principal Regulated Market on which such investment is listed, quoted or dealt in. If bid and offer prices are unavailable or unrepresentative, official closing prices will be used, provided however, that last traded prices, or latest available bid prices, in that order of preference, will be used in circumstances where the principal Regulated Market where such investment is listed, quoted or dealt in is open at the Valuation Point.

In the case of any investment which is not listed, quoted or dealt in on a Regulated Market or for which no quotation is available at the time of the valuation which would provide a fair valuation, the value of such investment shall be determined by a competent person appointed by the Company and approved for the purpose by the Depositary, and such value shall be determined on the basis of the probable realisation value of the investment which shall be estimated with care and in good faith.

Bank deposits and cash will be valued at their face value with interest accrued (if any).

In determining the value of the net assets of a Fund there shall be added to the value of the assets any interest or dividends accruing to the relevant Dealing Day and any other amounts available for distribution but in respect of which no distribution has been declared and there shall be deducted all expenses accruing to the relevant Dealing Day.

FDI will be valued on the same basis as other investments in a Fund. Accordingly, futures and options contracts traded on a Regulated Market are valued using the latest available settlement price where a settlement price is determined by the market or the average of the latest bid and offer prices or the probable realisation value estimated with care and in good faith by a competent person appointed by the Company and approved for the purpose by the Depositary if the settlement price or valid bid and offer prices are not available. All other FDI are valued on the basis of a valuation agreed with the counterparty at least daily and approved at least weekly by a competent person independent of the counterparty appointed by the Company and approved for the purpose by the Depositary.

Investments in collective investment schemes will be valued on the basis of the latest available net asset value for units in the relevant collective investment schemes.

Assets denominated in currencies other than the Base Currency shall be converted to the Base Currency at the latest available mean rate of exchange for the purposes of valuation.

Any particular valuation provisions applicable to a Fund are set out in Appendix 4 below.

7.1. Suspension of Calculation of Net Asset Value

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the issue, redemption and exchange of Shares and the payment of Redemption Proceeds during:

- (i) during any period when any of the Regulated Markets on which a meaningful portion of the investments of the relevant Fund, from time to time, are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (i) during any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a meaningful portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
- (ii) during any breakdown in the means of communication normally employed in determining the price of any of the investments of the relevant Fund or in computing or communicating the price or value of a Fund itself, or when, for any other reason the current prices on any Regulated Market of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or
- (iii) during any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund or when payments due on the redemption of Shares from Shareholders cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange or to or from a Fund's account; or
- (iv) upon mutual agreement between the Company and the Depositary, any period following the circulation to Shareholders of a notice of a general meeting at which a resolution for the purpose of terminating the Company or any Fund is to be proposed; or
- (v) during any period when the Directors consider it to be in the best interests of the Shareholders of the relevant Fund.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as practicable.

Shareholders who have requested issue or redemption of Shares of any Class or the exchange of Shares of one Class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified on the same Business Day to the Central Bank and will be communicated without delay to the competent authorities in any country in which the Shares are registered for sale.

8. NOTIFICATION OF PRICES

Except where the determination of the Subscription Price and the Redemption Price per Share of a Fund has been temporarily suspended in the circumstances described above, the Subscription Price and the Redemption Price per Share shall be available from the Administrator and the Distributor on each Dealing Day and shall be published daily on www.bloomberg.com or as set out in the relevant country information within the section entitled **Registrations**, or in a country supplement to the Prospectus in certain jurisdictions. Any information published is for information purposes only. It is not an invitation to subscribe for or redeem Shares at that Net Asset Value per Share. Such prices will be the prices applicable to the previous Dealing Day's trades and are therefore only indicative after the relevant Dealing Day.

9. FEES AND EXPENSES

9.1. Establishment Expenses

The costs of establishing subsequent Funds will be borne by the relevant Fund and amortised over such reasonable time period as the Directors may determine.

9.2. Operating & Service Providers' Fees and Expenses

The expenses borne by the Company may include, but shall not be limited to the costs of: (i) establishing, registering and maintaining the Company and any Fund and the Shares with any governmental or regulatory authority or with any regulated market or stock exchange including the fees of any third party service providers or delegates such as paying agents and/or local representatives at normal commercial rates; (ii) investment management and advisory, administration, distribution, depositary, sub-custody, company secretarial and related services; (iii) preparation, printing, advertising and distributing of prospectuses, key investor information documents, sales literature, periodic reports and official announcements to Shareholders, the Central Bank and governmental agencies and circulating details of the Net Asset Value; (iv) marketing and promotional costs and expenses including a reasonable proportion of advertising costs and other costs arising directly in connection with the offer and the distribution of Shares; (v) purchase and sale of assets, including taxes, commissions and brokerage fees inclusive of any soft commissions; (vi) securities lending activities; (vii) auditing, tax and legal fees including the costs of providing tax information for domestic and foreign tax purposes; (viii) legal actions and any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company; (ix) assessing the standing of the Funds by nationally and internationally recognised rating agencies; (x) the use of index names and related licence fees; and (xi) insurance premia and other operating expenses including the disbursements of the Administrator, the Investment Manager and the Depositary; (xii) the fees and expenses of the Directors and directors' and officers' liability insurance cover; (xiii) the distribution of income to Shareholders, pricing and book-keeping; (xiv) regulatory fees and the fees connected with registering the Company and any Fund for sale in other jurisdictions,

Where a Fund invests in other collective investment schemes, the Fund may be subject to its proportionate share of any fees and expenses payable by collective investment schemes in which it may invest, which will vary from scheme to scheme depending on the nature and investment strategy thereof, such as management, investment management, performance, administration and/or custody fees or charges as may be further outlined in Appendix 4 below. A Fund shall only invest in units of an investment fund managed by the Investment Manager, or by an associated or related company of the Investment Manager, where any subscription or redemption charges which would normally be charged have been waived.

9.3. Investment Manager Fees

The Investment Manager shall be paid such fees and in such manner as set in Appendix 4 below.

9.4. Administrator Fees

The Administrator shall be paid such fees and in such manner as set out in Appendix 4 below.

9.5. Depositary Fees

The Depositary shall be paid such fees and in such manner as set out in Appendix 4 below.

9.6. Distributor Fees

Fees and expenses of the Distributor which will be at normal commercial rates together with VAT, if any, thereon may be borne by the Company.

9.7. Facility Agent/Paying Agents Fees

Fees and expenses of the paying or representative agents appointed by the Company on behalf of the Company or a Fund which will be at normal commercial rates together with VAT, if any, thereon.

9.8. Transaction Fees for Italy

When subscribing for Shares or exchanging or redeeming Shares through distributors and paying and information agents in Italy, investors may also have to pay transaction fees to those entities of up to EUR 75.00 per transaction.

9.9. Directors Fees

The Articles provide that the Directors shall be entitled to be reimbursed their costs, including relevant insurance premia, and shall also be entitled to a fee for their services at a rate to be determined from time to time by the Directors and that, unless otherwise resolved by the Company in general meeting, the aggregate remuneration of the Directors shall not exceed Euro 60,000 per annum.

9.10. Subscription Charge

Any Subscription Charge payable in respect of a Class of Shares will be set out in Appendix 4 below.

9.11. Redemption Charge

Any Redemption Charge payable in respect of a Class of Shares will be set out in Appendix 4 below.

9.12. Exchange Charge

An exchange fee is charged for the exchange of Shares. This fee corresponds to the Subscription Charge of the Class of Shares to be acquired and is calculated as a percentage of the Net Asset Value per Share of a Class of Shares.

9.13. Anti-Dilution Levy/ Duties & Charges

The Directors reserve the right to impose an anti-dilution levy to cover dealing costs and to preserve the value of underlying assets of a Fund in the event of receipt for processing of net subscription or redemption requests of a Fund, including as a result of requests for exchange from one Fund into another Fund which shall for this purpose be treated as a redemption request into another Fund (which shall for this purpose be treated as a subscription request). Any such provision will be determined by the Investment Manager as representing an appropriate figure for such purposes and will be agreed by the Directors and will be added to the price at which Shares will be issued in the case of net subscription requests of the Fund and deducted from the price at which Shares will be redeemed in the case of net redemption requests of the Fund. Any such sum will be paid into the account of the relevant Fund.

9.14. Allocation of Fees

Such fees, duties and charges will be charged to the Fund and within such Fund to the Class or Classes in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund or Class, the expense will be allocated by the Directors with the approval of the Depositary, in such manner and on such basis as the Directors in their discretion deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

10. TAXATION

10.1. General

The following statements are by way of a general guide to potential investors and Shareholders only and do not constitute tax advice. Shareholders and potential investors are therefore advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Shareholders and potential investors should note that the following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this document and proposed regulations and legislation in draft form. 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.

10.2. Irish Taxation

The Company will only be subject to tax on chargeable events in respect of Shareholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes - see **Certain Tax Definitions** below for more details).

A chargeable event occurs on:

- i) a payment of any kind to a Shareholder by the Company;
- ii) a transfer of Shares; and
- iii) on the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary

but does not include any transaction in relation to Shares held in a clearing system recognised by the Revenue, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses.

If a Shareholder is not a Taxable Irish Person at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Shareholder.

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the Company which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances, and only after notification by the Company to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the Company become a liability of the Shareholder rather than the Company. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rates set out below) to the Revenue.

In the absence of the appropriate declaration being received by the Company that a Shareholder is not a Taxable Irish Person or if the Company has information that would reasonably suggest that a declaration is incorrect, and in the absence of written notice of approval from the Revenue to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the Company will be obliged to pay tax on the occasion of a chargeable event (even if, in fact, the Shareholder is neither resident nor ordinarily resident in Ireland). Where the chargeable event is an income distribution tax will be deducted at the rate of 41%, or at the rate of 25% where the Shareholder is a company and the appropriate declaration has been made, on the amount of the distribution. Where the chargeable event occurs on any other payment to a Shareholder, not being a company which has made the appropriate declaration, on a transfer of Shares and on the eight year rolling chargeable event, tax will be deducted at the rate of 41% on the increase in value of the shares since their acquisition. Tax will be deducted at the rate of 25% on such

transfers where the Shareholder is a company and the appropriate declaration has been made. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

An anti-avoidance provision increases the 41% rate of tax to 60% (80% where details of the payment/disposal are not correctly included in the individual's tax returns) if, under the terms of an investment in a Fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the Fund.

Other than in the instances described above, the Company will have no liability to Irish taxation on income or chargeable gains.

10.3. Shareholders

Shareholders who are neither resident nor ordinarily resident in Ireland in respect of whom the appropriate declarations have been made (or in respect of whom written notice of approval from the Revenue has been obtained by the Company to the effect that the requirement to have been provided with such declaration from that Shareholder or class of shareholders to which the Shareholder belongs is deemed to have been complied with) will not be subject to tax on any distributions from the Company or any gain arising on redemption, repurchase or transfer of their shares provided the Shares are not held through a branch or agency in Ireland. No tax will be deducted from any payments made by the Company to those Shareholders who are not Taxable Irish Persons.

Shareholders who are Irish resident or ordinarily resident or who hold their Shares through a branch or agency in Ireland, may have a liability under the self-assessment system to pay tax, or further tax, on any distribution or gain arising from their holdings of Shares. In particular where the Company has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Shareholder will have an obligation to file a self- assessment tax return and pay the appropriate amount of tax to the Revenue.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Shareholders within the charge to Irish corporation tax.

10.4. Stamp Duty

No Irish stamp duty will be payable on the subscription, transfer or redemption of Shares provided that no application for Shares or re-purchase or redemption of Shares is satisfied by an in specie transfer of any Irish situated property.

10.5. Capital Acquisitions Tax

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Shares provided that:

- i) at the date of the disposition the transferor is neither domiciled nor ordinarily resident in Ireland and at the date of the gift or inheritance the transferee of the Shares is neither domiciled nor ordinarily resident in Ireland; and
- ii) the Shares are comprised in the disposition at the date of the gift or inheritance and the valuation date.

10.6. Other Tax Matters

The income and/or gains of a company from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. A Fund 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 repayment to that company, the net asset value of the Fund will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

10.7. **Certain Tax Definitions**

Residence – Company

Prior to the Finance Act 2014, company residence was determined with regard to the long-established common law rules based on central management and control. These rules were significantly revised in the Finance Act 2014 to provide that a company incorporated in the State will be regarded as resident for tax purposes in the State, unless it is treated as resident in a treaty partner country by virtue of a double taxation treaty. While the common law rule based on central management and control remains in place, it is subject to the statutory rule for determining company residence based on incorporation in the State set out in the revised section 23A TCA 1997.

The new incorporation rule for determining the tax residence of a company incorporated in the State will apply to companies incorporated on or after 1 January 2015. For companies incorporated in the State before this date, a transition period will apply until 31 December 2020.

We would recommend that any Irish incorporated company that considers it is not Irish tax resident seeks professional advice before asserting this in any tax declaration given to the Company.

Residence – Individual

An individual will be regarded as being resident in Ireland for a tax year if s/he:

- i) spends 183 or more days in the State in that tax year; or
- ii) has a combined presence of 280 days in the State, taking into account the number of days spent in the State in that tax year together with the number of days spent in the State in the preceding year.

Presence in a tax year by an individual of not more than thirty (30) days in the State will not be reckoned for the purpose of applying the two year test. Presence in the State for a day means the personal presence of an individual at any time during the day.

Ordinary Residence – Individual

The term **ordinary residence** as distinct from **residence**, relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in the State for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2015 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2018.

Intermediary

This means a person who:

- i) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- ii) holds units in an investment undertaking on behalf of other persons.

10.8. **Automatic exchange of information**

Irish reporting financial institutions, which may include the Company, have reporting obligations in respect of certain investors under FATCA as implemented pursuant to the IGA and/or CRS (see below).

10.9. **FATCA in Ireland**

With effect from 1 July 2014, the Company is obliged to report certain information in respect of U.S.

investors in the Fund to the Revenue. The Revenue will share that information with the U.S. tax authorities. FATCA imposes a 30% U.S. withholding tax on certain withholdable payments made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the IRS to collect and provide to the IRS substantial information regarding direct and indirect owners and accountholders.

On 21 December 2012, Ireland signed an IGA with the U.S. to *Improve International Tax Compliance and to Implement FATCA*. Under this IGA, Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Revenue and IRS have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (as amended) (the **Irish Regulations**) implementing the information disclosure obligations, Irish financial institutions such as the Company are required to report certain information with respect to U.S. account holders to the Revenue. The Revenue will automatically provide that information annually to the IRS. The Directors (and/or the Administrator or Investment Manager on behalf of the Directors) must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information is being sought as part of the application process for Shares in the Company. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Revenue regardless as to whether and Fund holds any U.S. assets or has any U.S. investors.

If a Shareholder causes the Fund to suffer a withholding for or on account of FATCA (a **FATCA Deduction**) or other financial penalty, cost, expense or liability, the Directors may compulsorily redeem any Shares of such Shareholder and/or take any actions required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically born by such shareholder. While the IGA and the Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Fund in respect of its assets, no assurance can be given in this regard. As such, Shareholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

10.10. CRS

The CRS framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the **Standard**) was published, involving the use of two main elements, the Competent Authority Agreement (**CAA**) and the CRS. The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (**FIs**) relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS while sections 891F and 891G of the TCA contain measures necessary to implement the CRS internationally and across the European Union, respectively. Regulations, the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the **CRS Regulations**), giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation (**DAC II**) implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis. Section 891G of the TCA contained measures necessary to implement the DAC II. Regulations, the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (together with the CRS Regulations, the **Regulations**), giving effect to DAC II from 1 January 2016, came into operation on 31 December 2015.

Under the Regulations reporting financial institutions, are required to collect certain information on accountholders and on certain controlling persons in the case of the accountholder(s) being an entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Further information in relation to CRS and DAC II can be found on the Automatic Exchange of Information (**AEOI**) webpage on www.revenue.ie

11. GENERAL INFORMATION

11.1. Reports and Accounts

The Company's year-end is 31 December in each year. The annual report and audited accounts of the Company will be made available to Shareholders within four months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. Audited annual reports and unaudited semi-annual reports, incorporating financial statements, may be obtained free of charge at the registered office of the Administrator. The Company will also prepare semi-annual report and unaudited accounts which will be made available to Shareholders within two months after the six month period ending on 30 June in each year.

Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the year-end or the end of such semi-annual period.

11.2. Incorporation and Share Capital

The Company was incorporated and registered in Ireland under the Companies Acts as an open-ended umbrella investment company with variable capital, limited liability and with segregated liability between sub funds on 14 March 1997 with registered number 263156.

The share capital of the Company shall at all times equal its Net Asset Value. The Company may issue up to five hundred billion shares of no par value.

11.3. The Funds and Segregated 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 assets and liabilities of each Fund will be allocated in the following manner:

- (i) the proceeds from the issue of Shares representing a Fund shall be applied in the books of the Company to the 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;
- (ii) 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;
- (iii) 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; and
- (iv) 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.

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 Depository, 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.

11.4. **Memorandum and Articles of Association**

Clause 2 of the Memorandum of Association provides that the sole object of the Company is the collective investment in transferable securities and/or liquid financial assets of capital raised from the public operating on the principle of risk spreading.

The Articles contain provisions to the following effect:

- (i) **Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company;
- (ii) **Variation of rights.** The rights attached to any Class may, be varied or abrogated with the consent in writing of the shareholders of three-fourths in number of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the shareholders of the Shares of the Class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up but such consent or sanction will not be required in the case of a variation, amendment or abrogation of the rights attached to any Shares of any Class if, in the view of the Directors, such variation, amendment or abrogation does not materially prejudice the interests of the relevant Shareholders or any of them. Any such variation, amendment or abrogation will be set out in a supplement to (or re-statement of) the Prospectus originally issued in connection with the relevant shares, a copy of which will be sent to the relevant Shareholders on the date of issue of such document and will be binding on the relevant Shareholders. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the Class in question and the quorum at an adjourned meeting shall be one person holding Shares of the Class in question or his proxy;

- (iii) **Voting Rights.** Subject to any rights or restrictions for the time being attached to any Class or Classes of Shares, on a show of hands every Shareholder who is present in person or by proxy shall have one vote and the holder(s) of subscriber shares present in person or by proxy shall have one vote in respect of all the subscriber shares in issue. On a poll every Shareholder present in person or by proxy shall have one vote for every Share of which he is the holder and every holder of a subscriber share present in person or by proxy shall have one vote in respect of his holding of subscriber shares. Shareholders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share;
- (iv) **Alteration of Share Capital.** The Company may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe. The Company may also by ordinary resolution:
- (a) consolidate and divide all or any of its share capital into Shares of larger amount;
 - (b) subdivide its Shares, or any of them, into Shares of smaller amount or value;
 - (c) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled; or
 - (d) redenominate the currency of any Class of Shares.
- (v) **Directors' Interests.** Provided that the nature and extent of his interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the Company nor shall any such contract or any contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

The nature of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested.

A Director shall not vote at a meeting of the Directors or of any committee established by the Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material (other than an interest arising by virtue of his interest in Shares or debentures or other securities or otherwise in or through the Company or another company) or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote.

- (vi) **Borrowing Powers.** The Directors may exercise all of the powers of the Company to borrow or raise money and to mortgage, or charge its undertaking, property and assets (both present and future) and uncalled capital or any part thereof as security for any debt, liability or obligation of the Company provided that all such borrowings shall be within the limits and conditions laid down by the Central Bank;
- (vii) **Delegation to Committee.** The Directors may delegate any of their powers to any committee whether or not consisting of Directors. Any such delegation may be made subject to any conditions the Directors may impose and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles of Association regulating the proceedings of Directors so far as they are capable of applying;
- (viii) **Retirement of Directors.** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age;

(ix) **Directors' Remuneration.** Unless and until otherwise determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who is appointed as an executive director (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of fees, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any Class of Shares of the Company or otherwise in connection with the discharge of their duties;

(x) **Transfer of Shares.** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors in their absolute discretion and without assigning any reason therefor may decline to register any transfer of a Share to a U.S. Person (other than pursuant to an exemption available under the laws of the United States), any person who, by holding Shares, would appear to be in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or might result in the relevant Fund incurring any liability to taxation or suffering pecuniary legal or material administrative disadvantages which the Company might not otherwise have incurred, suffered or breached or which might result in the Company having to comply with registration or filing requirements in any jurisdiction which it would not otherwise be required to comply with, any transfer to or by a minor or a person of unsound mind, any transfer unless the transferee of such Shares would following such transfer be the holder of Shares with a value at the then current issue price equal to or greater than the Minimum Initial Investment Amount, any transfer in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding, any transfer in regard to which any payment of taxation remains outstanding, any transfer to a person who breached or falsified representations on the Application Form, any transfer to a person who has not provided the required tax documentation or supporting documentation for money laundering prevention checks and as set out in the Articles.

(xi) **Right of Redemption.** Shareholders have the right to request the Company to redeem their Shares in accordance with the provisions of the Articles of Association;

(xii) **Dividends.** The Articles of Association permit the Directors to declare such dividends on any Class of Shares as appear to the Directors to be justified by the profits of the relevant Fund. The Directors may satisfy any dividend due to Shareholders of Shares in whole or in part by distributing to them in specie any of the assets of the relevant Fund and, in particular, any investments to which the relevant Fund is entitled. A Shareholder may require the Directors instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund;

(xiii) **Winding up.** The Articles contain provisions to the following effect:

(a) If the Company shall be wound up the liquidator shall, subject to the provisions of the Companies Acts, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund;

(b) Following deduction of the estimated expenses relating to the winding up and liquidation, the assets available for distribution amongst the holders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Class of Share shall be distributed to the holders of Shares in the relevant Class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such Class of Shares in issue as at the date of commencement to wind up; secondly, in the payment to the holder(s) of the subscriber shares of sums up to the notional amount paid

thereon out of the assets of the Company not attributable to any Class of Share. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to other Classes of Shares; and thirdly, any balance then remaining and not attributable to any of the Classes of Shares shall be apportioned pro-rata as between the Classes of Shares based on the Net Asset Value attributable to each Class of Shares as at the date of commencement to wind up and the amount so apportioned to a Class shall be distributed to holders pro-rata to the number of Shares in that Class of Shares held by them;

- (c) A Fund may be wound up pursuant to section 1407 of the Companies Act and in such event the provisions Articles 100 and 101 shall apply mutatis mutandis in respect of that Fund;
 - (d) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the Companies Acts, divide among the holders of Shares of any Class or Classes in specie the whole or any part of the assets of the Company and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between all the holders of Shares of different Classes of Shares. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A holder may require the liquidator instead of transferring any asset in specie to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.
- (xiv) **Share Qualification.** The Articles do not contain a share qualification for Directors.
- (xv) **Termination of Funds** All of the Shares of the Company or a Fund may be redeemed by the Company in the following circumstances:
- (a) if at any time the Net Asset Value of the relevant Fund or Class shall be less than such amount as may be determined by the Directors in respect of that Fund or Class as being uneconomic for the Fund or the Class to continue;
 - (b) if any Fund shall cease to be authorised or otherwise officially approved;
 - (c) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund or Class;
 - (d) if such termination is provided for in the Prospectus;
 - (e) if there is a change in material aspects of the business or in the economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the Holders and/or the Investments of the Fund; or
 - (f) if there is any material change in the tax status of the Company or any Fund in Ireland or in any other jurisdiction (including any adverse tax ruling by the relevant authorities in Ireland or any jurisdiction affecting the Company or any Fund) which the Directors consider would result in material adverse consequences on the Holders and/or the Investments of the Fund; or
 - (g) if the Directors shall have resolved that it is impracticable or inadvisable for a Fund or Class to continue to operate having regard to prevailing market conditions and/or the best interests of the Holders; or
 - (h) if the Assets held in respect of a Fund are terminated or redeemed and the Directors determine that it is not commercially practical to reinvest the realisation proceeds of such

Assets in replacement Assets on terms that will enable the relevant Fund achieve its investment objective and/or to comply with its investment policy;

- (i) if any Fund is established as a feeder fund in accordance with the Central Bank, where the master fund into which such a feeder Fund feeds is terminated, merges into another fund or is divided into two or more funds, the relevant feeder Fund must also be terminated unless the feeder Fund has obtained approval from the Central Bank to invest as a feeder Fund into another master fund (or the master fund resulting from the merger) or convert to a non-feeder fund; or
- (j) if the Directors consider that it is in the best interests of the Shareholders of the Fund.

In order to ensure an orderly disposition of the assets of the Company or a Fund, the Company may suspend the redemption of Shares during the above notice periods in accordance with the procedures set out in the section entitled **Suspension of Calculation of Net Asset Value** above.

11.5. **Litigation and Arbitration**

Since incorporation the Company has not been involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.

11.6. **Directors' Interests**

There are no service contracts in existence between the Company and any of its Directors, or are any such contracts proposed.

At the date of this Prospectus none of the Directors or any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of such capital.

At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as provided below, no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.

Christian Lange is the CEO of the Investment Manager and Andrew Cox is an employee of the Investment Manager.

11.7. **Material Contracts**

The following contracts have been entered into otherwise than in the ordinary course of the business intended to be carried on by the Company and are or may be material:

- (i) the Investment Management Agreement dated 1 December 2016 between the Company and the Investment Manager; this agreement provides that the appointment of the Investment Manager as investment manager and distributor will continue in force unless and until terminated by either party giving to the other 90 days' notice in writing although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. Under this agreement, the Investment Manager shall not be liable to the Company or any Shareholders or otherwise for any error of judgement or loss suffered by the Company or any such Shareholder in connection with the Investment Management Agreement unless such loss arises from the negligence, fraud, bad faith, wilful default or wilful misfeasance in the performance or non-performance by the Investment Manager or persons designated by it of its obligations or duties under the agreement or breach of contract on the part of the Investment Manager or any of its agents or delegates or their agents;
- (ii) the Depositary Agreement dated 30 November 2016 (effective as of 00.01am on 1 December 2016) between the Company and the Depositary under which the Depositary has been appointed as depositary of the Company's assets subject to the overall supervision of the Directors. This agreement provides that the appointment of the Depositary will continue unless and until terminated by the Company or the Depositary giving to the other parties not less than 90 days'

written notice although in certain circumstances the Agreement may be terminated immediately by the Company or the Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved by the Central Bank has been appointed and provided further that if, no replacement Depositary shall have been appointed in accordance with Regulation 32 of Central Bank (Supervision And Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment In Transferable Securities) Regulations 2015 and the Depositary is unwilling or unable to act as such then, a general meeting will be convened at which an ordinary resolution to wind up or otherwise dissolve the Company is proposed and the appointment of Depositary may be terminated only upon the revocation of the authorisation of the Company. This Agreement contains certain indemnities in favour of the Depositary (and each of its officers, employees and delegates) which are restricted to exclude matters arising by reason of the negligent or intentional failure of the Depositary in the performance of its duties;

- (iii) the Administration Agreement between the Company and the Administrator dated 30 November 2016 (effective as of 00.01am on 1 December 2016) under which the latter was appointed as Administrator to administer the affairs of the Company, subject to the terms and conditions of the Administration Agreement and subject to the overall supervision of the Company. The Administration Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Agreement provides that the Company shall out of the Fund's assets indemnify the Administrator and its delegates, agents and employees against and hold it harmless from any actions, proceedings, damages, claims, costs, demands and expenses including legal and professional expenses brought against or suffered or incurred by the Administrator in the performance of its duties other than due to the negligence, fraud, bad faith or wilful default of the Administrator in the performance of its obligations;

Please refer to in Appendix 4 below for details of any other relevant material contracts (if any) in respect of a Fund.

11.8. **Remuneration Policy**

The Company has put in place a remuneration policy (the **Remuneration Policy**) which is designed to be in line with the business strategy, objectives and interests of the Company and the Shareholders.

The Remuneration Policy is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Company or the Funds. The Company has appointed the Directors and has no additional employees. Accordingly, the Remuneration Policy applies to the Directors as the only staff whose professional activities have a material impact on the risk profile of the Company or the Funds. In this regard, none of the Directors will have a performance based variable component to their remuneration.

Details of the 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, are available at www.eiicm.com. A hard copy version of the Remuneration Policy will be made available free of charge upon request.

11.9. **Exchange Listings**

The Company may, at its discretion, arrange for the Shares of any Fund to be listed on a stock exchange or for trading on an organised market.

The market price underlying exchange listing or trading on other markets is not determined exclusively by the value of the assets held in a Fund; the price is also determined by supply and demand. For this reason, this market price may deviate from the Net Asset Value per Share determined for a Class of Shares..

11.10. **Documents Available for Inspection**

Copies of the Memorandum and Articles of Association of the Company, Prospectus, KIIDs and, after publication thereof, the periodic reports and accounts may be obtained free of charge on request from the

registered office of the Company and the Administrator. They are also available on www.eiicm.com.

APPENDIX 1 – LIST OF SUB-CUSTODIANS THAT MAY BE APPOINTED BY THE DEPOSITARY

Country/Market	Sub-custodian	Address
Argentina	Citibank N.A., Argentina * * On March 27, 2015, the Comisión Nacional de Valores (CNV: National Securities Commission) has appointed the central securities depository Caja de Valores S.A. to replace the branch of Citibank N.A. Argentina for those activities performed within the capital markets and in its role as custodian.	Bartolome Mitre 502/30 (C1036AAJ) Buenos Aires, Argentina
Australia	National Australia Bank Limited	12th Floor, 500 Bourke Street, Melbourne Victoria 3000, Australia
Australia	Citigroup Pty Limited	Level 16, 120 Collins Street, Level 16, 120 Collins Street, Australia
Austria	Citibank N.A. Milan	Via Mercanti, 12 20121 Milan Italy
Bahrain	HSBC Bank Middle East Limited	2nd Floor, Building No 2505, Road No 2832, Al Seef 428, Bahrain
Bangladesh	The Hongkong and Shanghai Banking Corporation Limited	Management Office, Shanta Western Tower, Level 4, 186 Bir Uttam Mir Shawkat Ali Shorok, (Tejgaon Gulshan Link Road) Tejgaon Industrial Area, Dhaka 1208, Bangladesh
Belgium	Citibank International Limited	Citigroup Centre Canada Square, Canary Wharf London E14 5LB United Kingdom

Bermuda	HSBC Bank Bermuda Limited	Custody and Clearing Department 6 Front Street Hamilton Bermuda HM11
Botswana	Stanbic Bank Botswana Limited	Plot 50672, Fairground Office Park Gaborone, Botswana
Brazil	Citibank N.A., Brazil	Citibank N.A. Avenida Paulista, 1111 – 12th floor Cerqueira Cesar – Sao Paulo, Brazil CEP: 01311-920
Brazil	Itau Unibanco S.A.	Praça Alfredo Egydio de Souza Aranha, 100, São Paulo, S.P. - Brazil 04344-902
Bulgaria	Citibank Europe plc, Bulgaria Branch	48 Sitnyakovo Blvd Serdika Offices, 10th floor Sofia 1505, Bulgaria
Canada	CIBC Mellon Trust Company (CIBC Mellon)	320 Bay Street Toronto, Ontario, M5H 4A6 Canada
Cayman Islands	The Bank of New York Mellon	1 Wall Street New York, NY 10286 United States
Chile	Banco de Chile	Estado 260 2nd Floor Santiago, Chile Postal code 8320204
Chile	Bancau Itau S.A. Chile	Avenida Apoquindo 3457, Las Condes, 7550197, Santiago, Chile
China	HSBC Bank (China) Company Limited	33 Floor, HSBC Building, Shanghai ifc 8 Century Avenue, Pudong Shanghai, China (200120)
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	Carrera 9A No 99-02 Piso 3 Bogota D.C., Colombia
Costa Rica	Banco Nacional de Costa Rica	1st and 3rd Avenue, 4th Street San José, Costa Rica
Croatia	Privredna banka Zagreb d.d.	Radnicka cesta 50 10 000 Zagreb Croatia

Cyprus	BNP Paribas Securities Services S.C.A., Athens	94 V. Sofias Avenue & 1 Kerasountos 115 28 Athens Greece
Czech Republic	Citibank Europe plc, organizacni slozka	Bucharova 2641/14 158 02 Prague 5, Czech Republic
Denmark	Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden
Egypt	HSBC Bank Egypt S.A.E.	306 Corniche El Nil, Maadi, Cairo, Egypt
Estonia	SEB Pank AS	Tornimäe Str. 2 15010 Tallinn Estonia
Finland	Finland Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden
France	BNP Paribas Securities Services S.C.A.	Office Address: Les Grands Moulins de Pantin – 9 rue du Débarcadère 93500 Pantin, France Legal address: 3 rue d'Antin, 75002 Paris, France
France	Citibank International Limited (cash deposited with Citibank NA)	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB United Kingdom
Germany	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Friedrich-Ebert-Anlage, 49 60327 Frankfurt am Main Germany
Ghana	Stanbic Bank Ghana Limited	Stanbic Heights, Plot No. 215 South Liberation RD, Airport City, Cantonments, Accra, Ghana
Greece	BNP Paribas Securities Services S.C.A., Athens	94 V. Sofias Avenue & 1 Kerasountos 115 28 Athens Greece
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	1, Queen's Road, Central Hong Kong
Hong Kong	Deutsche Bank AG	52/F International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong

Hungary	Citibank Europe plc. Hungarian Branch Office	Szabadság tér 7 1051 Budapest Hungary
Iceland	Landsbankinn hf.	Austurstraeti 11 155 Reykjavik Iceland
India	Deutsche Bank AG	4th Floor, Block I, Nirlon Knowledge Park, W.E. Highway Mumbai - 400 063, India
India	HSBC Ltd	11F, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063, India
Indonesia	Deutsche Bank AG	7th Floor, Deutsche Bank Building Jl. Imam Bonjol No.80, Jakarta – 10310, Indonesia
Ireland	The Bank of New York Mellon	1 Wall Street New York, NY 10286 United States
Israel	Bank Hapoalim B.M.	50 Rothschild Blvd Tel Aviv 66883 Israel
Italy	Citibank N.A. Milan	Via Mercanti 12 20121 Milan Italy
Italy	Intesa Sanpaolo S.p.A.	Piazza San Carlo, 156, 10121 Torino, Italy.
Japan	Mizuho Bank, Ltd.	4-16-13, Tsukishima, Chuo-ku, Tokyo 104- 0052 Japan
Japan	The Bank of Tokyo- Mitsubishi UFJ, Ltd.	1-3-2, Nihombashi Hongoku-cho, Chuo-ku, Tokyo 103-0021, Japan
Jordan	Standard Chartered Bank	1 Basinghall Avenue London, EC2V5DD, England
Kazakhstan	Joint-Stock Company Citibank Kazakhstan	Park Palace Building A, 41 Kazybek Bi Street, Almaty, Kazakhstan

Kenya	CfC Stanbic Bank Limited	First Floor, CfC Stanbic Centre P.O. Box 72833 00200 Chiromo Road, Westlands, Nairobi, Kenya
Kuwait	HSBC Bank Middle East Limited, Kuwait	Hamad Al-Saqr St., Qibla Area, Kharafi Tower, G/1/2 P.O. Box 1683, Safat 13017, Kuwait
Latvia	AS SEB banka	Meistaru iela 1 Valdlauci Kekavas pagasts, Kekavas novads LV-1076 Latvia
Lebanon	HSBC Bank Middle East Limited – Beirut Branch	Lebanon Head Office Minet EL-Hosn, P.O. Box: 11-1380 Beirut, Lebanon
Lithuania	AB SEB bankas	12 Gedimino Av. LT-01103 Vilnius Lithuania
Luxembourg	Euroclear Bank	1 Boulevard du Roi Albert II B-1210 Brussels - Belgium
Malaysia	Deutsche Bank (Malaysia) Berhad	Level 20, Menara IMC No 8 Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia
Malaysia	HSBC Bank Malaysia Berhad	HSBC Bank Malaysia Berhad, 12th Floor, South Tower, 2 Leboh Ampang, 50100 Kuala Lumpur, Malaysia
Malta	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Friedrich-Ebert-Anlage, 49 60327 Frankfurt am Main Germany
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	5th Floor, HSBC Centre, 18 Cybercity, Ebene, Mauritius
Mexico	Banco Nacional de México S.A.	Isabel la Catolica No. 44 Colonia Centro Mexico, D.F. C.P. 06000

Morocco	Citibank Maghreb	Zenith Millenium, Immeuble 1 Sidi Maarouf, B.P. 40 20190 Casablanca Morocco
Namibia	Standard Bank Namibia Limited	N2nd Floor, Standard Bank Centre, Town Square Corner of Post Street Mall and Werner List Street Windhoek, Namibia
Netherlands	The Bank of New York Mellon SA/NV	Rue Montoyer, 46 1000 Brussels Belgium
New Zealand	National Australia Bank Limited	12th Floor, 500 Bourke Street, Melbourne Victoria 3000, Australia
Nigeria	Stanbic IBTC Bank Plc	Walter Carrington Crescent, Victoria Island, Lagos, Nigeria
Norway	Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden
Oman	HSBC Bank Oman S.A.O.G.	2nd Floor, Head Office Building, P.O. Box 1727, Al Khuwair, Postal Code 111, Sultanate of Oman
Pakistan	Deutsche Bank AG	242-243, Avari Plaza, Fatima Jinnah Road Karachi – 75330, Pakistan
Peru	Citibank del Peru S.A.	Avenida Canaval y Moreyra, 480, 3rd floor Lima 27, Peru
Philippines	Deutsche Bank AG	23rd Floor, Tower One & Exchange Plaza, Ayala Triangle, Ayala Avenue, 1226 Makati City Philippines
Poland	Bank Polska Kasa Opieki S.A.	53/57 Grzybowska Street 00-950 Warszawa
Portugal	Citibank International Limited, Sucursal em Portugal	Rua Barata Salgueiro, 30 1269-056 Lisbon Portugal
Qatar	HSBC Bank Middle East Limited, Doha	2nd Floor, Ali Bin Ali Tower, Building no: 150, Al Matar Street (Airport Road) P.O. Box 57, Street no. 950, Umm Ghuwalina Area, Doha, Qatar

Romania	Citibank Europe plc, Romania Branch	145, Calea Victoriei 010072 Bucharest Romania
Russia	Deutsche Bank Ltd	82 Sadovnicheskaya Street, Building 2 115035 Moscow, Russia
Russia	AO Citibank	8-10, building 1 Gasheka Street, Moscow 125047, Russia
Saudi Arabia	HSBC Saudi Arabia Limited	HSBC Building, 7267 Olaya Road, Al-Murooj Riyadh 12283-22555, Kingdom of Saudi Arabia
Serbia	UniCredit Bank Serbia JSC	Rajiceva Street 27-29, 11000 Belgrade, Serbia
Singapore	DBS Bank Ltd	12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982
Singapore	United Overseas Bank Ltd	80 Raffles Place, UOB Plaza, Singapore 048624
Slovak Republic	Citibank Europe plc, pobočka zahraničnej banky	Mlynske Nivy 43 825 01 Bratislava, Slovak Republic
Slovenia	UniCredit Banka Slovenia d.d.	Smartinska 140, 1000 - Ljubljana, Slovenia
South Africa	The Standard Bank of South Africa Limited	9th Floor 5 Simmonds Street Johannesburg 2001, South Africa
South Korea	The Hongkong and Shanghai Banking Corporation Limited	5th Floor, HSBC Building, 37, Chilpae-ro, Jung-Gu, Seoul, Korea, 100-161
South Korea	Deutsche Bank AG	18th Floor, Young-Poong Building 41 Cheonggyecheon- ro, Jongro-ku, Seoul 03188, South Korea
Spain	Banco Bilbao Vizcaya Argentaria, S.A.	Plaza San Nicolás, 4 48005 Bilbao Spain
Spain	Santander Securities Services S.A.U.	Ciudad Grupo Santander. Avenida de Cantabria s/n, Boadilla del Monte 28660 – Madrid, Spain
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited	24 Sir Baron Jayathilake Mawatha Colombo 01, Sri Lanka

Swaziland	Standard Bank Swaziland Limited	Standard House, Swazi Plaza Mbabane, Swaziland
Sweden	Skandinaviska Enskilda Banken AB (Publ)	Kungsträdgårdsgatan 8 106 40 Stockholm - Sweden
Switzerland	Credit Suisse AG	Paradeplatz 8 8070 Zurich Switzerland
Switzerland	UBS Switzerland AG	Bahnhofstrasse 45, 8001 Zürich, Switzerland
Taiwan	HSBC Bank (Taiwan) Limited	16th floor, Building G, No. 3-1 Park Street Taipei 115, Taiwan
Taiwan	Standard Chartered Bank (Taiwan) Ltd.	No 168, Tun Hwa North Road, Taipei 105, Taiwan
Thailand	The Hongkong and Shanghai Banking Corporation Limited	Level 5, HSBC Building, 968 Rama IV Road, Bangrak Bangkok 10500, Thailand
Tunisia	Banque Internationale Arabe de Tunisie	70-72, Avenue Habib Bourguiba 1080 Tunis Tunisia
Turkey	Deutsche Bank A.S.	Esentepe Mahallesi Büyükdere Caddesi Tekfen Tower No:209 K:17 Sisli TR-34394-Istanbul, Turkey
Uganda	Stanbic Bank Uganda Limited	Plot 17 Hannington Road Short Tower- Crested Towers P.O. Box 7131, Kampala, Uganda
Ukraine	Public Joint Stock Company "Citibank"	16G Dilova Street 03150 Kiev Ukraine
U.A.E.	HSBC Bank Middle East Limited, Dubai	Emaar Square, Building 5, Level 4 PO Box 502601 Dubai, United Arab Emirates
U.K.	Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch	Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
U.K.	The Bank of New York Mellon	225 Liberty Street, New York, NY 10286, United States
U.S.A.	The Bank of New York	225 Liberty Street, New York, NY 10286, United States

	Mellon	
Uruguay	Banco Itaú Uruguay S.A.	Dr. Luis Bonavita 1266 Toree IV, Piso 10 CP 11300 Montevideo, Uruguay
Venezuela	Citibank N.A., Sucursal Venezuela	Av. Casanova, Centro Comercial El Recreo Torre Norte, Piso 19 Sabana Grande, Caracas 1050 D.C. Venezuela
Vietnam	HSBC Bank (Vietnam) Ltd	The Metropolitan, 235 Dong Khoi Street District 1, Ho Chi Minh City, Vietnam
Zambia	Stanbic Bank Zambia Limited	Stanbic House, Plot 2375, Addis Ababa Drive P.O Box 31955 Lusaka, Zambia
Zimbabwe	Stanbic Bank Zimbabwe Limited	59 Samora Machel Avenue, Harare, Zimbabwe

12. APPENDIX 2 – REGULATED MARKETS

With the exception of permitted investments in unlisted investments and over-the-counter derivative instruments, the investments of any Fund will be restricted to the following exchanges and markets:

Europe

Any stock exchange in the European Union, Iceland, Liechtenstein, Norway and Switzerland, the market organised by the International Capital Markets Association and any of the stock exchanges or markets listed below.

The Istanbul Stock Exchange.*

The MICEX Level 1 and 2.*

The RTS Stock Exchange Level 1 and 2.*

The Zagreb Stock Exchange.*

The French Market for Titres de Creance Negotiable (over the counter market in negotiable debt instruments).

AIM the Alternative Investment Market in the United Kingdom, regulated and operated by the London Stock Exchange.

The market conducted by “listed money market institutions” as described in the United Kingdom Financial Services Authority publication entitled “The Regulation the Wholesale Cash and OTC Derivatives Markets: The Grey Paper”.

Asia and Australasia

The Stock Exchange of Hong Kong.

BSE The Stock Exchange, Mumbai.*

The Kuala Lumpur Stock Exchange.*

The Singapore Exchange.*

The Bangalore Stock Exchange.*

The Taiwan Stock Exchange.*

The Stock Exchange of Thailand.*

The Korea Exchange.*

The Calcutta Stock Exchange Association.*

The Delhi Stock Exchange Association.*

The Gauhati Stock Exchange Association.*

The Hyderabad Stock Exchange.*

The Ludhiana Stock Exchange Association*.

The Madras Stock Exchange.*

The Pune Stock Exchange.*

The Uttar Pradesh Stock Exchange Association.*

The Jakarta Stock Exchange.*

The Surabaya Stock Exchange.*

The Shenzhen Stock Exchange.*

The Shanghai Securities Exchange.*

The Colombo Stock Exchange.*

The Philippine Stock Exchange.*

The Karachi Stock Exchange.*

The Lahore Stock Exchange.*

The Dhaka Stock Exchange.*

The GreTai Securities Market.*

The over-the-counter market in Tokyo, Japan regulated by the Securities Dealers Association of Japan.

The Stock Exchanges of Australia and New Zealand.

Any stock exchange of Japan which is a stock exchange within the meaning of the law of that country relating to stock exchanges.

South America

The Buenos Aires Stock Exchange.*

The Rio de Janeiro Stock Exchange.*

The São Paulo Stock Exchange.*

The Santiago Stock Exchange.*

The Bogota Stock Exchange.*

The Medellin Stock Exchange.*

The Caracas Stock Exchange.*

The Maracaibo Stock Exchange.*

The Lima Stock Exchange.*

The Mexican Stock Exchange.*

Middle East

The Tel Aviv Stock Exchange.*

The Cairo and Alexandria Stock Exchanges.*

The Amman Stock Exchange.*

Africa

The Morocco Stock Exchange.*

The Casablanca Stock Exchange.*

The JSE Securities Exchange South Africa.*

North America

Any stock exchange in the U. S. or Canada which is a stock exchange within the meaning of the law of the country concerned relating to stock exchanges.

* The stock exchange or market is regarded by the Management Company as an emerging market and is subject to some or all of the emerging market risks set out in the section "Risk Factors in relation to Funds" in this Prospectus.

The over-the-counter market in Canadian Government Bonds regulated by the Investment Dealers Association of Canada.

Any exchange registered with the Securities and Exchange Commission of the United States as a National Stock Exchange, The market organised by the NASDAQ (National Association of Securities Dealers Inc.).

The market in U. S. government securities which is conducted by primary dealers which are regulated by the Federal Reserve Bank of New York.

The over-the-counter market in the U. S. conducted by primary dealers as above and secondary dealers which are regulated by the U. S. 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 organised by the International Capital Markets Association.

With the exception of permitted investment in unlisted securities and OTC FDI, investments will be restricted to those stock exchanges and markets listed in the Prospectus.

The MICEX Level 1 and 2 and the RTS Stock Exchange Level 1 and 2 are included solely in relation to equity securities.

For investments in FDI:

- (i) 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 Financial Services Authority 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 UK, regulated by the London Stock Exchange; the French Market for Titres de Creance Negotiable (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
- (ii) American Stock Exchange, Australian Stock Exchange, Bolsa Mexicana de Valores, 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, MEFF Rent Fiji, MEFF Renta Variable, Montreal Stock Exchange, New York Futures Exchange, New York Mercantile Exchange, New York Stock Exchange, New Zealand Futures and Options Exchange, OMLX The London Securities and Derivatives Exchange Ltd., 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; TSX Group Exchange.

The markets and exchanges described above are set out herein in accordance with the requirements of the Central Bank which does not issue a list of approved exchanges and markets.

13. APPENDIX 3 – INVESTMENT RESTRICTIONS

1. Permitted Investments

Investments of a Fund must be 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 and is listed in Appendix 1;
- 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 in on a Regulated Market;
- 1.4. shares or units of UCITS;
- 1.5. shares or units of AIFs;
- 1.6. deposits with credit institutions; and
- 1.7. financial derivative instruments.

2. Investment Limits

- 2.1. A Fund may invest no more than 10% of its Net Asset Value in transferable securities and money market instruments other than those referred to in paragraph 1 above.
- 2.2. A Fund may invest no more than 10% of its Net Asset Value in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by a Fund in certain U.S. securities known as Rule 144A securities provided that the securities are issued with an undertaking to register with the U.S. Securities and Exchange Commission within one year of issue and the securities are not illiquid securities, i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3. A Fund may invest no more than 10% of its Net Asset Value 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% (as described in paragraph 2.3 above) 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 Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Fund.
- 2.5. The limit of 10% (as described in paragraph 2.3 above) 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 paragraphs 2.4 and 2.5 above shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.3.

- 2.7. A Fund may not invest more than 20% of its Net Asset Value in deposits made with the same credit institution.

Deposits with any one credit institution, other than credit institutions authorised in the EEA, credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand, held as ancillary liquidity, must not exceed 10% of a Fund's Net Asset Value.

This limit may be raised to 20% in the case of deposits made with the Depositary.

- 2.8. The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of its Net Asset Value.

This limit is raised to 10% in the case of credit institutions authorised in the EEA, credit institutions 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, 2.6 and 2.7 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of a Fund's Net Asset Value: 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 paragraphs 2.3, 2.4, 2.6, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of a Fund's Net Asset Value.

- 2.11. Group companies are regarded as a single issuer for the purposes of paragraphs 2.3, 2.4, 2.6, 2.7, 2.8 and 2.9 above. However, a limit of 20% of a Fund's Net Asset Value may be applied to investment in transferable securities and money market instruments within the same group.

- 2.12. A Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, Non-Member State 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, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and 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 Fund must hold securities from at least six different issues, with securities from any one issue not exceeding 30% of net assets.

3. **Investment in other collective investment schemes**

- 3.1. A Fund may not invest more than 20% of its Net Asset Value in any one CIS.

- 3.2. Investment in AIFs CIS may not, in aggregate, exceed 30% of the Fund's Net Asset Value.

- 3.3. A Fund may not invest in another single structure CIS or a sub-fund of an umbrella CIS, which itself invests more than 10% of its net assets in other CIS.

- 3.4. When a Fund invests in the shares or units of other CIS that are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company may not charge subscription, switching or redemption fees on account of the investment by the Fund in the shares or units of such other CIS.
- 3.5. Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment in the shares or units of another CIS, this commission must be paid into the property of the Fund.
- 3.6. Investment by a Fund in another Fund of the ICAV is subject to the following additional provisions:
 - (i) investment must not be made in a Fund which itself holds Shares in another Fund within the ICAV; and
 - (ii) the investing Fund may not charge an annual management fee in respect of that portion of its assets invested in other Funds within the ICAV. This provision is also applicable to the annual fee charged by the Investment Manager where such fee is paid directly out of the assets of the Fund.

4. **Index Tracking UCITS**

- 4.1. A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund 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 above may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

5. **General Provisions**

- 5.1. The ICAV acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body.
- 5.2. A Fund 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 shares or units of any single CIS;
 - (iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in sub-paragraphs (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. Paragraphs 3.1 and 3.2 above 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 Fund 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 Non-Member State, where under the legislation of that Non-Member State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that Non-Member State. This waiver is applicable only if in its investment strategies the company from the Non-Member State complies with the limits laid down in paragraphs 2.3, 2.11, 3.1, 3.2, 5.1, 5.2 above and paragraphs 5.4, 5.5 and 5.6 below, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed;

- (v) shares held by an investment company or investment companies 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 or units at the request of share or unit holders exclusively on their behalf.
- 5.4. A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments that form part of their assets.
 - 5.5. The Central Bank may allow recently authorised Funds to derogate from the provisions of paragraphs 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 above for six months following the date of their 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 Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
 - 5.7. The ICAV may not carry out uncovered sales of transferable securities; money market instruments; shares or units of CIS; or financial derivative instruments.
 - 5.8. A Fund may hold ancillary liquid assets.
- 6. Financial Derivative Instruments (FDI)**
- 6.1. A Fund's 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. (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 Central Bank UCITS Regulations).
 - 6.3. A Fund may invest in FDI dealt in over-the-counter (OTC) provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
 - 6.4. Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

Amadeus Asian Real Estate Securities Fund (the Fund)

1. INVESTMENT OBJECTIVE AND POLICIES

1.1. Investment Objective

The objective of the Fund's investment policy is to achieve capital appreciation with dividend yield as a secondary objective.

1.2. Investment Policy

The Fund will seek to achieve its investment objective primarily through investment in the real estate sector within Asian countries. Australia and New Zealand are regarded as Asian countries for the purposes of the investment policy on account of their close economic link with the region.

The investments of the Fund will primarily be selected from the securities that are the constituents of the FTSE EPRA/NAREIT Developed Asia Index Net TRI (the **Index**), as further described in *Benchmark Information* below. As it is not intended to track the Index, the Investment Manager will not be constrained by the weightings of the constituents of the Index. Accordingly, the Investment Manager will have the discretion to invest in such securities in greater or less weightings than the constituents of the Index and/or to not invest in constituents of the Index and/or to invest in securities that are not constituents of the Index. The Investment Manager may, for example, increase the exposure of the Fund to countries or sectors considered by the Investment Manager to have positive real estate fundamentals or decrease the exposure of the Fund to countries or sectors considered by the Investment Manager to have negative or neutral real estate fundamentals. Real estate fundamentals include: supply growth, demand growth, change in rental rates, concessions, taxes, vacancy rates, impact of labour market growth, economic growth, monetary policy, interest rates and leverage. The aim of the investment approach is to take factors such as regional and national economic developments as well as the different types of real estate within each market, for example land and residential, commercial or industrial real estate, into account when making investment decisions regarding the exposure of the Fund to countries or sectors.

While the investments of the Fund may primarily be selected from the securities that are constituents of the Index, it is expected that the assets of the Fund will under normal trading circumstances be invested in accordance with the principle of risk diversification as follows.

- i) The Fund may invest at least 85% of its Net Asset Value in equity securities, such as ADR's, GDR's, EDR's, warrants, convertible bonds, or actively traded REITS, of issuers which either participate in or derive a significant portion of their revenues and/or profits from the real estate sector in Asian countries. Issuers that will qualify for investment principally engage in the ownership, construction, management, financing or purchase and sale of land and residential, commercial or industrial real estate. The Fund will only invest in securities traded on a Regulated Market located in Asian countries as well as countries in which ADR's, GDR's and EDR's are traded, such as the United Kingdom and Germany, subject to the permitted investment in unlisted securities.
- ii) The Investment Manager will seek to maintain the exposure of the Fund to countries within +/- 5% of the constituents of the Index exposure to the relevant countries.
- iii) Furthermore, the Fund may invest up to 10% of its Net Asset Value in equity securities and equity-like securities of issuers which either participate in or derive a significant portion of their revenues and/or profits from the real estate sector outside Asian countries, Australia and New Zealand.
- iv) The Fund is permitted to invest up to 10% of its Net Asset Value in other UCITS of any EU Member

State whose objective is to invest in the foregoing.

- v) Furthermore, the Fund is permitted to place cash on deposit and to purchase money market instruments, i.e. interest-bearing securities of a short-term nature from issuers of a high credit rating, such as treasury bills, certificates of deposit, commercial paper or bankers acceptances and money market funds which fall within the category referred to in (d) above. The total value of such investments may not exceed 15% of the Net Asset Value of the Fund in normal trading circumstances. The Fund will not invest in deposits and money market instruments for strategic purposes but rather to ensure sufficient liquidity for the fulfilment of obligations (such as payment for purchases of securities or to meet share redemption requests) and the provision of collateral/margin for positions in financial derivative instruments as disclosed below.
- vii) The investments of the Fund can be denominated in a range of foreign currencies including but not limited to the currencies of Asian countries.

In addition to its investments in companies incorporated in Developed Countries, the Fund may also invest up to 20% of its Net Asset Value in companies incorporated in Non-Developed Countries, some of which are sometimes referred to as emerging markets.

The limits per i), iii), iv) and v) above may be exceeded for reasons beyond the control of the Fund, such as the appreciation or depreciation of investments of the Fund, the execution of entitlements from rights issues or options and the change of the value of the entire Fund, for example, due to subscriptions and redemptions.

The Investment Manager may seek to manage risks relating to the currency exposure of the Fund using hedging techniques and instruments such as foreign exchange forwards and non-deliverable forwards as outlined below.

2. FINANCIAL DERIVATIVE INSTRUMENTS & EFFICIENT PORTFOLIO MANAGEMENT

The Fund may use FDI for the purpose of efficient portfolio management (including transactions entered into for hedging purposes). The Fund may passively receive rights as a result of corporate actions relating to transferable securities held by the Fund. The Funds may also invest in warrants or convertible bonds to gain exposure to an underlying security as a more efficient and cheaper alternative to direct investment in that security. The Fund may use forwards for the purposes of managing currency risk associated with over or under weighting exposure to certain countries. The use of the foregoing FDI is further described in section 3 above entitled **Use of FDI and Efficient Portfolio Management**.

The Investment Manager will employ a risk management process which will enable it to accurately measure, monitor and manage the risks attached to such FDI positions. Details of this process have been provided to the Central Bank. The Investment Manager will not utilise FDIs which have not been included in the risk management process until such time as a revised risk management process has been submitted to the Central Bank, in accordance with the Central Bank's requirements. Any use of FDI, other than foreign exchange forward, non-deliverable forward contracts, warrants rights and convertible bonds, in the future would be in accordance with the **Use of FDI and Efficient Portfolio Management** in section 3 above.

The Fund will use the commitment approach to calculate its daily global exposure, being the incremental exposure and leverage generated through the use of FDI, in accordance with its risk management process and the requirements of the Central Bank.

The Fund will not be leveraged in excess of 100% of its total Net Asset Value through the use of FDI.

3. BORROWING

The Company, on behalf of the Fund, may borrow up to 10% of its total Net Asset Value of the Fund on a temporary basis and not for speculative purposes and in accordance with the general provisions set out in section 3 of the Prospectus under the heading **Borrowing and Lending Powers and Restrictions**.

4. INVESTMENT RESTRICTIONS

The other investment restrictions applicable to the Fund are set out in Appendix 3 hereto.

5. PROFILE OF A TYPICAL INVESTOR

The Fund is designed for investors who expect returns substantially in excess of market interest rates, with returns primarily resulting from capital gains. The Fund seeks to achieve capital appreciation in the long-term, but the risk of significant losses cannot be ignored.

Bearing the above in mind, an investment in the Fund should be held for a long-term investment horizon.

6. RISK PROFILE

The Fund, compared with other fund types, contains the relatively highest risks and potential opportunities that are associated with investing in equities denominated in foreign currencies.

Bearing in mind the Fund's equity-market orientation and its investment objective, it is exposed in particular to investment risk, general market risk, industry risk, real estate funds risk, company-specific risk, creditworthiness risk, counterparty risk, political risk, risk of default, emerging market risks, liquidity risk, country and region risk, risk of insolvency as well as currency risk. Among other things, as regards the equity-market orientation of the Fund, it should be stressed that declines in prices, particularly those that affect the overall market, possibly even exceedingly persistent ones, could have a negative impact on the Fund's assets.

In addition, investors' attention is drawn to concentration risks, fund size risk, inflation risk, performance fee risk, risk of changes in underlying conditions, custodial risk, risk of changes in the constitutional documentation, investment objectives and policies and general conditions, key person risk, risk of interest rate changes, risks associated with the use of financial derivative instruments, risk of dealing restrictions and compulsory actions, risk of transaction costs caused by subscriptions, conversions and redemptions affecting the entire Fund as well as the individual class and especially increased performance risk.

In relation to target fund investments the Fund is exposed to the specific risks associated with investing in target funds.

Investors' attention is drawn to the **Risk Factors** section below where the above risks are explained in detail. The value of the Shares of the Fund may be subject to a significant level of volatility.

7. RISK FACTORS

The risk factors under the section 4 of the Prospectus entitled **Risk Factors** apply to this Fund.

In addition, investors should note that **Shares of the Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares and the income (if any) derived from them may fluctuate up and/or down.**

8. DIVIDEND POLICY

Classes A, E, I, and EI, comprise Distributing Shares and the intention is to pay distributions in accordance with the dividend policy set out in section 3 of the Prospectus under the heading **Dividend Policy**.

Distributing Shares will normally go "ex dividend" on the next Business Day following 31 December in each year. Distributions for the Distributing Shares will generally be paid annually on the first Monday in March following the end of the Accounting Period. If the distribution date falls on a day which is not a Business Day, the distribution will be made on the next Business Day.

9. BENCHMARK INFORMATION

For the purposes outlined in the Investment Policy and for performance reporting and the calculation of performance fees (if any), the benchmark used by the Fund is the FTSE EPRA/NAREIT Developed Asia

Index Net TRI (the **Index**). The Fund is not an index tracking fund and there can be no guarantee that the Fund's performance will meet or exceed the performance of the Index.

The Index is a subset of the FTSE EPRA/NAREIT Developed Index that is designed to represent general trends in eligible real estate equities in developed Asian countries, and tracks the performance of listed real estate companies and REITS. Relevant real estate activities are defined as the ownership, disposal and development of income-producing real estate. The Index is net of tax total returns which means that it is calculated based on the maximum withholding tax rates applicable to dividends received by institutional investors who are not resident in the same country as the remitting company and who do not benefit from double taxation treaties. Daily prices for the benchmark are available from Reuters. The Index is issued by the FTSE group. Further information in relation to the Index is available at www.ftserussell.com.

10. KEY INFORMATION FOR SUBSCRIBING AND REDEEMING

10.1. Base Currency

The Base Currency of the Fund is Euro. Investments may be denominated in other currencies.

10.2. Available Share Classes

Share Class	Denominated Currency	Initial Issue Price for unlaunched Share Class*	Minimum Initial Investment Amount*
A (CHF)	CHF	100	N/A
A (CZK)	CZK	3.000	N/A
A (DKK)	DKK	1,000	N/A
A (EUR)	EUR	N/A	N/A
A (GBP)	GBP	100	N/A
A (HUF)	HUF	20,000	N/A
A (JPY)	JPY	20,000	N/A
A (NOK)	NOK	1,000	N/A
A (PLN)	PLN	400	N/A
A (SEK)	SEK	1,000	N/A
A (SGD)	SGD	10	N/A
A (USD)	USD	10	N/A
E (CHF)	CHF	100	N/A
E (CZK)	CZK	3.000	N/A
E (DKK)	DKK	1,000	N/A
E (EUR)	EUR	N/A	N/A
E (GBP)	GBP	100	N/A

E (HUF)	HUF	20,000	N/A
E (JPY)	JPY	20,000	N/A
E (NOK)	NOK	1,000	N/A
E (PLN)	PLN	400	N/A
E (SEK)	SEK	1,000	N/A
E (SGD)	SGD	10	N/A
E (USD)	USD	N/A	N/A
I (CHF)	CHF	1,000	400,000
I (CZK)	CZK	30,000	6,000,000
I (DKK)	DKK	10,000	2,000,000
I (EUR)	EUR	N/A	200,000
I (GBP)	GBP	1,000	200,000
I (HUF)	HUF	250,000	50,000,000
I (JPY)	JPY	200,000	40,000,000
I (NOK)	NOK	10,000	1,600,000
I (PLN)	PLN	4,000	800,000
I (SEK)	SEK	10,000	2,000,000
I (SGD)	SGD	1,000	200,000
I (USD)	USD	1,000	200,000
EI (CHF)	CHF	1,000	N/A
EI (CZK)	CZK	30,000	N/A
EI (DKK)	DKK	10,000	N/A
EI (EUR)	EUR	N/A	N/A
EI (GBP)	GBP	1,000	N/A
EI (HUF)	HUF	250,000	N/A
EI (JPY)	JPY	200,000	N/A
EI (NOK)	NOK	10,000	N/A
EI (PLN)	PLN	4,000	N/A
EI (SEK)	SEK	10,000	N/A
EI (SGD)	SGD	1,000	N/A
EI (USD)	USD	10	N/A

*in the denominated currency of the Share Class.

As at the date of this Prospectus, the following Share Classes are in issue:

A (EUR), E (EUR), E (USD), I (EUR), EI (EUR)

References herein to Classes of Shares A, E, I, EI, with no additional indicators refer to all the Classes of Shares with that prefix, irrespective of the currency of denomination.

Any decision to issue any of the Classes not currently in issue is at the discretion of the Company. Information on the Classes of Shares in issue from time to time can be obtained from the Distributor and the Administrator. Information in relation to Classes of Shares in issue at the Accounting Date and Semi-Annual Accounting Date will be provided in the annual and semi-annual reports, respectively, and the Key Investor Information Document issued in respect of the relevant Class of Shares in the Fund.

Shares of Class I may only be acquired by beneficial owners who are non-natural persons and may not be acquired in situations in which the subscriber of the Shares is a non-natural person but is acting as intermediary for a third-party beneficiary who is a natural person. The Minimum Initial Investment Amount for Shares in Class I applies after the deduction of any Subscription Charge. In individual cases, the Company may, at its discretion, permit a lower Minimum Initial Investment Amount and the Company may differentiate between Shareholders accordingly. Before Class I Shares are issued, an applicant may be required to provide satisfactory assurances to the Administrator or the Distributor that the proposed beneficial owner of the Class I Shares is a non-natural person who meets the Minimum Initial Investment Amount requirement. If the investor is acting as intermediary for third-party beneficiaries, then the Shares of Class I may only be acquired if the Minimum Initial Investment Amount is separately fulfilled by each of the third-party beneficiaries. A condition may be set on the issue of Shares of Class I requiring the prior submission by the investor of a written confirmation to that effect. Failure to provide satisfactory assurances will result in the application for I Shares being rejected.

Additional Classes of Shares may be created in accordance with the requirements of the Central Bank.

10.3. Initial Offer Period and Price

The Initial Offer Period for all Classes that are not in issue on the date of this Prospectus shall commence on the date immediately following the date of this Prospectus and will end after 6 months. This Initial Offer Period may be extended or shortened by the Company and the Central Bank will be notified on an annual basis of any such extensions or shortenings. If all of the Shares of a Class are redeemed, the Company may re-open the Initial Offer Period for the Shares of the relevant Class in accordance with the requirements of the Central Bank.

During the Initial Offer Period, Shares will be issued at the Initial Issue Price of the relevant Share Class outlined in the table above.

Following the Initial Offer Period, Shares shall be issued at the Subscription Price per Share as determined on the day on which they are deemed to be issued.

10.4. Subscription Charge

The Company may charge a Subscription Charge of up to 5% of the subscription amount received in respect of a subscription for Shares in Classes A and E. After the deduction of the Subscription Charge, the balance of the subscription monies received will be used to purchase Shares in the relevant Class subscribed for. The Subscription Charge may be payable to distributors or Intermediaries. The Company has discretion to charge a lower Subscription Charge than the maximum Subscription Charge.

There is no Subscription Charge in respect of Classes I and EI.

10.5. Exchange Charge

An exchange fee corresponding to the Subscription Charge of the Class of Shares to be acquired, where a Subscription Charge applies, will apply to an exchange of Shares. The exchange charge is calculated as a percentage of the Net Asset Value per Share of the relevant Class of Shares. The Company may levy a

lower exchange fee at its discretion.

10.6. **Business Day**

A day (excluding Saturday and Sunday) on which banks are open for business in Dublin and Frankfurt and the Frankfurt Stock Exchange is open for business, provided that the Directors from time to time may designate as a Business Day a day on which banks are not open for business in Dublin and Frankfurt and/or the Frankfurt Stock Exchange is not open for business.

10.7. **Valuation Point**

The Valuation Point is 12:00p.m. Irish time on the Dealing Day or such other time as the Directors may determine from time to time and notify in advance to Shareholders provided the Valuation Point shall always be after the Dealing Deadline.

10.8. **Dealing Days**

Such Business Day or Business Days as the Directors from time to time may determine provided that, in any event, there shall be two Dealing Days in a month and unless otherwise determined and notified in advance to Shareholders each Business Day shall be a Dealing Day.

10.9. **Dealing Deadline**

Subscriptions: 12:00 p.m. Irish time on the Dealing Day.

Redemptions: 12:00 p.m. Irish time on the Dealing Day.

10.10. **Settlement Date**

The Settlement Date for the receipt of monies for the subscription for Shares and the dispatch of monies for the redemption of Shares shall be the second Business Day following the relevant Dealing Day provided that all the required documentation, including the original Application Form has been furnished to and received by the Administrator.

11. **HOW TO SUBSCRIBE FOR SHARES**

Requests for the subscription for Shares should be made in accordance with the provisions set out in the section entitled **Subscription for Shares** in section 6 of the Prospectus.

12. **HOW TO REDEEM SHARES**

Requests for the redemption of Shares should be made in accordance with the provisions set out in the section entitled **Redemption of Shares** in section 6 of the Prospectus.

13. **FEES AND EXPENSES**

The following sections on fees should be read in conjunction with section 9 of the Prospectus entitled **Fees and Expenses**.

13.1. **Investment Manager Fees**

The Investment Manager shall be entitled to receive out of the assets of the Fund an annual fee, accrued on each Dealing Day and payable monthly in arrears, at an annual rate of up to and not exceeding 0.95% of the Net Asset Value of the A and E Share Classes and 0.55% of the Net Asset Value of the EI and I Share Classes. The annual fee may be increased up to 1.5% of the Net Asset Value of any Share Class on prior notification to the relevant Shareholders in the Fund. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket costs and expenses incurred by the Investment Manager in the performance of its duties (plus VAT thereon, if any). The Investment Manager has the discretion to charge a lower management fee.

Performance Fee

The Investment Manager charges an annual performance fee equal to 20% of the Net Performance of the A and E Classes of Shares. No performance fee is charged to I and EI Classes of Shares. Net Performance is the cumulative daily performance of the A and E Classes of Shares relative to the FTSE EPRA/NAREIT Developed Asia Index Net TRI (the **Index**) during the calendar year. The performance fee will be calculated for the period annually from 1 April to 31 March of each year and, if payable, shall be payable in arrears in April of each year. Net Performance shall be calculated on each Dealing Day and a performance fee accrued to the extent that Net Performance is a positive value. Performance shall be calculated by reference to the Net Asset Value per Share of the A and E Classes of Shares but excluding the effects of any accrued or paid performance fee. Where there is more than one Class of Shares in the Fund, Net Performance shall be calculated separately for each relevant Class; e.g. to take account of Shares denominated in different currencies. The Depositary must verify the calculation of the performance fee before it is paid to the Investment Manager.

Where Shares are redeemed, a pro-rata portion of any accrued performance fee becomes immediately payable to the Investment Manager.

If at the Accounting Date, the Net Performance of the A and E Classes of Shares is a negative value, then no performance fee shall be accrued or paid until the Net Performance of the succeeding year, or years, exceeds that negative value, as reduced for any subsequent redemptions, and then only to the extent that it exceeds it.

For newly issued Classes of Shares, the Initial Issue Price (excluding any Subscription Charge) is used as the starting price for the calculations. Consequently, performance fee can only be paid on the subsequent Net Performance based on the Initial Issue Price (excluding any Subscription Charge).

The Depositary must verify the calculation of the performance fee.

13.2. Administrator Fees

The Administrator shall receive a fee for administration services of up to 0.08% per annum charged on the daily Net Asset Value of the Fund, subject to a minimum monthly fee payable by the Fund of Euro 5,000. The administrator fee will accrue daily and be payable monthly in arrears. The Fund will also pay to the Administrator certain account fees, transaction charges and reporting fees which will be charged at normal commercial rates.

13.3. Depositary Fees

The Depositary shall receive a fee of up to 0.3% per annum of the average daily Net Asset Value of each Fund payable monthly in arrears on the basis of the average daily Net Asset Value over the preceding month. The Company shall discharge the out-of-pocket expenses and the transaction charges of the Depositary and the fees, transaction charges and expenses of any sub-custodian appointed by the Depositary in respect of the assets of the Company which fees and transaction charges shall be charged at normal commercial rates.

14. MISCELLANEOUS

At the date of this Prospectus, there is no other Fund of the Company in existence.

Registered Office

25-28 North Wall Quay
Dublin 1
Ireland

Company Secretary

**Goodbody Secretarial
Limited**
IFSC
North Wall Quay
Dublin 1
Ireland

Administrator & Registrar

**Capita Financial
Administrators (Ireland)
Limited**
Second Floor
2 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

**Investment Manager and
Distributor**

EII Capital Management, Inc.
8th Floor
640 Fifth Avenue
New York NY 10019
U.S.A.

Depository

**BNY Trust Company (Ireland)
Limited**
Guild House
IFSC
Dublin 1
Ireland

Legal Advisers in Ireland

A&L Goodbody

IFSC
North Wall Quay
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Ireland

KPMG

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