

The Directors of the Company whose names appear in the “Management and Administration” section accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Directors accept responsibility accordingly.

NEMESIS FUND PLC

(An investment company with variable capital constituted as an umbrella fund with segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011, as amended)

PROSPECTUS

12 June 2014

IMPORTANT INFORMATION

THIS PROSPECTUS

This Prospectus describes Nemesis Fund plc, an investment company with variable capital incorporated in Ireland as a public limited company. The Company is constituted as an umbrella fund insofar as the share capital of the Company will be divided into different series of Shares with each series of Shares representing a separate investment portfolio of assets. Shares of any Portfolio may be divided into different classes to accommodate different subscription and/or redemption provisions and/or dividend and/or charges and/or fee arrangements and/or currencies including different total expense ratios.

The Portfolios have different investment objectives and invest in different types of investment instruments. Each Portfolio will be invested in accordance with the investment objectives and policies applicable to such Portfolio as specified in Annex II to this Prospectus. Each Portfolio will bear its own liabilities and none of the Company, any of the service providers appointed to the Company, the Directors, any receiver, examiner or liquidator, nor any other person, will have access to the assets of a Portfolio in satisfaction of a liability of any other Portfolio. Investors should refer to the paragraph headed "Umbrella Structure of the Company" in the "Investment Risks" section for further details.

INVESTOR RESPONSIBILITY

Prospective investors should review this Prospectus carefully and in its entirety and consult with their legal, tax and financial advisers for independent advice in relation to: (a) the legal requirements within their own countries for the purchase, holding, exchanging, redeeming or disposing of Shares; (b) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, exchanging, redeeming or disposing of Shares; (c) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, exchanging, redeeming or disposing of Shares; and (d) the provisions of this Prospectus.

Neither the admission of the Shares of any Portfolio to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange nor the approval of this Prospectus pursuant to the listing requirements of the Irish Stock Exchange shall constitute a warranty or representation by the Irish Stock Exchange as to the competence of service providers to or any party connected with the Company, the adequacy of information contained in this Prospectus or the suitability of the Company for investment purposes.

CENTRAL BANK AUTHORISATION - UCITS

The Company is authorised by the Central Bank as an Undertaking for Collective Investment in Transferable Securities under the UCITS Regulations. **The authorisation of the Company by the Central Bank shall not constitute a warranty 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 by the Central Bank is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus.**

DISTRIBUTION AND SELLING RESTRICTIONS

The distribution of this Prospectus and the offering or purchase of Shares may be restricted in certain jurisdictions. This Prospectus does not constitute and may not be treated as an offer or solicitation by or to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction.

STOCK EXCHANGE LISTING

Application may be made to the Irish Stock Exchange for Shares of any series or class issued and to be issued to be admitted to its Official List and to trading on the Main Securities Market. This Prospectus constitutes Listing Particulars for the purposes of any such application for listing. Neither the admission of Shares to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange nor the approval of this Prospectus pursuant to the listing requirements of the Irish Stock Exchange constitutes a warranty or representation by the Irish Stock Exchange as to the competence of the service providers or any other party connected with the Company, the adequacy of information contained in this Prospectus or the suitability of the Company for investment purposes. Listing information in respect of each of the Portfolios is contained in Annex II to this Prospectus.

The Directors do not anticipate that an active secondary market will develop in any of the Shares.

The launch and listing of various classes within a Portfolio may occur at different times and therefore at the time of the launch of given class(es) the pool of assets to which a given class relates may have commenced to trade. Financial information in respect of the Company will be published from time to time, and the most recently published audited and unaudited financial information will be available to investors and potential investors upon request.

RELIANCE ON THIS PROSPECTUS

Shares are offered only on the basis of the information contained in this Prospectus and the latest audited annual accounts and any subsequent half-yearly report of the Company (if issued). No person has been authorised to give any information or to make any representation in connection with the offering of Shares other than those contained in this Prospectus and in any subsequent half-yearly or annual report for the Company and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors, the Manager or the Investment Manager. Statements in this Prospectus are in accordance with the law and practice in force in Ireland at the date hereof and are subject to change. Neither the delivery of this Prospectus nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Company have not changed since the date hereof.

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

RISKS

Investors should be aware that investment in the Company carries with it the potential for above average risk and is only suitable for people who are in a position to take such risks. The value of Shares may go down as well as up, and investors may not get back any of the amount invested. The difference at any one time between the issue and repurchase price of Shares due to applicable sales charges (if any) means that an investment in the Company should be viewed as medium to long-term. Investment in the Company should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors. Risk factors for an investor to consider are set out in the "Investment Risks" section below.

REDEMPTION FEE

The Articles entitle the Company to charge redeeming Shareholders in any Portfolio a redemption charge of up to 3% of the relevant redemption proceeds. Investors should refer to the information in Annex II in respect of the redemption charge payable in respect of the redemption of Shares in the Portfolio in which they intend to invest or in which they have invested.

ANNEX II and ANNEX III – Other Important Information for Investors

Prospective investors are advised to review Annex II and Annex III to this Prospectus for important additional information concerning the Company, the Portfolios and the Shares, including the information contained in Annex III pertaining to information for potential investors in certain jurisdictions.

DATA PROTECTION NOTICE

Prospective investors should note that by completing the subscription application form they are providing to the Company personal information, which may constitute personal data within the meaning of the Data Protection Legislation. This data will be used for the purposes of administration, transfer agency, statistical analysis, research and disclosure to the Company, its delegates and agents. By signing the subscription application form, investors acknowledge that they are consenting 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 a Portfolio and any related accounts on an on-going basis; (ii) for any other specific purposes where the investor has given specific consent; (iii) to comply with legal and regulatory obligations applicable to the investor and the Company; (iv) for disclosure or transfer, whether in Ireland or countries outside Ireland 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, auditors, technology providers or to the Company and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above (v) or other legitimate business interests of the Company, where such disclosure does not unfairly prejudice the investor.

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

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

DIRECTORY

NEMESIS FUND PLC

Registered Office:
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Directors:

Paul Sullivan
Tom Finlay
Pier Alberto Furno

Custodian:

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

Investment Managers and Distributors:

Nemesis Asset Management LLP
20 Balderton Street
London W1K 6TL
UK

Nemesis SAM
38 Boulevard des Moulins
MC 98000
Monaco

Administrator:

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

Manager:

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

Legal Advisers as to Irish law:

Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Sponsoring Irish Stock Exchange Broker:

J&E Davy
Davy House
Dawson Street
Dublin 2
Ireland

Auditors:

Ernst & Young
Registered Auditors
Block One, Harcourt Centre
Harcourt Street
Dublin 2
Ireland

Company Secretary:

Matsack Trust Limited
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Promoter:

Nemesis SAM
38 Boulevard des Moulins
MC 98000
Monaco

CONTENTS

	Page No
Important Information	i
Directory.....	iv
Definitions	6
The Company	15
Investment Objectives and Policies	19
Investment Restrictions	21
Portfolio Investment Techniques	27
Investment Risks	31
Borrowing Policy	43
Distribution Policy	44
Subscriptions	45
Redeeming Shares	48
Mandatory Redemption of Shares	50
Exchange Privilege	51
Transfer of Shares	52
Temporary Suspension of Dealings.....	54
Determination of Net Asset Value.....	55
Termination of Portfolios or Share Classes	58
Management and Administration	59
Taxation	65
Fees and Expenses	70
General	73
Annex I Recognised Markets.....	78
Annex II Portfolios.....	82
Nemesis Global Value Fund	82
Nemesis USA Value Fund	85
Nemesis European Value Fund.....	88
Nemesis Inflation Fund	91
Global Equity Alpha Fund	95
Annex III Other Important Information For Investors	102

DEFINITIONS

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

Accumulating Classes	any class in respect of which the Directors have determined to accumulate all net investment income and net realised capital gains attributable to such classes and in respect of which it is not intended to declare dividends, as specified in Annex II;
Administration Agreement	the Administration Agreement dated 10 March 2009 between the Company, the Manager, and the Administrator pursuant to which the Administrator was appointed to provide administration, accounting and Shareholder registration and transfer agency services to the Company on behalf of the Manager, in accordance with the requirements of the Central Bank;
Administrator	Capita Financial Administrators (Ireland) Limited, or such other company in Ireland as may from time to time be appointed to provide administration, accounting, registration and transfer agency and related support services to the Company;
Articles	the articles of association of the Company for the time being in force and as may be modified from time to time;
Associate	<ol style="list-style-type: none">1. any person who is a director, officer, employee, servant or agent of the Investment Manager or a person connected to any director of the Manager within the meaning of Section 26 of the Companies Act 1990;2. any company which is related to the Investment Manager within the meaning of Section 140 of the Companies Act 1990 or which would be so related if it was incorporated in Ireland;3. any person or body of persons or any company, partnership, consortium, joint venture, related or affiliated to or controlled or managed by the Investment Manager or by any person or group of persons connected to any director of the Investment Manager within the meaning of Section 26 of the Companies Act 1990 or by any company which is related to the Investment Manager within the meaning of Section 140 of the Companies Act 1990 or which would be so related if it was incorporated in Ireland;4. any person who is an associate as defined within the rules of the Financial Services Authority in the UK;
Base Currency	the currency in which the Net Asset Value of each Portfolio is calculated, as specified in Annex II to this Prospectus;
Business Day	with respect to each Portfolio such day(s) as are specified in Annex II to this Prospectus;
Central Bank	the Central Bank of Ireland or any successor entity;
Class	each class of Shares within a series carrying rights to participate in the assets of the Portfolio attributable to that series and such other rights and obligations as may be determined by the Directors from time to time and

specified in this Prospectus;

Company	Nemesis Fund plc;
Custodian	BNY Mellon Trust Company (Ireland) Limited, or such other company in Ireland as may from time to time be appointed, with the prior approval of the Central Bank, as custodian of all the assets of the Company;
Custodian Agreement	the Custodian Agreement dated 10 March 2009 between the Company and the Custodian pursuant to which the Custodian has been appointed as custodian of the Company's assets, in accordance with the requirements of the Central Bank;
Data Protection Legislation	the Data Protection Acts 1988 – 2003, as amended;
Dealing Day	<p>(a) in respect of the Nemesis Inflation Fund, Wednesday of every week, provided that if such day is not a Business Day, the Dealing Day shall be the first Business Day immediately following that day;</p> <p>(b) in respect of the Global Equity Alpha Fund, the last Business Day of every week;</p> <p>(c) and in the case of all other Portfolios each Business Day;</p> <p>or such other day or days as the Directors may determine and notify to the Administrator and to Shareholders in advance, provided there shall be at least one (1) Dealing Day per fortnight in each Portfolio;</p>
Declaration	a valid declaration in a form prescribed by the Irish Revenue Commissioners for the purposes of Section 739D TCA (as amended);
Directors	the directors of the Company for the time being and any duly constituted committee thereof;
Distributing Classes	any class in respect of which the Directors have determined to declare dividends in accordance with the Articles, as specified in Annex II to this Prospectus;
Distribution Agreement	<p>(i) the distribution agreement dated 10 March 2009 between the Manager, Nemesis Asset Management LLP and the Company; and</p> <p>(ii) the distribution agreement dated 3 November 2010 between the Manager, Nemesis SAM and the Company;</p>
Distributor	Nemesis Asset Management LLP, Nemesis SAM or such other company as may from time to time be appointed to promote and market the sale of Shares and to use all reasonable endeavours to procure subscribers for Shares;
Duties and Charges	all stamp duties and other duties, taxes, governmental charges, imposts, levies, exchange costs and commissions, transfer fees and expenses, agents' fees, brokerage fees, commissions, bank charges, registration fees and other duties and charges, whether payable in respect of the constitution, increase or reduction of all of the cash and other assets of the Company or the creation, acquisition, issue, conversion, exchange, purchase, holding, redemption, sale or transfer of Shares or assets held

by the Company by or on behalf of the Company or in respect of the issue or cancellation of any share certificates of the Company or otherwise which may have become or will become payable in respect of or prior to or upon the occasion of any transaction, dealing or valuation. Duties and charges may, for the avoidance of doubt, include an amount by which the Directors may adjust the subscription monies or redemption proceeds on any Business Day on which there are net subscriptions or redemptions, by deducting an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Company;

EEA	European Union Member States, Norway, Iceland, Liechtenstein;
Emerging Market Country	Any country which is included in the MSCI Emerging Markets (EM) Index, a list of which is available at: http://www.msci.com/products/indices/tools/index_country_membership/emerging_markets.html
€ or Euro	the single currency of participating member states of the European Monetary Union introduced on 1 January 1999;
Euro Shares	the Euro Institutional Accumulating Class Shares, the Euro Adviser Accumulating Class Shares, the Euro Investor Accumulating Class Shares, the Euro Institutional Distributing Class Shares, the Euro Adviser Distributing Class Shares and the Euro Investor Distributing Class Shares (if any) in each Portfolio;
EU Savings Directive	European Council Directive 2003/48/EC;
Exempt Investor	any of the following Irish Residents: <ul style="list-style-type: none">(i) a qualifying management company or a specified company as referred to in Section 739B;(ii) a specified collective investment undertaking as referred to in Section 739B;(iii) a company carrying on life business within the meaning of Section 706 TCA;(iv) a pension scheme as referred to in Section 739B;(v) any other investment undertaking as referred to in Section 739B;(vi) a special investment scheme as referred to in Section 739B;(vii) a unit trust of a type referred to in Section 739D(6)(e) TCA;(viii) a person who is entitled to exemption from income tax or corporation tax by virtue of Section 207(1)(b) TCA;(ix) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 784A(2) TCA or 848E TCA in circumstances where the Shares held are assets of an approved retirement fund, an approved minimum retirement fund or a special savings incentive account;(x) a person entitled to exemption from income tax and capital gains

tax by virtue of Section 787I TCA and the shares he owns are assets of a PRSA (within the meaning of Chapter 2A of Part 30 TCA);

- (xi) a credit union as referred to in Section 739B;
- (xii) the Courts Service as referred to in Section 739B;
- (xiii) a qualifying company within the meaning of Section 110 TCA as referred to in Section 739D(6)(m) TCA;
- (xiv) the National Pensions Reserve Fund Commission;
- (xv) the National Asset Management Agency; and

any other person resident in Ireland who is permitted to own Shares under Irish taxation legislation or by practice or concession of the Irish Revenue Commissioners without requiring the Company to deduct appropriate tax in respect of any payment to a Shareholder or the transfer by a Shareholder of any Shares and in respect of whom the Company is in possession of a Declaration;

FDI	financial derivative instruments, as such term is used in the UCITS Regulations;
FSA	the Financial Services Authority, the financial regulator of the United Kingdom;
FSA Rules	the rules and regulations by the FSA, as amended, restated and/or supplemented from time to time;
Hedged Classes	a class of Shares which is denominated in a currency other than the Base Currency of the Portfolio, and in respect of which the Investment Manager employs techniques and instruments with a view to protecting against fluctuations between the class currency of the relevant class and the Base Currency of its Portfolio;
Initial Offer Period	in respect of each Portfolio, the period specified in Annex II to this Prospectus, or such earlier or later time as the Directors may determine at their discretion and notify to the Central Bank and to subscribers;
Initial Offer Price	in respect of each class of Shares in a Portfolio, the price specified in Annex II to this Prospectus;
Intermediary	a person who carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons or holds shares in an investment undertaking on behalf of other persons;
Investment Management Agreement	(i) the investment management agreement as amended and restated on 30 October 2009 and as amended by the side letter on 3 November 2010 between the Company, the Manager and Nemesis Asset Management LLP; and (ii) the investment management agreement dated 3 November 2010 between the Company, the Manager and Nemesis SAM
Investment Manager	Nemesis Asset Management LLP, Nemesis SAM, or such other firm or

	company as may from time to time be appointed, with the prior approval of the Central Bank, as investment manager of the Company or a Portfolio;
Irish Resident	any company resident, or other person resident or ordinarily resident, in Ireland for the purposes of Irish tax. Please see the “Taxation” section below for the summary of the concepts of residence and ordinary residence issued by the Irish Revenue Commissioners;
Irish Revenue Commissioners	the Irish authority responsible for taxation;
Irish Stock Exchange	the Irish Stock Exchange Limited;
Management Agreement	the Management Agreement dated 10 March 2009 between the Company and the Manager pursuant to which the Manager was appointed to provide management, administration, investment management and related services to the Company, in accordance with the requirements of the Central Bank;
Manager	Capita Financial Managers (Ireland) Limited or such other firm or company as may from time to time be appointed, with the prior approval of the Central Bank, as manager;
Memorandum and Articles of Association	the memorandum and articles of association of the Company for the time being in force and as may be amended from time to time with the prior approval of the Central Bank;
Memorandum of Association	the memorandum of association of the Company for the time being in force and as may be modified from time to time;
MiFID	the Markets in Financial Instruments Directive, a piece of European legislation, which was implemented in the UK on 1 November 2007. MiFID forms part of the European Financial Services Action Plan, which aims to harmonise the financial markets across Europe;
Minimum Initial Subscription	in respect of each Portfolio, the minimum initial subscription amount required for investment in a class of Shares, as specified in Annex II to this Prospectus;
Minimum Holding	in respect of each Portfolio, the minimum holding required for investment in a class of Shares, as specified in Annex II to this Prospectus;
Net Asset Value	the net asset value of a Portfolio calculated as described in the “Determination of Net Asset Value” section of this Prospectus;
Net Asset Value per Share	in relation to any Portfolio, the Net Asset Value divided by the number of Shares in the relevant Portfolio in issue or deemed to be in issue in respect of that Portfolio on the relevant Dealing Day and, in relation to any class of Shares, subject to such adjustments, if any, as may be required in relation to such class;
OECD	the Organisation for Economic Co-Operation and Development;
OTC FDI	“over-the-counter” financial derivative instruments;
Portfolio	a portfolio of assets established by the Directors (with the prior approval of the Custodian and the Central Bank) and constituting a separate fund represented by a separate series of Shares and invested in accordance

	with the investment objective and policies applicable to such Portfolio as specified in Annex II to this Prospectus;
Prospectus	this document and any supplement or addendum designed to be read and construed together with and to form part of this document;
Recognised Rating Agency	Standard & Poor's Ratings Group ("S&P"), Moody's Investors Services ("Moody's"), Fitch IBCA or an equivalent rating agency as the Directors may from time to time determine;
Recognised Market	any recognised exchange or market listed or referred to in Annex I to this Prospectus and in such other markets as Directors may from time to time determine in accordance with the UCITS Regulations and specify in Annex I to this Prospectus;
Relevant Institution	(a) a credit institution authorised in the EEA; (b) a credit institution 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 (c) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand;
Restricted Investor	(i) a "person resident in India" (as such term is defined in the Foreign Exchange Management Act, 1999 of India, as may be amended or supplemented from time to time), or, (ii) a "Non-Resident Indian" (as such term is defined in the Foreign Exchange Management (Deposit) Regulations, 2000 of India, as may be amended or supplemented from time to time);
Section 739B	Section 739B of TCA;
Share or Shares	a share or shares of whatsoever series or class in the capital of the Company (other than Subscriber Shares) entitling the holders to participate in the profits of the Company attributable to the relevant Portfolio as described in this Prospectus;
Shareholder	a person registered in the share register of the Company as a holder of Shares;
Sterling Shares	the Sterling Institutional Accumulating Class Shares, the Sterling Adviser Accumulating Class Shares, the Sterling Investor Accumulating Class Shares, the Sterling Institutional Distributing Class Shares, the Sterling Adviser Distributing Class Shares and the Sterling Investor Distributing Class Shares (if any) in each Portfolio;
Sub-Investment Manager	any sub-investment manager appointed by the Investment Manager from time to time in respect any particular Portfolio. In the event that a Sub-Investment Manager is appointed to a Sub-Fund, its details will be disclosed in the relevant section of Annex II to the Prospectus;
Subscriber Shares	the issued share capital of 2 subscriber shares of no par value issued at one Euro each and initially designated as "Subscriber Shares" and which are held by Nemesis Asset Management LLP and its nominees but which do not entitle the holders to participate in the profits of the Company attributable to any Portfolio;
Subscriber Shareholder	a person/persons registered in the register of members of the Company as a holder or holders of Subscriber Shares;

TARGET	the Trans-European Automated Real-time Gross settlement Express Transfer system for the Euro, offered by the Eurosystem;
TCA	the Taxes Consolidation Act 1997;
UCITS	an undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations;
UCITS Regulations	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and all applicable Central Bank regulations or notices made or conditions imposed or derogations granted thereunder by the Central Bank;
Underlying Fund	a collective investment undertaking or a sub-fund of an umbrella collective investment undertaking which is authorised in the European Union under the UCITS Directive or a non-UCITS which is eligible for investment by the Sub-Fund in accordance with the requirements of the Central Bank. Such eligible non-UCITS will be (i) schemes established in Guernsey and authorised as Class A Schemes; (ii) schemes established in Jersey as Recognised Funds; (iii) schemes established in the Isle of Man as Authorised Schemes; (iv) regulated non-UCITS retail CIS authorised by the Central Bank provided such CIS comply in all material respects with the provisions of the UCITS Notices; and (v) regulated non-UCITS CIS authorised in a Member State of the EEA, the US, Jersey, Guernsey or the Isle of Man and which comply, in all material respects, with the provisions of the UCITS Notices. The consideration of “all material respects” will include, inter alia, consideration of the following: (a) the existence of an independent trustee/custodian with similar duties and responsibilities in relation to both safekeeping and supervision; (b) requirements for the spreading of investment risk including concentration limits, ownership restrictions, leverage and borrowing restrictions, etc.; (c) availability of pricing information and reporting requirements; (d) redemption facilities and frequency; and (e) restrictions in relation to dealings by related parties;
Unhedged Classes	a class of Shares which is denominated in a currency other than the Base Currency of the Portfolio and in respect of which the Investment Manager does not employ techniques and instruments to protect against fluctuations between the class currency of the relevant class and the Base Currency of its Portfolio;
US Investment Advisers Act	US Investment Advisers Act of 1940, as amended;
US or United States	the United States of America, its territories and possessions including the States and the District of Columbia;
US\$ or US Dollars	the lawful currency of the United States of America;
US Dollar Shares	the US Dollar Institutional Accumulating Class Shares, the US Dollar Adviser Accumulating Class Shares, the US Dollar Investor Accumulating Class Shares, the US Dollar Institutional Distributing Class Shares, the US Dollar Adviser Distributing Class Shares and the US Dollar Investor Distributing Class Shares (if any) in each Portfolio;
US Person	(a) Pursuant to Regulation S of the 1933 Act, “US Person” includes;

- (i) any natural person resident in the United States;
 - (ii) any partnership or corporation organised or incorporated under the laws of the United States;
 - (iii) any estate of which any executor or administrator is a US Person;
 - (iv) any trust of which any trustee is a US Person;
 - (v) any agency or branch of a foreign entity located in the United States;
 - (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 US Person;
 - (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; or
 - (viii) any partnership or corporation if:
 - (a) organised or incorporated under the laws of any foreign jurisdiction; and
 - (b) formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.
- (b) Notwithstanding (a) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a Non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States shall not be deemed a "US Person."
- (c) Notwithstanding (a) above, any estate of which any professional fiduciary acting as executor or administrator is a US Person shall not be deemed a US Person if:
- (i) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and
 - (ii) the estate is governed by foreign law.
- (d) Notwithstanding (a) above, any trust of which any professional fiduciary acting as trustee is a US Person shall not be deemed a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person.
- (e) Notwithstanding (a) above, an employee benefit plan established

and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a US Person.

- (f) Notwithstanding (a) above, any agency or branch of a US Person located outside the United States shall not be deemed a “US Person” if:
 - (i) the agency or branch operates for valid business reasons; and
 - (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.
- (g) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans shall not be deemed “US Persons.”

Valuation Point

with respect to:

- (i) transferable securities and listed FDI, such time on a Business Day which reflects the close of business on the markets relevant to such assets and liabilities;
- (ii) collective investment schemes, the time of publication of the NAV by the relevant collective investment scheme; and
- (iii) OTC FDI and portfolio management techniques, the close of business of the relevant Business Day;

or such other time as the Directors may determine in respect of a Portfolio from time to time and notify to Shareholders.

For the avoidance of doubt, the time at which the Net Asset Value is determined will always be after such time as the Directors shall determine as the dealing deadline in respect of each Portfolio;

1933 Act

the US Securities Act of 1933, as amended; and

1940 Act

the US Investment Company Act of 1940, as amended.

THE COMPANY

The Company is an investment company with variable capital incorporated in Ireland on 21 October 2008 under registration number 463537 and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. The object of the Company, as set out in clause 2 of the Memorandum of Association, is the collective investment of its funds in transferable securities and other liquid financial assets of capital raised from the public, operating on the principle of risk spreading in accordance with the UCITS Regulations. All holders of Shares 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, copies of which are available as described in the “*Documents for Inspection*” section of this Prospectus.

The Company is promoted by Nemesis SAM, details of which may be found under “*The Investment Manager*” in the “*Management and Administration*” section.

The Company has been structured as an umbrella fund with segregated liability between sub-funds in that the Directors may from time to time, with the prior approval of the Central Bank, issue different series of Shares representing separate Portfolios. The assets of each Portfolio will be invested in accordance with the investment objective and policies applicable to such Portfolio as disclosed in Annex II to this Prospectus. Each Portfolio will bear its own liabilities and none of the Company, any of the service providers appointed to the Company, the Directors, any receiver, examiner or liquidator, nor any other person, will have access to the assets of a Portfolio in satisfaction of a liability of any other Portfolio. Investors should refer to the paragraph headed “*Umbrella Structure of the Company*” in the “*Investment Risks*” section for further details.

PORTFOLIOS

Under the Articles, the Directors are required to establish a separate Portfolio, with separate records, for each series of Shares in the following manner:

- (a) the Company will keep separate books of account and records for each Portfolio. The proceeds from the issue of each series of Shares will be applied to the Portfolio established for that series of Shares, and the assets and liabilities and income and expenditure attributable thereto will be applied to such Portfolio;
- (b) any asset derived from another asset in a Portfolio will be applied to the same Portfolio as the asset from which it was derived and any increase or diminution in value of such an asset will be applied to the relevant Portfolio;
- (c) in the case of any asset which the Directors do not consider as readily attributable to a particular Portfolio or Portfolios, the Directors have the discretion to determine, acting in a fair and equitable manner and with the consent of the Custodian, the basis upon which any such asset will be allocated between Portfolios and the Directors may at any time and from time to time vary such basis;
- (d) any liability will be allocated to the Portfolio or Portfolios to which in the opinion of the Directors it relates or if such liability is not readily attributable to any particular Portfolio the Directors will have discretion to determine, acting in a fair and equitable manner and with the consent of the Custodian, the basis upon which any liability will be allocated between Portfolios and the Directors may at any time and from time to time vary such basis;
- (e) the Directors may, with the consent of the Custodian, transfer any assets to and from a Portfolio or Portfolios if, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability would be borne in a different manner from that in which it would have been borne under paragraph (d) above or in any similar circumstances; and
- (f) where the assets of the Company (if any) attributable to the Subscriber Shares give rise to any

net profit, the Directors may allocate assets representing such net profits to such Portfolio or Portfolios as they may deem appropriate, acting in a fair and equitable manner.

Shares of any particular series may, in accordance with the requirements of the Central Bank, be divided into different classes to accommodate different subscription and/or redemption provisions and/or dividend and/or charges and/or fee arrangements and/or currencies including different total expense ratios. The Company retains the right to offer only one class of Shares for purchase by investors in any particular jurisdiction in order to conform with local law, custom or business practice or to offer additional classes of Shares or Portfolios in future without Shareholder approval. The Company may adopt standards applicable to classes of investors or transactions that permit or require the purchase of a particular class of Shares. The creation of further share classes shall be effected in accordance with the requirements of the Central Bank.

Investment in the Portfolios may be suitable for investors seeking capital appreciation with a three year time horizon through investments made primarily in common stocks which are listed/traded on Recognised Markets throughout the world. Given the nature of world markets, clients should be ready to accept a moderate level of volatility.

The following Portfolios have been approved by the Central Bank:

Equity funds:

Nemesis Global Value Fund
Nemesis USA Value Fund
Nemesis European Value Fund
Global Equity Alpha Fund

Balanced funds:

Nemesis Inflation Fund

The Nemesis Absolute Return Multi Asset Fund and the Nemesis Credit Opportunities Fund are no longer available for subscription and the Company intends to request the removal of their approval as a sub-fund of the Company from the Central Bank. Full details of each of the other Portfolios are contained in Annex II.

THE SHARE CAPITAL

The authorised share capital of the Company is 500,000,000,002 Shares of no par value divided into 2 Subscriber Shares of no par value and 500,000,000,000 Shares of no par value. The Directors are empowered to issue up to 500,000,000,000 Shares of no par value in the Company on such terms as they think fit.

The Subscriber Shares entitle the holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on a winding-up. The Shares entitle the holders to attend and vote at general meetings of the Company and to participate equally (subject to any differences between fees, charges and expenses applicable to different classes of Shares) in the profits and assets of the Company. The Subscriber Shareholders shall have one vote for each Subscriber Share held.

The Company may from time to time by ordinary resolution increase its capital, consolidate the Shares or any of them into a smaller number of Shares, sub-divide the Shares or any of them into a larger number of Shares or cancel any Shares not taken or agreed to be taken by any person. The Company may by special resolution from time to time reduce its share capital in any way permitted by law.

For the avoidance of doubt, a separate pool of assets will not be maintained for each class of Shares.

SHARE CLASS HEDGING

The Investment Manager and the Sub-Investment Manager may employ techniques and instruments to protect against fluctuations between the class currency of the Hedged Class and the Base Currency of the Portfolio, with the goal of providing a similar return for the Hedged Class to that which would have been obtained for a Share class denominated in the Base Currency of the Portfolio. While the Investment Manager and the Sub-Investment Manager (or their agents) may attempt to hedge this currency risk, there can be no guarantee that they will be successful in doing so. In this context, foreign exchange hedging will not be used for speculative purposes. In devising and implementing its hedging strategy the Investment Manager or Sub-Investment Manager may hedge the foreign currency exposure of the Shares to the major currencies in which the assets of the relevant Portfolio are, or are expected to be, denominated but will limit hedging to the extent of this currency exposure and the Hedged Classes will not be leveraged as a result of the hedging.

Changes in the exchange rate between the Base Currency and the class currencies of the Hedged Classes may lead to a difference in the value of the Shares in the Hedged Classes as expressed in such class currencies. The Investment Manager and the Sub-Investment Manager will try to mitigate this risk by using techniques and instruments, including currency options and forward currency exchange contracts. Investors in the Hedged Classes should be aware that this strategy may substantially limit them from benefiting if the class currencies of the Hedged Classes fall against the Base Currency. In such circumstances, investors in the Hedged Classes may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains or losses on, and the costs of, the relevant financial instruments.

As the foreign exchange hedging will be utilised solely for the benefit of the Hedged Classes, its cost and related liabilities and/or benefits will be for the account of the holders of the Hedged Classes only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Share of the Hedged Classes. Hedging transactions will be clearly attributable to a specific Hedged Class and the currency exposures of Hedged Classes denominated in different currencies may not be combined or offset. The currency exposures of the assets of a Portfolio may not be allocated to separate Hedged Classes. Where there is more than one Hedged Class in a Portfolio denominated in same currency and it is intended to hedge the foreign currency exposure of such Hedged Classes into the Base Currency, the Investment Manager or Sub-Investment Manager may aggregate the foreign exchange transactions entered into on behalf of such classes and apportion the gains/loss on and the costs of the relevant financial instruments *pro rata* to each such Hedged Class in the Portfolio. The Investment Manager and the Sub-Investment Manager will limit hedging to the extent of the Hedged Classes' currency exposure and the Hedged Classes will not generally be leveraged as a result of the hedging. Although a Hedged Class may not generally be leveraged as a result of the use of such techniques and instruments, the value of such instruments may be up to but may not exceed 105% of the Net Asset Value attributable to the relevant Hedged Class. The Investment Manager will monitor hedging on at least a monthly basis and will reduce the level of hedging to ensure that it does not materially exceed 100% of the Net Asset Value attributable to the relevant Hedged Class at any month-end.

In respect of Unhedged Classes, a currency conversion will take place at prevailing market rates on the subscription for and redemption and exchange of Shares and in respect of any distributions made in respect of such classes.

Investors should refer to the paragraph under the heading "Share Currency Designation Risk" in the "Investment Risks" section, for a description of the risks associated with hedging the foreign currency exposure of the Hedged Classes. Investors should also note that in addition to the share class hedging described above, the Portfolios may also be hedged at portfolio level as described under "Currency Transactions" in the "Portfolio Investment Techniques" section.

VOTING RIGHTS

Subject to any special rights or restrictions for the time being attached to any class of Shares, each Shareholder shall be entitled to such number of votes as equals the aggregate net asset value of that Shareholder's shareholding (expressed or converted into US\$ and calculated as of the relevant record

date). The “relevant record date” for these purposes shall be a date being not more than thirty (30) days prior to the date of the relevant general meeting or written resolution as determined by the Directors. In relation to a resolution which in the opinion of the Directors gives or may give rise to a conflict of interest between the Shareholders of any series or class, such resolution shall be deemed to have been duly passed only if, in lieu of being passed through a single meeting of the Shareholders of such series or class, such resolution shall have been passed at a separate meeting of the Shareholders of each such series or classes. All votes shall be cast by a poll of Shareholders present in person or by proxy at the relevant Shareholder meeting or by unanimous written resolution of the Shareholders.

VARIATION OF SHAREHOLDERS RIGHTS

Under the Articles, the rights attached to each series or class of Share may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that series or class or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of that series or class. The rights attaching to any series or class of Shares shall not be deemed to be varied by the creation or issue of further Shares ranking *pari passu* with Shares already in issue, unless otherwise expressly provided by the terms of issue of those Shares. The provisions of the Articles relating to general meetings shall apply to every such separate general meeting except that the necessary quorum at such a meeting shall be two persons present in person or by proxy holding Shares of the series or class in question or, at an adjourned meeting, one person holding Shares, of the series or class in question or his proxy.

INVESTMENT OBJECTIVES AND POLICIES

The Company has been established for the purpose of investing in transferable securities and other liquid financial assets in accordance with the UCITS Regulations. The investment objectives and policies for each Portfolio, and any particular investment restrictions in relation thereto, will be set out in Annex II to this Prospectus.

Each Portfolio may, subject to an aggregate limit of 10% of net assets (unless otherwise specified in Annex II), invest in other collective investment schemes, including money market funds, and each Portfolio (in this context, each an “Investing Portfolio”) may invest in any other Portfolio (in this context, each a “Receiving Portfolio”), provided that no Investing Portfolio may invest in any Receiving Portfolio which itself holds any Shares in any other Portfolio. No sales, exchange or redemption charges will be charged on investments by Investing Portfolios in Receiving Portfolios. In addition, the Manager will not be entitled to receive the management fees and the Investment Manager will not be entitled to receive investment management fees for an Investing Portfolio in respect of such of the assets of that Investing Portfolio which are invested in a Receiving Portfolio. Such assets will, however, be subject to their proportionate share of the fees and expenses of the Receiving Portfolio in which they are invested.

To the extent that a Portfolio uses FDI for investment purposes or efficient portfolio management purposes, there may be a risk that the volatility of the relevant Portfolio’s Net Asset Value may increase. However, although a Portfolio may be leveraged as a result of its use of FDI, the global exposure of a Portfolio through the use of FDI will not exceed the Portfolio’s Net Asset Value at any time. Investors should refer to the “Investment Risks” section for information in relation to the risks associated with the use of FDI and the description of a Portfolio’s investment objectives and policies contained in Annex II to this Prospectus. The Investment Manager has adopted a commitment approach in the calculation of global exposure for each of the Portfolios. The Portfolios intend to use FDIs for non-complex hedging and investment strategies only.

The Investment Manager employs a risk management process in respect of the Company which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI for each Portfolio. Each Portfolio using FDI for investment purposes has been assessed on a case-by-case basis to determine whether its use of FDI requires its global exposure to be measured and monitored using the commitment approach or a more advanced risk management methodology and, unless otherwise stated in Annex II, it has been determined that each Portfolio will use the commitment approach. A statement of the Company’s risk management process has been submitted to and cleared by the Central Bank. The Company will, on request, provide supplementary information to Shareholders relating to any risk management methods to be employed by the Company in respect of any Portfolio, including the quantitative limits that are applied, and any recent developments in the risk and yield characteristics of the main categories of investments.

Details of the holdings of each Portfolio may be made available to Shareholders in those Portfolios on certain conditions. Shareholders are advised to contact the Investment Manager for the relevant Portfolio to ascertain whether this information is available in respect of that Portfolio and what conditions (if any) may be applied to its supply to Shareholders.

The primary investment objective and policies of each Portfolio will be adhered to and will not be altered for at least three (3) years following the admission of the Shares of that Portfolio to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange, save in exceptional circumstances and then only with the approval of an ordinary resolution of the Shareholders. Any change to the investment objectives and/or material investment policies of a Portfolio may be amended with the approval by ordinary resolution of Shareholders in that Portfolio at a general meeting and in the event of a change of investment objectives and/or policies a reasonable notification period will be provided by the Company to enable Shareholders to redeem their Shares prior to implementation of these changes.

EU Savings Directive

Ancillary investment in debt claims (as defined by the EU Savings Directive) by those Portfolios which invest primarily in equities, will be limited to 15% of net assets, although the 30% ancillary limit will continue to apply to the total ancillary investments made by such Portfolios. The term "limited extent" will refer to a level equal to 10% or less of the actually invested assets (net assets after deducting cash and cash equivalents) of each Portfolio. Individual Portfolios may impose different levels and these will be outlined in the investment objectives for that Portfolio.

If such percentages are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights attaching to securities which form part of the assets of the Company, the Company shall take such steps as are necessary to ensure a restoration of compliance as soon as is reasonably practicable having regard to the interests of Shareholders.

Class Actions Policy

The Company may, on behalf of a Portfolio, submit the Portfolio's name or participate on behalf of the Portfolio in any class action or institute legal actions, in order to recover any damage sustained by the Portfolio, if such would be, in the sole opinion of the Investment Manager, beneficial for the Portfolio. However, if the Company believes that it is more favourable to enter into a private settlement on behalf of a Portfolio, it may opt out of joining a class action. The Company will not act as lead plaintiff in any class action, but nonetheless fees may be incurred in any kind of legal action.

Corporate Governance

The Investment Manager may exercise its voting rights on stocks or other securities acquired by a Portfolio throughout the world. The Investment Manager will do so if it believes that good corporate governance in the longer term is in the interests of Shareholders.

INVESTMENT RESTRICTIONS

The assets of each Portfolio will be invested in accordance with the investment restrictions contained in the UCITS Regulations, as summarised below, and such additional investment restrictions, if any, as may be adopted by the Directors for any Portfolio and specified in Annex II to this Prospectus. References below to a Portfolio mean the Company acting for the account of the relevant Portfolio.

- (a) Subject to paragraph (b) below, a Portfolio may invest:
- (i) up to 100% of its net assets in transferable securities and money market instruments as prescribed by the UCITS Regulations which are listed, traded or dealt in on a Recognised Market.
 - (ii) in recently issued transferable securities which will be admitted to official listing on a Recognised Market within a year.
 - (iii) in money market instruments, other than those dealt on a Recognised Market.
 - (iv) in units of UCITS as prescribed by the UCITS Regulations.
 - (v) in units of non-UCITS as set out in Guidance Note 2/03 of the Central Bank.
 - (vi) in deposits with Relevant Institutions.
 - (vii) in FDI as prescribed in the UCITS Regulations.
- (b) A Portfolio may invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in paragraph (a) above.
- (c) A Portfolio may invest no more than 10% of its net assets in recently issued transferable securities which will be admitted to official listing on or for trading on or dealing in any Recognised Market within one year. This restriction will not apply in relation to investment by a Portfolio in certain US securities known as Rule 144A securities provided that:
- (i) such securities are issued with an undertaking to register with the US Securities & Exchanges Commission under the 1933 Act within one year of issue; and
 - (ii) the securities are not illiquid securities, ie they may be realised by a Portfolio within seven (7) days at the price, or approximately at the price, at which they are valued by the Company.
- (d)
- (i) A Portfolio may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
 - (ii) Subject to the prior approval of the Central Bank, the limit of 10% (in paragraph (d) (i)) 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 Portfolio invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of that Portfolio.
 - (iii) The limit of 10% (in paragraph (d) (i)) 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.

The transferable securities and money market instruments referred to in paragraphs (d) (ii) and (d)(iii) shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph (d)(i).

(e)

- (i) A Portfolio may not invest more than 20% of its net assets in deposits made with the same Relevant Institution.
- (ii) Deposits by a Portfolio 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 credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand, held as ancillary liquidity, must not exceed 10% of its net assets.
- (iii) The limit in paragraph (e) (ii) may be raised to 20% in the case of deposits made with the Custodian.

(f)

- (i) The risk exposure of a Portfolio to a counterparty to an over the counter ("OTC") FDI may not exceed 5% of the Portfolio's net assets.
- (ii) The limit in paragraph (f) (i) is raised to 10% in the case of credit institutions authorised in the EEA, or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

(g) Notwithstanding paragraphs (d)(i), (e)(i) and (f)(i) 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 net assets:

- (i) investments in transferable securities or money market instruments;
- (ii) deposits; and/or
- (iii) counterparty risk exposures arising from OTC FDI;

(h) The limits referred to in paragraphs (d), (e), (f) and (g) above may not be combined, so that exposure to a single body shall not exceed 35% of the net assets of a Portfolio.

(i) Group companies are regarded as a single issuer for the purposes of paragraphs (d), (e), (f) and (g). However, a limit of 20% of net assets of a Portfolio may be applied to investments in transferable securities and money market instruments within the same group.

(j) A Portfolio may invest up to 100% of its net assets in different investment grade transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members, as may be drawn from the following list:

OECD Governments
European Investment Bank
European Bank for Reconstruction and Development
International Finance Corporation

International Monetary Fund
 Euratom
 The Asian Development Bank
 Council of Europe
 Eurofima
 African Development Bank
 International Bank for Reconstruction and Development (The World Bank)
 The Inter American Development Bank
 European Union
 European Central Bank
 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

A Portfolio must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its net assets.

- (k) Unless otherwise specified with respect to a specific Portfolio in Annex II, a Portfolio shall not:
- (i) invest more than 10% of its net assets in any one collective investment undertaking. Where the collective investment undertaking in which a Portfolio invests is an umbrella fund, this restriction shall apply to each sub-fund separately. Where a Portfolio acquires units or shares in other collective investment undertakings, the assets of those collective investment undertakings do not have to be combined for the purpose of limits specified in paragraphs (d) to (i); and
 - (ii) invest more than 10% of its net assets in aggregate in collective investment undertakings.

Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment in the units of another collective investment scheme, this commission must be paid into the assets of the Portfolio.

- (l) A Portfolio may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

(m)

- (i) A Portfolio may invest up to 20% of its net assets in shares and/or debt securities issued by the same body where the investment policy of a Portfolio is to replicate an index which satisfies the criteria set out in the UCITS Regulations and is recognised by the Central Bank;
- (ii) The limit in paragraph (m)(i) may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

- (n) Notwithstanding the limits of (k) above, in order to prevent a Portfolio exercising a significant influence on an issuer, a Portfolio may acquire no more than:

- (i) 10% of the non-voting shares of any single issuer;
- (ii) 10% of the debt securities of any single issuer;
- (iii) 25% of the shares or units of any single collective investment undertaking;

- (iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in paragraphs (n) (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.

- (o) Paragraphs (l) and (n) 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 Portfolio in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies of the 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 a Portfolio can invest in the securities of issuing bodies of that non-Member State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in paragraphs (a) to (i), (k), (l), (n), (p), (q) and (r) and provided that where these limits are exceeded, paragraphs (q) and (r) are observed;
 - (v) shares held by a Portfolio 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 redemption of units at unit-holders' request exclusively on their behalf.
- (p) A Portfolio need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments, which form part of their assets.
- (q) The Central Bank may allow a Portfolio to derogate from the provisions of paragraphs (d) to (k), (m) and from percentage limits on the use of portfolio management and hedging techniques described in "Portfolio Investment Techniques" below for a period of up to six months from the date of approval of a Portfolio, provided that the Portfolio observes the principle of risk spreading.
- (r) If the limits laid down in paragraphs (d) to (k) and (m) are exceeded for reasons beyond the control of a Portfolio, or as a result of the exercise of subscription rights, the Portfolio must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
- (s) A Portfolio may not carry out uncovered sales of:
 - (i) transferable securities;
 - (ii) money market instruments;
 - (iii) units of collective investment undertakings; or
 - (iv) financial derivative instruments.
- (t) Notwithstanding paragraph (k), if a Portfolio invests in the shares of other collective investment schemes that are managed directly or by delegation by a UCITS management company or by any other company with which that management company is linked by common management

or control, or by a substantial direct or indirect holding of more than 10% of the share capital or of the votes, that management company or other company may not charge subscription, conversion or redemption fees on account of the Portfolio's investment in the shares of the other collective investment schemes.

(u)

- (i) A Portfolio may invest in OTC FDI provided that:
 - (A) the counterparty is (i) a Relevant Institution; (ii) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive, in an EEA Member State; or (iii) is an entity subject to regulation as a Consolidated Supervised Entity ("CSE") by the US Securities and Exchange Commission;
 - (B) the counterparty, other than a Relevant Institution, has a minimum credit rating of A2/P2 or equivalent, or is deemed by the Portfolio to have an implied rating of A2/P2. Alternatively, an unrated counterparty will be acceptable where the Portfolio is indemnified against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A2/P2; and
 - (C) the Portfolio must be satisfied that the counterparty will value the transactions at least daily and will close out the transactions at any time at the request of the Portfolio at fair value.
- (ii) 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 UCITS Regulations.
- (iii) a Portfolio's global exposure relating to FDI must not exceed its total net asset value;
- (iv) a transaction in FDI which gives rise to a future commitment on behalf of the Company must be covered as follows:
 - (A) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by the a Portfolio;
 - (B) in the case of FDI which automatically, or at the discretion of the Company, are cash settled, a Portfolio must hold, at all times, liquid assets which are sufficient to cover the exposure.
- (v) The Company may acquire real and personal property that is required for the purpose of its business;
- (w) A Portfolio shall not acquire either precious metals or certificates representing them.
- (x) A Portfolio shall not (except as a permitted investment technique described in the "Portfolio Investment Techniques" section of this Prospectus) make any loan of its assets provided that, for the purpose of this restriction, the holding of ancillary liquid assets such as deposits, and the acquisition of bonds, notes, commercial paper, certificates of deposit, bankers acceptances, and other debt securities or obligations permitted by the UCITS Regulations, and the acquisition of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs (i), (ii), (iii), (iv), (v), (vi) of paragraph (a) and paragraph (c) that are not fully paid, shall not be deemed to constitute the making of a loan.

Without limitation, the Directors, in accordance with the requirements of the Central Bank, may adopt additional investment restrictions to facilitate the distribution of Shares to the public in a particular jurisdiction. In addition, the investment restrictions set out above may be changed from time to time by the

Directors in accordance with a change in the applicable law and regulations in any jurisdiction in which Shares are currently offered, provided that the assets of the Portfolio, at all times, will be invested in accordance with the restrictions on investments set out in the UCITS Regulations. In the event of any such addition to, or change in, the investment restrictions applicable to a Portfolio, a reasonable notification period will be provided by the Company to enable Shareholders to redeem their Shares prior to implementation of these changes. The Company will not amend such investment restrictions except in accordance with the requirements of the Central Bank and of the Irish Stock Exchange for as long as the Shares are listed on the Irish Stock Exchange.

Use of FDI

Any Portfolio which proposes to invest in FDI as part of its investment policy or for efficient portfolio management purposes shall submit a risk management process to the Central Bank for review in advance of any such investment and Annex II to this Prospectus shall contain, in respect of such Portfolio, (a) a statement drawing attention to this policy; (b) confirmation whether the FDI will be used for investment or efficient portfolio management purposes; (c) the types of FDI in which it is intended to invest; and (d) an explanation of the expected effect of these transactions on the risk profile of the relevant Portfolio. In respect of any Portfolio which intends to invest principally in FDI, Annex II to this Prospectus will include a prominent statement to such effect.

Any counterparty, which is not a Relevant Institution, to OTC FDI will have a minimum credit rating of A2 or equivalent from a Recognised Rating Agency, or will be deemed by the Investment Manager to have an implied rating of A2. Alternatively, an unrated counterparty will be acceptable where the Portfolio is indemnified against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A2.

Each Portfolio will ensure that its global exposure to OTC FDI will comply with both the "Investment Restrictions" section of this Prospectus and the UCITS Regulations. The relevant Portfolio's exposure to counterparties in respect of an OTC FDI will be collateralised in accordance with the requirements of the Central Bank, so that the Portfolio's exposure to a counterparty will be less than 10% of its Net Asset Value at all times, where the relevant counterparty is a Relevant Institution and less than 5% of its Net Asset Value, where the relevant counterparty is not a Relevant Institution. Each Portfolio will monitor the collateral to ensure that the securities provided as collateral will, at all times, fall within the categories permitted by the Central Bank and be fully diversified in accordance with the requirements set out in this Prospectus.

A Portfolio may be leveraged as a result of its investments in FDI but such leverage will not exceed the Portfolio's Net Asset Value at any time. To ensure compliance with these restrictions, the Portfolio's exposure to counterparties in respect of FDI may be collateralised, in accordance with the requirements of the Central Bank. Where relevant, the Portfolio will monitor the collateral to ensure that the securities provided as collateral will, at all times, fall within the categories permitted by the Central Bank and be fully diversified in accordance with the requirements set out in this Prospectus.

To the extent that a Portfolio uses derivative instruments, there may be a risk that the volatility of the Portfolio's Net Asset Value may increase. However, the Portfolios are not expected to have an above average risk profile as a result of its investment in derivative instruments.

PORTFOLIO INVESTMENT TECHNIQUES

The Company may employ investment techniques and instruments for efficient portfolio management of the assets of any Portfolio including hedging against market movements, currency exchange or interest rate risks under the conditions and within the limits stipulated by the Central Bank under the UCITS Regulations and described below.

The techniques and instruments referred to below may be utilised by the Investment Manager with the aim of reducing risk or cost for a Portfolio or for the generation of additional income or capital for the Portfolio with an appropriate level of risk, taking into account the risk profile of the Portfolio as described in this Prospectus and the general provisions of the UCITS Regulations. As a Portfolio may generally gain exposures by way of the techniques described below using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the Portfolio's assets may be invested in other types of securities. The Investment Manager may therefore seek to achieve greater returns by utilising the techniques described below and investing a Portfolio's remaining assets in other types of securities to add additional return. The techniques and instruments referred to below and other types of securities in which the Portfolio may invest will be in accordance with the investment objective and policy of the relevant Portfolio.

While the use of such techniques and instruments will be in line with the best interests of the Portfolio, individual techniques may result in increased counterparty risk and potential conflicts of interest. Details of the relevant risks are set out in the "Investment Risks" section.

Any revenues from efficient portfolio management techniques not received directly by the Company, net of direct and indirect operational costs and fees (which do not include hidden revenue), will be returned to the relevant Portfolio.

USE OF FINANCIAL DERIVATIVE INSTRUMENTS

Each of the Portfolios may utilise FDI for efficient portfolio management purposes (ie the reduction of risks or costs to the Portfolio or the generation of additional capital or income for the Company), or for hedging against market movements, currency exchange or interest rate risks, subject to the general restrictions outlined under "Investment Restrictions" in the "Investment Objectives and Policies" section above. The Company may use various types of FDI for these purposes, including, without limitation, futures, forward foreign currency contracts, exchange traded stock options, credit default swaps, contacts for differences and interest rate swaps. The Company will not use any FDI which have not been described in its risk management process, a copy of which has been submitted to and cleared by the Central Bank.

Forward foreign currency contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of Sterling for a certain amount of Euro - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Stock options offer the buyer the right, but not the obligation, to buy (in the case of a "call" option) or sell (in the case of a "put" option) specified stocks at a pre-agreed price during a certain period of time or on a specific date. Unless otherwise stated in the relevant section of Annex II in respect of a Portfolio, all stock options purchased by the Company will be traded on a Recognised Market. Interest rate swaps enable the Company to switch floating-rate loans for fixed-rate loans. These loans may be in either the same or in a different currency than the one for which they are being exchanged.

A future contract is an agreement between two parties to buy or sell an underlying asset (typically bonds, equities, interest rates, foreign currency or indices) at a pre-agreed future point in time. Transactions in futures involve the obligation at the pre-agreed future point in time to make, or to take, delivery of an underlying asset, for example a share or a bond, or, in some cases, for example where the underlying asset is an interest rate or a stock index, to settle the position with cash.

As a Portfolio may generally purchase FDI using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the Portfolio's assets may be invested in other types of securities. The Investment Manager or Sub-Investment Manager may therefore seek to achieve greater returns by purchasing FDI and investing a Portfolio's remaining assets in other types of securities to add excess return.

FDI used for efficient portfolio management may be used by the Portfolios for hedging purposes. Hedging is a technique used for minimising an exposure created from an underlying position by counteracting such exposure by means of acquiring an offsetting position. The positions taken for hedging purposes will not be allowed to exceed materially the value of the assets that they seek to offset.

To the extent that a Portfolio uses FDI, there may be a risk that the volatility of that Portfolio's Net Asset Value may increase. However, none of the Portfolios is expected to have an above average risk profile as a result of use of FDI. Although a Portfolio may be leveraged as a result of its use of FDI, such leverage will not exceed the Portfolio's Net Asset Value at any time, due to its other investments. Investors should refer to the "Investment Risks" section for information in relation to the risks associated with the use of FDI.

In the event of any Portfolio proposing to use any types of FDI additional to those described above for efficient portfolio management purposes, the risk management process shall be amended to reflect this intention and such additional types of FDI shall also be disclosed and described in Annex II to this Prospectus in respect of such Portfolio.

MANAGEMENT OF COLLATERAL

Collateral obtained in respect of OTC FDIs ("Collateral") must at all times meet with the following criteria:

- (i) **Liquidity:** Collateral (other than cash) must be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a robust price that is close to its pre-sale valuation. Collateral should comply with the provisions of Article 56 of the UCITS Directive;
- (ii) **Valuation:** Collateral must be capable of being valued on a daily basis and assets that exhibit high price volatility shall not be accepted as Collateral unless suitably conservative haircuts are in place;
- (iii) **Issuer credit quality:** Collateral must be of high quality;
- (iv) **Correlation:** Collateral must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- (v) **Diversification:** Collateral must be sufficiently diversified in terms of country, markets and issuers. Non-cash Collateral will be considered to be sufficiently diversified if the Sub-Fund receives from a counterparty a basket of Collateral with a maximum exposure to any one issuer of 20% of the Portfolio's net asset value. When the Portfolio is exposed to a variety of different counterparties, the various baskets of Collateral are aggregated to ensure exposure to a single issuer does not exceed 20% of net asset value; and
- (vi) **Immediately Available:** Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

All assets received in respect of a Portfolio in the context of efficient portfolio management techniques will be considered as Collateral for the purposes of the UCITS Regulations and will comply with the criteria above. Risks linked to the management of Collateral, including operational and legal risks, are identified and mitigated by risk management procedures employed by the Company.

Where there is a title transfer, the collateral received will be held by the Custodian, or its agent. For other types of collateral arrangement the collateral may be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the Collateral.

PERMITTED TYPES OF COLLATERAL

In accordance with the above criteria, it is proposed that a Portfolio will only accept cash as collateral in respect of Portfolio Investment Techniques.

REINVESTMENT OF COLLATERAL

Cash received as Collateral may only be invested in the following:

- deposits with relevant institutions;
- high-quality government bonds;
- reverse repurchase agreements subject to the provisions herein; and
- short-term money market funds which have and maintain a rating of AAA or equivalent. If investments are made in a linked fund, no subscription, conversion or redemption charge can be made by the underlying money market fund.

Invested cash collateral held at the credit risk of the Portfolio, other than cash collateral invested in government or other public securities or money market funds, must be invested in a diversified manner. The Company must be satisfied, at all times, that any investment of cash collateral will enable it to meet with its repayment obligations.

WHEN-ISSUED AND FORWARD COMMITMENT SECURITIES

Subject to the investment restrictions contained in the "*Investment Restrictions*" section above, a Portfolio may purchase securities on a "when-issued" basis and may purchase or sell securities on a "forward commitment" basis. The price, which is generally expressed in yield terms, is fixed at the time the commitment is made, but delivery and payment for the securities take place at a later date. When-issued securities and forward commitments may be sold prior to the settlement date, but a Portfolio will usually enter into when-issued and forward commitments only with the intention of actually receiving or delivering the securities or to avoid currency risk, as the case may be. No income accrues on securities which have been purchased pursuant to a forward commitment or on a when-issued basis prior to delivery of the securities. If the Portfolio disposes of the right to acquire a when-issued security prior to its acquisition or disposes of its right to deliver or receive against a forward commitment, the Portfolio may incur a gain or loss.

STRESS TESTING POLICY

In the event that a Portfolio receives Collateral for at least 30% of its net assets, it will implement a stress testing policy to ensure that regular stress tests are carried out under normal and exceptional liquidity conditions in order to allow it to assess the liquidity risk attached to Collateral.

CURRENCY TRANSACTIONS

Each Portfolio is permitted to invest in securities denominated in a currency other than the base currency of the Portfolio and may purchase currencies to meet settlement requirements. In addition, subject to the restrictions imposed on the use of financial derivative instruments described above and by the UCITS Regulations, each Portfolio may enter into various currency transactions (ie forward foreign currency contracts, currency swaps or foreign currency) to protect against uncertainty in future exchange rates. Forward foreign currency contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of Sterling for a certain amount of Euro - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into.

Currency transactions which alter currency exposure characteristics of transferable securities held by a Portfolio may only be undertaken for the purposes of a reduction in risk, a reduction in costs and/or an increase in capital or income returns to the Portfolio. Any such currency transactions will be used in accordance with the investment objective of the Portfolio.

A Portfolio may “cross-hedge” one foreign currency exposure by selling a related foreign currency into the base currency of that Portfolio. Also, in emerging or developing markets, local currencies are often expressed as a basket of major market currencies such as the US Dollar, Euro or Japanese Yen. A Portfolio may hedge out the exposure to currencies other than its base currency in the basket by selling a weighted average of those currencies forward into the base currency.

INVESTMENT RISKS

Investment in the Company's Portfolios carries certain risks, which are described below. These risks are not purported to be exhaustive and potential investors should review this Prospectus in its entirety and consult with their professional advisers, before making an application for Shares.

There can be no assurance that the Portfolios will achieve their respective objectives. While there are some risks described below that may be common to a number or all of the Portfolios, there may also be specific risk considerations which apply only to particular Portfolios.

Umbrella Structure of the Company

Pursuant to Irish law the Company will not be liable as a whole to third parties and there will be no potential for cross contamination of liabilities between different Portfolios. However, there can be no categorical assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Portfolios will necessarily be upheld. Accordingly, it is not free from doubt that the assets of any Portfolio of the Company may not be exposed to the liabilities of other Portfolios of the Company. As at the date of this Prospectus, the Directors are not aware of any existing or contingent liability of any Portfolio of the Company.

Indemnification Obligations

The Company has agreed to indemnify the Directors, the Manager, the Investment Manager, the Administrator and the Custodian as provided for in the relevant agreements.

Market Risk

The investments of a Portfolio are subject to normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation will occur. Stock markets can be volatile and stock prices can change substantially. Debt securities are interest rate sensitive and may be subject to price volatility due to various factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. The magnitude of these price fluctuations will be greater when the maturity of the outstanding securities is longer. Since investment in securities may involve currencies other than the Base Currency of a Portfolio, the value of a Portfolio's assets may also be affected by changes in currency rates and exchange control regulations, including currency blockage. The performance of a Portfolio will therefore depend in part on the ability of the Investment Manager to anticipate and respond to such fluctuations in stock prices, market interest rates and currency rates and to utilise appropriate strategies to maximise returns, while attempting to reduce the associated risks to investment capital.

Equity Securities

Equity securities represent ownership interests in a company or corporation, and include common stock, preferred stock and warrants and other rights to acquire such instruments. Investment in equity securities in general are subject to market risks that may cause their prices to fluctuate over time. The value of convertible equity securities is also affected by prevailing interest rates, the credit quality of the issuer and any call provisions. Fluctuations in the value of equity securities in which the Portfolio invests would cause the Net Asset Value of the Portfolio to fluctuate.

Fixed Income Securities

Fixed income securities are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk), and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market

liquidity (market risk). A Portfolio may invest in fixed-income securities which are interest rate sensitive. An increase in interest rates will generally reduce the value of fixed-income securities, while a decline in interest rates will generally increase the value of fixed-income securities. The performance of such Portfolios will therefore depend in part on the ability to anticipate and respond to such fluctuations on market interest rates, and to utilise appropriate strategies to maximise returns, while attempting to minimise the associated risks to investment capital.

Lower Rated Securities

In respect of Portfolios which may invest in lower rated or unrated (ie high yield) securities, such securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which primarily react to movements in the general level of interest rates. Investors should carefully consider the relative risks of investing in high yield securities and understand that such securities generally are not meant for short-term investing.

The risk of loss due to default by these issuers is significantly greater because medium and lower rated securities and unrated securities of comparable quality generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. In addition, Portfolios which invest in such securities may find it more difficult to sell high yield securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Furthermore, such Portfolios may experience difficulty in valuing certain securities at certain times. Prices realised upon the sale of such lower rated or unrated securities, under these circumstances, may be less than the prices used in calculating the Net Asset Value per Share of such Portfolios. In addition, prices for high yield securities may be affected by legislative and regulatory developments which could adversely affect the Net Asset Value per Share of such Portfolios as they could adversely affect the secondary market for high yield securities, the financial condition of issuers of these securities and the value of outstanding high yield securities. For example, federal legislation in the United States requiring the divestiture by federally insured savings and loan associations of their investments in high yield bonds and limiting the deductibility of interest by certain corporate issuers of high yield bonds has previously adversely affected the market.

Lower rated or unrated fixed income obligations also present risks based on payment expectations. If an issuer calls the obligations for redemption, a Portfolio holding such security may have to replace the security with a lower yielding security, resulting in a decreased return for investors. If such Portfolio experiences unexpected net redemptions, it may be forced to sell its higher rated securities, resulting in a decline in the overall credit quality of its assets and increasing its exposure to the risks of high yield securities.

Asset-Backed and Mortgage-Backed Securities

In respect of Portfolios which may invest in such securities, asset-backed securities are created by the grouping of certain governmental, government-related and private loans, receivables and other lender assets into pools and mortgage-backed securities represent pools of mortgage loans assembled for sale to investors by various US governmental agencies such as the Government National Mortgage Association ("GNMA") and US government-related organizations such as Fannie Mae and the Federal Home Loan Mortgage Corporation ("FHLMC"), as well as by non-governmental issuers such as commercial banks, savings and loan institutions, mortgage bankers, and private mortgage insurance companies. Mortgage-backed securities are instruments that entitle the holder to a share of all interest and principal payments from mortgages underlying the security. The mortgages backing these securities include conventional fifteen- and thirty-year fixed-rate mortgages, graduated payment mortgages, adjustable rate mortgages and balloon mortgages. Asset-backed securities are issued as pass-through certificates, which represent undivided fractional ownership interests in the underlying pool of assets, or as debt instruments that are generally issued as the debt of a special purpose entity, such as a trust, organised solely for the purpose of owning such assets and issuing such debt. As the name implies, a pass-through certificate passes on the monthly principal and interest payments from a pool of mortgage loans to holders of the security. Since the loans held in the asset pool often may be prepaid without penalty or premium, asset-backed securities are generally subject to higher prepayment risks than most other types of debt instruments. The pass-through certificate is also the

most common structure for mortgage-backed securities. A pass-through certificate issuer acquires mortgages either by originating them or by purchasing them in the whole-loan market. Many mortgages with similar characteristics are collected into a pool, and undivided ownership interests in the pool are sold as pass-through certificates. The undivided interest entitles the owner of the security to a pro rata share of all interest payments and all scheduled or prepaid principal payments.

Prepayment risks on mortgage-backed securities tend to increase during periods of declining mortgage interest rates. Depending upon market conditions, the yield that a Portfolio receives from the reinvestment of such prepayments, or any scheduled principal payments, may be lower than the yield on the original mortgage-backed security. As a consequence, mortgage-backed securities may be a less effective means of “locking in” interest rates than other types of debt securities having the same stated maturity and may also have less potential for capital appreciation.

For certain types of asset pools, such as collateralised mortgage obligations or collateralised debt obligations (both of which consist of bonds issued by single-purpose, stand-alone finance subsidiaries or trusts of financial institutions, government agencies, investment banks, or companies related to the construction industry), prepayments may be allocated to one tranche of securities ahead of other tranches, in order to reduce the risk of prepayment for the other tranches. Prepayments may result in a capital loss to a Portfolio to the extent that the prepaid mortgage-backed securities were purchased at a market premium over their stated amount.

The asset-backed and mortgage-backed securities in which Portfolios may invest will be transferable securities and in accordance with the UCITS Regulations no more than 10% of any Portfolio's net assets will be invested in asset-backed and mortgage-backed securities and any other transferable securities which are not listed or traded on a Recognised Market.

Political and/or Regulatory Risks

The value of the assets of a Portfolio may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in applicable laws and regulations.

Emerging Market Economies

In respect of Portfolios which may invest in Emerging Market Countries, the economies of such countries may differ favourably or unfavourably from the economies of industrialised countries. The economies of Emerging Market Economies are generally heavily dependant on international trade and have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Investments in emerging markets entail risks which include the possibility of political or social instability, adverse changes in investment or exchange control regulations, expropriation and withholding of dividends at source. In addition, such securities may trade with less frequency and volume than securities of companies and governments of developed, stable nations. There is also a possibility that redemption of Shares following a redemption request may be delayed due to the illiquid nature of the assets.

The legal infrastructure and accounting, auditing and reporting standards in Emerging Market Countries in which a Portfolio may invest may not provide the same degree of 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.

Over the last quarter of a century, inflation in many emerging market countries has been significantly higher than the world average. While some emerging market countries have sought to develop a number of corrective mechanisms to reduce inflation or mitigate its effects, inflation may continue to have significant effects both on emerging market economies and their securities markets.

The Company may invest in emerging markets, where the settlement mechanisms of the stock

markets are generally less developed and reliable than those in more developed countries. The settlement mechanisms in certain emerging markets may be untested. Some emerging markets use physical share delivery settlement procedures. In such circumstances, there may be share registration and delivery delays and it may not be possible to ensure delivery against payment.

Many emerging stock markets are undergoing rapid growth and change and their market capitalizations may be relatively small. Consequently, securities of a Portfolio may be less liquid and more volatile than securities in more mature markets.

The financial information available in respect of listed companies in emerging markets, especially those transformed from state-owned enterprises, remains limited by international standards. The corporate form of organisation has only recently been permitted in many of these markets and corporate laws regarding fiduciary duties of directors and officers and the protection of investors are often not well-developed. Companies whose securities are traded in emerging markets are generally not subject to the same degree of regulation as those in many of the world's developed markets with respect to such matters as uniform accounting, auditing and financial reporting standards, insider trading rules, take-over bid regulations, shareholder proxy requirements, the timely disclosure of information and the amount of information disclosed. Disclosure standards tend to vary greatly from country to country, making comparative analysis of data extremely difficult. Further, there is, in general, less information publicly available about companies in emerging markets than is available for companies in many of the world's developed markets. Because of the foregoing, any information furnished with respect to emerging market issuers may not be as complete or reliable as that furnished for issuers in more developed countries.

This document does not include detailed information on the political, economic and legal environment of the emerging markets in which a Portfolio may invest. Investors who elect to subscribe for shares do so on the basis that they are responsible for making an independent assessment of relevant conditions and risks in emerging markets generally.

Emerging markets typically have less well defined tax laws and procedures than those of major markets and such laws may permit retroactive taxation so that a Portfolio could in the future become subject to a local tax liability that had not reasonably been anticipated in the valuation of the assets of a Portfolio.

As some of the Portfolios may invest in markets where custodial and/or settlement systems are not fully developed, the assets of any Portfolio which are traded in such markets which have been entrusted to sub-custodians in circumstances where the use of such sub-custodian is necessary, may be exposed to risk in circumstances where the Custodian will have no liability.

Russian Markets Risk

There are significant risks inherent in investing in Russia including: (a) delays in settling transactions and the risk of loss arising out of Russia's system of securities registration and custody; (b) the lack of corporate governance provisions or general rules or regulations relating to investor protection; (c) pervasiveness of corruption, insider trading, and crime in the Russian economic system; (d) difficulties associated in obtaining accurate market valuations of many Russian securities, based partly on the limited amount of publicly available information; (e) tax regulations are ambiguous and unclear and there is a risk of imposition of arbitrary or onerous taxes; (f) the general financial condition of Russian companies, which may involve particularly large amounts of inter-company debt; (g) banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings and (h) the risk that the government of Russia or other executive or legislative bodies may decide not to continue to support the economic reform programs implemented since the dissolution of the Soviet Union.

The concept of fiduciary duty on the part of a company's management is generally non-existent. Local laws and regulations may not prohibit or restrict a company's management from materially changing the company's structure without shareholder consent. Foreign investors cannot be guaranteed redress in a court of law for breach of local laws, regulations or contracts. Regulations governing securities

investment may not exist or may be applied in an arbitrary and inconsistent manner.

Securities in Russia are issued only in book entry form and ownership records are maintained by registrars who are under contract with the issuers. The registrars are neither agents of, nor responsible to, the Custodian or its local agents in Russia. Transferees of securities have no proprietary rights in respect of securities until their name appears in the register of holders of the securities of the issuer. The law and practice relating to registration of holders of securities are not well developed in Russia and registration delays and failures to register securities can occur. Although a Russian sub-custodian will maintain copies of the registrar's records ("Extracts") on its premises, such Extracts may not, however, be legally sufficient to establish ownership of securities. Further a quantity of forged or otherwise fraudulent securities, Extracts or other documents are in circulation in the Russian markets and there is therefore a risk that a Portfolio's purchases may be settled with such forged or fraudulent securities. In common with other emerging markets, Russia has no central source for the issuance or publication of corporate actions information. The Custodian therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.

Investments in securities listed or traded in Russia will only be made in securities that are listed or traded on MICEX.

Custodial Risk

As the Company may invest in markets where custodial and/or settlement systems are not fully developed, including in Emerging Market Countries, the assets of the Company which are traded in such markets which have been entrusted to sub-custodians in circumstances where the use of such sub-custodian is necessary, may be exposed to risk in circumstances where the Custodian will have no liability.

Currency Risk

The Net Asset Value per Share of a Portfolio will be computed in the Base Currency of the relevant Portfolio, whereas the investments held for the account of that Portfolio may be acquired in other currencies. The Base Currency value of the investments of a Portfolio designated in another currency may rise and fall due to exchange rate fluctuations in respect of the relevant currencies. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital. The investments of each Portfolio may be fully hedged into its Base Currency. In addition, currency hedging transactions, while potentially reducing the currency risks to which a Portfolio would otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty.

Where a Portfolio engages in foreign exchange transactions which alter the currency exposure characteristics of its investments the performance of such Portfolio may be strongly influenced by movements in exchange rates as currency positions held by the Portfolio may not correspond with the securities positions held.

Where a Portfolio enters into "cross hedging" transactions (eg, utilising currency different than the currency in which the security being hedged is denominated), the Portfolio will be exposed to the risk that changes in the value of the currency used to hedge may not correlate with changes in the value of the currency in which the securities are denominated, which could result in loss on both the hedging transaction and the Portfolio securities.

Temporary Departure from Investment Objective

Where the ability to do so in respect of a Portfolio is disclosed in Annex II to this Prospectus, when the Sub-Investment Manager anticipates adverse market, economic, political or other conditions, it may temporarily depart from a Portfolio's investment objective and invest substantially in high-quality, short-term investments. This could help the Portfolio avoid losses but may also mean lost opportunities.

Small Cap Risk

In respect of Portfolios which may invest in small capitalisation companies, such investments involve greater risk than is customarily associated with larger, more established companies due to the greater business risks of small size, limited markets and financial resources, narrow product lines and a frequent lack of depth of management. The securities of small or medium-sized companies are often traded over-the-counter, and may not be traded in volumes typical of securities traded on a national securities exchange. Consequently, the securities of smaller companies may have limited market stability and may be subject to more abrupt or erratic market movements than securities of larger, more established companies or the market averages in general. In a declining market these stocks can also be hard to sell at a price that is beneficial to the Portfolio.

Socially Responsible Investment Policy

In respect of Portfolios which have a socially responsible investment policy, this policy could cause them to underperform relative to similar funds that do not have a socially responsible investment policy. This could occur where stocks identified by the Investment Manager or the Sub-Investment Manager's initial research but which do not meet the socially responsible investment policy criteria outperform those that do or the socially responsible investment policy causes the Portfolio to sell or avoid stocks that subsequently perform well.

Share Currency Designation Risk

Hedged Classes may be available in a Portfolio and are designated in a currency other than the Base Currency of the relevant Portfolio. In such circumstances adverse exchange rate fluctuations between the Base Currency of a Portfolio and the class currency of the Hedged Classes may result in a decrease in return and/or a loss of capital for Shareholders. As detailed above, the Investment Manager will try to mitigate this risk by using efficient portfolio management techniques and instruments or FDI, within the conditions and limits imposed by the Central Bank, to hedge the foreign currency exposure of the Hedged Classes into the Base Currency of the relevant Portfolio or into the currency or currencies in which the assets of the relevant Portfolio are denominated. Although a Hedged Class may not generally be leveraged as a result of the use of such techniques and instruments, the value of such instruments may be up to but may not exceed 105% of the Net Asset Value attributable to the relevant Hedged Class. The Investment Manager will monitor hedging on at least a monthly basis and will reduce the level of hedging to ensure that it does not exceed materially 100% of the Net Asset Value attributable to the relevant Hedged Class at any month-end. It may not be practical or efficient to hedge the foreign currency exposure of the Shares exactly to the currency or currencies in which all the assets of the relevant Portfolio are denominated. Accordingly in devising and implementing its hedging strategy the Investment Manager may hedge the foreign currency exposure of the Shares to the major currencies in which the assets of the relevant Portfolio are, or are expected to be, denominated. In determining the major currencies against which the foreign currency exposure of the relevant Hedged Class should be hedged, the Investment Manager may have regard to any index which is expected to closely correspond to the assets of the relevant Portfolio.

Where there is more than one Hedged Class in a Portfolio denominated in the same currency and it is intended to hedge the foreign currency exposure of such classes into the Base Currency of the relevant Portfolio or into the currency or currencies in which the assets of the relevant Portfolio are denominated, the Investment Manager may aggregate the foreign exchange transactions entered into on behalf of such Hedged Classes and apportion the gains/loss on and the costs of the relevant financial instruments *pro rata* to each such Hedged Class in the relevant Portfolio.

Investors should be aware that this strategy may substantially limit Shareholders of the relevant Hedged Class from benefiting if the class currency falls against the Base Currency of the relevant Portfolio and/or the currency/currencies in which the assets of the relevant Portfolio are denominated. In such circumstances, Shareholders of the Hedged Class may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/loss on and the costs of the relevant financial instruments.

In the case of a Hedged Class, a currency conversion will take place on subscriptions, redemptions, exchanges and distributions at the rate of exchange available to the Manager and the cost of conversion will be deducted from the relevant Hedged Class.

Although hedging strategies may not necessarily be used in relation to each class within a Portfolio, the financial instruments used to implement such strategies shall be assets/liabilities of the Portfolio as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Class. Any currency exposure of a Hedged Class may not be combined with or offset with that of any other class of the Portfolio.

Unhedged Classes in a Portfolio may provide returns to investors which are significantly different to the returns provided by Hedged Classes or Share classes designated in the Base Currency of the relevant Portfolio. In such circumstances adverse exchange rate fluctuations between the Base Currency of a Portfolio and the class currency of the relevant Unhedged Classes may result in a decrease in return and/or a loss of capital for Shareholders in such Unhedged Classes.

Reliance on the Investment Manager and Sub-Investment Manager

The Company will rely on the Investment Manager and any Sub-Investment Manager in implementing its investment strategies. The bankruptcy or liquidation of the Investment Manager or any Sub-Investment Manager may have an adverse impact on the Net Asset Value. Investors must rely on the judgement of the Investment Manager and any Sub-Investment Manager in making investment decisions. The Investment Manager and its principals and affiliates will however devote a substantial degree of their business time to the Company's business.

In addition,

- (a) The Portfolios may be prevented from dealing for legal, regulatory or policy reasons;
- (b) The Investment Manager and any Sub-Investment Manager or their affiliates may have managed or co-managed a public offering of securities in respect of any Portfolio's holding of securities within the last three years from the date of this prospectus or may from time to time perform investment banking or other business for any company whose securities are contained in a Portfolio; and
- (c) The Investment Manager and any Sub-Investment Manager, its affiliates, shareholders, directors, members, officers and/or employees may have long or short positions in any securities contained in the portfolios' holdings or options, futures and other derivative instruments based on these holdings.

Investment Techniques

There are certain investment risks which apply in relation to techniques and instruments which the Investment Manager may employ for efficient portfolio management purposes including, but not limited to, the techniques listed below. To the extent that the Investment Manager's expectations in employing such techniques and instruments are incorrect, a Portfolio may suffer a substantial loss having an adverse effect on the Net Asset Value of the Shares.

Repurchase and Reverse Repurchase Agreements

If the seller of a repurchase agreement fails to honour its commitment to repurchase the security in accordance with the terms of the agreement, the relevant Portfolio may incur a loss to the extent that the proceeds realised on the sale of the securities are less than the repurchase price. If the seller becomes insolvent, a bankruptcy court may determine that the securities do not belong to the Portfolio and order that the securities be sold to pay off the seller's debts. The relevant Portfolio may experience both delays in liquidating the underlying securities and losses during the period while it seeks to enforce its rights thereto, including possible sub-normal level of income and lack of access to income during the period and expenses in enforcing its rights.

Reverse repurchase agreements create the risk that the market value of the securities sold by the Portfolio may decline below the price at which the Portfolio is obliged to repurchase such securities

under the agreement. In the event that the buyer of securities under a reverse repurchase agreement files for bankruptcy or proves insolvent, the Portfolio's use of proceeds from the agreement may be restricted pending the determination by the other party or its trustee or receiver whether to enforce the obligation to repurchase the securities.

Portfolio Transaction Charges

Sales, redemption or transaction charges may be payable in respect of any Portfolio if specified in the "*Fees and Expenses*" section. **In the short-term, these charges will have the effect of reducing the value of an investment. Accordingly, an investor should view its investment in that Portfolio as medium- to long-term.**

No Investment Guarantee equivalent to Deposit Protection

An investment in the Company is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account. The value of Shares may go down as well as up and investors may not get back any of the amount invested.

Provisional Allotments

As the Company may provisionally allot Shares to proposed investors prior to receipt of the requisite subscription monies for those Shares the Company may suffer losses as a result of the non-payment of such subscription monies, including, for example, the administrative costs involved in updating the records of the Company to reflect Shares allotted provisionally which are not subsequently issued.

The Company will attempt to mitigate this risk by obtaining an indemnity from investors, however, there is no guarantee that the Company will be able to recover any relevant losses pursuant to such indemnity.

Settlement Risks

The equity markets in different countries will have different clearance and settlement procedures and in certain markets there have been times when settlements have been unable to keep pace with the volume of transactions, thereby making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when assets of a Portfolio are uninvested and no return is earned thereon. The inability of a Portfolio to make intended purchases due to settlement problems could cause it to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to a Portfolio due to subsequent declines in value of the portfolio security or, if it has entered into a contract to sell the security it could result in a possible liability of it to the purchaser.

Incentive Arrangements

The incentive arrangement involves the payment of performance fees and could create an incentive for the Investment Manager to select riskier or more speculative trades than would be the case in the absence of such an arrangement. The payment of the performance fee will be based on performance which may include net realised and net unrealised gains and losses as at the end of each Calculation Period. As a result, payments of performance fees may be made in respect of unrealised gains which may subsequently never be realised.

Performance Fee Methodology

The methodology used by the Company in calculating the performance fees in respect of certain Portfolios may result in inequalities as between Shareholders in relation to the payment of performance fees (with some investors paying disproportionately higher performance fees in certain circumstances) and may also result in certain Shareholders having more of their capital at risk at any time than others. Performance fees are based on net realised and net unrealised gains and losses as at the end of each

calculation period and, as a result, incentive fees may be paid on unrealised gains which may subsequently never be realised.

Target Volatility

While the Company may seek to manage a Portfolio to a certain target annual volatility, there can be no assurance that this target will be achieved or that the actual annual volatility of such Portfolios will not be in excess or less than the target.

Fees and Expenses

Whether or not a Portfolio is profitable, it is required to pay fees and expenses including organisation and offering expenses, brokerage commissions, management, administrative and operating expenses and custodian fees. A portion of these expenses may be offset by interest income.

Particular Risks of FDI

(a) General

The Investment Manager may make use of FDI in a Portfolio's investment program. Certain swaps, options and other FDI may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, swaps and other derivatives can involve significant economic leverage (although the global exposure of a Portfolio through the use of FDI will not exceed the Portfolio's Net Asset Value at any time) and may, in some cases, involve significant risks of loss.

(b) Liquidity; Requirement to Perform

From time to time, the counterparties with which a Portfolio effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, a Portfolio might be unable to enter into a desired transaction or to enter into any offsetting transaction with respect to an open position, which might adversely affect its performance. Further, in contrast to exchange-traded instruments, forward or spot contracts do not provide a trader with the right to offset its obligations through an equal and opposite transaction. For this reason, entering into forward or spot contracts, the Company may be required to and must be able to, perform its obligations under the contract.

(c) Necessity for Counterparty Trading Relationships

Participants in the OTC markets typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While the Investment Manager believes that the Company will be able to establish the necessary counterparty business relationships to permit it to effect transactions in the OTC markets, including the swaps markets, there can be no assurance that it will be able to do so. An inability to establish such relationships would limit its activities and could require it to conduct a more substantial portion of such activities in the futures markets. Moreover, the counterparties with which it expects to establish such relationships will not be obligated to maintain the credit lines extended to it, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

(d) Correlation Risk

Although the Investment Manager believes that taking exposure to underlying assets through the use of FDI will benefit Shareholders in certain circumstances, due to reduced operational costs and other efficiencies which investment through FDI can bring, there is a risk that the performance of the Portfolio will be imperfectly correlated with the performance which would be generated by investing directly in the underlying assets.

(e) **Futures**

Positions in futures contracts may be closed out only on an exchange which 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 Portfolio would continue to be required to make daily cash payments to maintain its required margin. In such situations, if a Portfolio 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 Portfolio 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 a Portfolio.

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. For example, if at the time of purchase, 10% of the value of the futures contract is deposited as margin, a subsequent 10% decrease in the value of the futures contract would result in a total loss of the margin deposit, before any deduction for the transaction costs, if the account were then closed out. A 15% decrease would result in a loss equal to 150% of the original margin deposit if the contract were closed out. 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 Portfolio also assumes the risk that the Investment Manager will incorrectly predict future stock market trends.

It is also possible that a Portfolio could both lose money on futures contracts and also experience a decline in value of its portfolio securities. There is also a risk of loss by a Portfolio of margin deposits in the event of bankruptcy of a broker with whom a Portfolio has an open position in a futures contract or related option.

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 particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. It is also possible that an exchange or the CFTC may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only. This constraint could prevent the Investment Manager from promptly liquidating unfavourable positions and subject a Portfolio to substantial losses. This could also impair a Portfolio's ability to withdraw its investments in order to make distributions to a redeeming Shareholder in a timely manner. Therefore, although the Company is open to all classes of investors and it is not expected that its investments will impact on its ability to meet redemption requests, it may be more suitable for sophisticated investors that will not be materially impacted by postponements of a Portfolio's normal redemption dates.

Particular Risks of OTC FDI

(a) **Absence of Regulation; Counterparty Default**

In general, there is less government regulation and supervision of transactions in the over-the-counter markets than of transactions entered into on organised exchanges. In addition, many of the protections afforded to some participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with transactions in OTC FDI. Therefore, although any counterparty with whom a Portfolio

enters into an OTC FDI transaction will be rated at or in excess of the requirements of the Central Bank by a Recognised Rating Agency and the Portfolio may further reduce its exposure to the counterparty through the use of collateral, the Portfolio will be subject to the risk that the counterparty will not perform its obligations under the transactions. In the event that the counterparty is unable or unwilling to meet its contractual liabilities, there may be a limited but detrimental impact on the Portfolio.

(b) **Tax**

There may also be a detrimental impact on a Portfolio in circumstances where there has been a change in the relevant taxation legislation or practice, regarding the OTC FDI in which the Portfolio has invested, whereby an unforeseen tax liability may have to be borne by the Portfolio. There is also a risk of loss due to the unexpected application of a law or regulation.

(c) **Legal**

Unlike exchange-traded options, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC FDI, are generally established through negotiation with the other party to the instrument. While this type of arrangement allows a Portfolio greater flexibility to tailor the instrument to its needs, OTC FDI may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if OTC FDI are deemed not to be legally enforceable or are not documented correctly.

There also may be a legal or documentation risk that the parties to the OTC FDI may disagree as to the proper interpretation of its terms. If such a dispute occurs, the cost and unpredictability of the legal proceedings required for the Company to enforce its contractual rights may lead the Company to decide not to pursue its claims under the OTC FDI. The Company thus assumes the risk that it may be unable to obtain payments owed to it under OTC arrangements, that those payments may be delayed or made only after the Company has incurred the costs of litigation.

(d) **Forward Contracts**

The Investment Manager may enter into forward contracts and options thereon on behalf of a Portfolio which are not traded on exchanges and are generally not regulated. There are no limitations on daily price moves of forward contracts. Banks and other dealers with whom a Portfolio may maintain accounts may require the relevant Portfolio to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. The Portfolios' counterparties are not required to continue to make markets in such contracts and these contracts can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of a Portfolio. Market illiquidity or disruption could result in major losses to a Portfolio. In addition, a Portfolio may be exposed to credit risks with regard to counterparties with whom they trade as well as risks relating to settlement default. Such risks could result in substantial losses to a Portfolio.

(e) **Valuation Risk**

Derivative instruments and forward exchange contracts which are not dealt on a Recognised Market shall be valued by the counterparty at least daily, provided that the valuation is verified at least weekly either by the Investment Manager or other independent party such person to be independent of the counterparty and approved for that purpose by the Custodian.

Investors should note that there is often no single market value for instruments such as OTC FDI. The discrepancies between bid offer spread on OTC FDI may be partly explained by various estimates on their pricing parameters. The Company has put procedures in place to reconcile any differences in valuation between the counterparties as well as pricing anomalies.

BORROWING POLICY

Under the Articles the Directors are empowered to exercise all of the borrowing powers of the Company subject to any limitations under the UCITS Regulations and to charge the assets of the Company as security for such borrowings.

The Company may not borrow money, grant loans or act as guarantor on behalf of third parties, except:

- (i) foreign currency may be acquired by means of a back-to-back loan, ie borrowing one currency against the deposit of an equivalent amount of another currency (provided that where foreign currency borrowings exceed the value of the “back-to-back” deposit, any excess shall be regarded as borrowing and therefore aggregated with other borrowing for the purposes of the 10% limit referred to below); and
- (ii) the Company may incur temporary borrowings in an amount not exceeding 10% of its net asset value and may charge its assets as security for such borrowings. Reverse repurchase agreements are not treated as borrowings for these purposes.

DISTRIBUTION POLICY

The Articles empower the Directors to declare dividends in respect of any Shares out of net income (including dividend and interest income) and/or the excess of realised and unrealised capital gains over realised and unrealised losses in respect of investments of the Company. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Portfolio.

Accumulating Classes

The Directors have determined to accumulate all net investment income and net realised capital gains attributable to the Accumulating Classes and therefore do not intend to declare dividends in respect of Shares in such classes.

Distributing Classes

Unless otherwise specified in relation to any particular Distributing Class in Annex II, it is the current intention of the Directors to declare and pay as a dividend at least 85% of the net income, subject to any *de minimis* threshold, attributable to each of the Distributing Classes.

Each Portfolio has been accepted by HM Revenue & Customs as a "Reporting Fund" for the purposes of United Kingdom offshore funds rules. Reporting Fund status will apply in relation to Each Portfolio for each period of account of the Company provided the Company continues to comply with the applicable rules and does not elect in relation to a Portfolio to become a non-Reporting Fund.

For so long as Reporting Fund status is maintained in relation to any Portfolio (or, if relevant, any class of Shares of a Portfolio), any profit on a disposal of Shares in such Portfolio or Share class (for example, by way of transfer or redemption) by a UK resident Shareholder should fall to be taxed as a capital gain.

If Reporting Fund status is not maintained in respect of any Portfolio or, if relevant, any class of Shares of a Portfolio, any gain arising on a disposal of Shares in such Portfolio or Share class will constitute income for all purposes of United Kingdom taxation.

When available, it is intended that dividends will be declared and paid on or before 30 June in each year in relation to the net income of the Distributing Classes for the year ended the previous 31 December. Subject to income being available for distribution, the Directors may also decide to declare and pay interim dividends in relation to any of the Distributing Classes. All Shares in issue in a Distributing Class on any date on which the Directors determine to declare a dividend in respect of such Distributing Class will be eligible for such dividend.

Dividends will be paid by wire transfer in accordance with the bank account details nominated by the Shareholder on the subscription application form unless the Shareholder shall have elected that dividends otherwise payable in cash be automatically re-invested in further Shares in the relevant Distributing Class. Dividends paid in cash will be paid in the class currency of the relevant Distributing Class.

The Directors reserve the right to change the dividend policy of any class of Shares at its discretion on prior notice to Shareholders of the relevant class and this Prospectus will be updated to reflect any such change.

SUBSCRIPTIONS

The Directors may issue Shares of any series or class, and create new series or classes of Shares, on such terms as they may from time to time determine in relation to any Portfolio. For the avoidance of doubt, there will only ever be one (1) Series in respect of each Portfolio. Shares of any particular series may be divided into different classes to accommodate different subscription and/or redemption and/or dividend provisions and/or charges and/or fee arrangements.

Employees of the Investment Manager and its parent company, applicants with pre-existing fee agreements and certain new fee agreements with the Investment Manager may be allotted the Management Class Shares.

Details of the Initial Offer Price and Initial Offer Period in respect of each Portfolio are contained in Annex II.

Thereafter (and, in the case of all other classes, from the date of this Prospectus) Shares will be issued at their Net Asset Value per Share, subject to the provision for Duties and Charges in respect of the issue of the Shares and rounding as provided for in the Articles on each Dealing Day. Investors' attention is drawn to the "Fees and Expenses" section and the subscription information in respect of a Portfolio contained in Annex II. In order to receive Shares at their Net Asset Value per Share as of any particular Dealing Day, a properly completed subscription application form must be received by the Administrator before 3.00 pm (Irish time) on:

- (a) in the case of applications for Shares in the Global Equity Alpha Fund, the Business Day two (2) Business Days before the relevant Dealing Day; and
- (b) in the case of applications for Shares in all other Portfolios, the relevant Dealing Day

(provided however that any Director may, up to 4.30 p.m. (Irish time) on such relevant Business or Dealing Day, as applicable, authorise the Administrator to accept a subscription application form, so long as such subscription application form is not accepted after the relevant Valuation Point), or such other time as the Directors may from time to time determine and notify in advance to Shareholders and the Central Bank. For clarification purposes, the Directors may only accept subscription application forms after 3.00 pm (Irish time) in respect of (a), (b) and (c) above in exceptional circumstances.

Subscription application forms received after the above deadlines shall be held over until the following Dealing Day.

Subscription application forms, together with supporting documentation in relation to money laundering prevention checks should be sent by post or facsimile (with the original to follow by post) to the Administrator or to the Distributor or a sub-distributor for onward transmission to the Administrator in accordance with the details set out in the subscription application form or to the Company at the address below. Any amendment to the details set out in the subscription application form shall not be effected unless notified in writing, by an authorised signatory of the Shareholder, to the Administrator and such amendment will not be effected unless and until the Administrator is in receipt of the original document.

Sub Fund
Nemesis Fund plc
c/o Capita Financial Administrators (Ireland) Limited
Montague House
Adelaide Road
Dublin 2, Ireland
Tel: +353 1 400 5300
Fax: +353 1 400 5350

Notwithstanding the above, subsequent subscriptions for Shares may be submitted to the Administrator by e-mail or any other form of electronic communication agreed in advance with the Administrator and the Central Bank, provided that all ongoing anti-money laundering checks are complete. For the avoidance of doubt the discretion of any Director to authorise the Administrator to accept subscriptions up to 4.30 p.m. (Irish time) on the Dealing Day described above shall also apply to electronic subsequent subscriptions.

Subscription monies should be sent by wire transfer to the relevant account specified in the subscription application form, or by transfer of assets in accordance with the provisions described below, no later than three (3) Business Days after the relevant Dealing Day.

If cleared funds representing the subscription monies are not received by the Company by close of business on the relevant due date, the Directors reserve the right to cancel the provisional allotment of Shares. In such an event the investor shall indemnify the Company, the Manager and the Administrator for any loss suffered by the Company as a result of the investor's failure to transmit the subscription monies in a timely fashion. In the event that the Directors decide not to cancel a provisional allotment of Shares notwithstanding that cleared funds have not been received by the Company by the relevant cut-off time, the Directors reserve the right to charge interest (at a rate equal to LIBOR + 3.5% or such other rate as the Directors may from time to time determine) on such subscription monies commencing on the third Business Day following the relevant Dealing Day. Subscription monies received from applicants prior to the receipt of a completed subscription application form will be maintained (without interest) in an account opened by the Administrator in the name of the Company, the monies will not be available for investment and will remain the property of the applicant until the relevant share application is accepted by the Company. A sales charge may be deducted from subscription monies as detailed in the "Fees and Expenses" section.

Subscription monies are to be paid in the specified currency to the bank account indicated in the relevant subscription application form.

The Directors, or the Administrator as their delegate, may also issue Shares in exchange for assets which the Company is permitted to hold under the investment restrictions of the relevant Portfolio. No Shares may be issued in exchange for such assets unless the Directors are satisfied that:

- (a) the number of Shares issued will not be more than the number which would have been issued for settlement in cash, having valued the assets to be exchanged in accordance with the valuation provisions set out in the Articles and summarised in the "Determination of Net Asset Value" section;
- (b) all fiscal Duties and Charges arising in connection with the vesting of such assets in the Custodian for the account of the Company are paid by the person to whom the Shares are to be issued or, at the discretion of the Directors, out of the assets of the Company; and
- (c) the assets would qualify as assets of the Company in accordance with the investment objective, policies and restrictions of the Company;

and the Custodian is satisfied that:

- (i) the terms of such exchange shall not materially prejudice the Shareholders; and
- (ii) that the assets have been vested in the Custodian.

The Minimum Initial Subscriptions and Minimum Holdings that apply to each Portfolio are contained in Annex II. The Directors may, in their absolute discretion, waive the Minimum Initial Subscription and Minimum Holding for each class of Shares.

Measures aimed towards the prevention of money laundering may require a detailed verification of the applicant's identity. Depending on the circumstances of each application, a detailed verification might not be required where (a) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution; or (b) the application is made through a recognised intermediary. These

exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised by Ireland as having equivalent anti-money laundering regulations.

The Company, and the Administrator acting on behalf of the Company, reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company, and the Administrator acting on behalf of the Company, may refuse to accept the application and all subscription monies. Shareholders will not be permitted to request the redemption of their Shares unless the original completed subscription application form has been received by the Administrator, and all anti-money laundering documentation received and checks required by the Central Bank have been completed in respect of the relevant subscription.

All Shares issued will be in registered form and written confirmation of ownership will be sent to Shareholders within ten (10) business days of registration. Share certificates will not be issued unless the Directors otherwise determine. The number of Shares issued will be rounded to the nearest one thousandth of a share and any surplus money will be credited to the Company. The Directors may, in their absolute discretion refuse to accept any subscription for Shares, in whole or in part.

Sub-distributors appointed by the Distributor may impose deadlines for receipt of applications which are earlier than those set out above, to facilitate such sub-distributor forwarding those applications to the Administrator. However, no subscription application form will be processed by the Administrator on any Dealing Day unless the relevant subscription application form is received in accordance with the provisions outlined above. Applicants should also note that they may be unable to purchase Shares through a sub-distributor on days that such sub-distributor is not open for business.

The Company will not knowingly issue any Shares to (a) any US Person except in a transaction which does not contravene US securities laws; and (b) any Restricted Investor. Each applicant for Shares will be required to provide such representations, warranties or documentation as may be required by the Company to ensure that these requirements are met prior to the issue of Shares.

REDEEMING SHARES

Shareholders may request the Company to redeem their Shares on any Dealing Day at their Net Asset Value per Share on such Dealing Day in accordance with the redemption procedures.

Shareholders may request the redemption of all or any of their Shares on any Dealing Day at their Net Asset Value per Share as of the relevant Dealing Day provided that a properly completed redemption request form is received by the Administrator before 3.00 pm (Irish time) on:

- (a) in the case of redemption requests in respect of Shares in the Global Equity Alpha Fund, the Business Day five (5) Business Days before the relevant Dealing Day; and
- (b) in the case of redemption requests in respect of Shares in all other Portfolios, the relevant Dealing Day

(provided however that any Director may, up to 4.30 p.m. (Irish time) on the relevant Dealing Day, authorise the Administrator to accept a redemption request form, so long as such redemption request form is not accepted after the relevant Valuation Point), or such other time as the Directors may agree and notify in advance to the Shareholders, provided that, if applicable, the redemption request must be accompanied by a share certificate in respect of the Shares (duly endorsed by the Shareholder) or such other evidence of ownership as the Administrator may request. For clarification purposes, the Directors may only accept redemption request forms after 3.00 pm (Irish time) in respect of (a) and (b) above in exceptional circumstances.

Redemption request forms received after the above deadlines will be held over and dealt with on the following Dealing Day, unless the Directors otherwise determine. Redemption request should be made on the redemption request form approved by the Manager and should be sent by post or facsimile (with the original followed by post) to the Distributor or relevant sub-distributor for onward transmission to the Administrator or to the Administrator at the address specified above under "Subscriptions" or by e-mail or any other form of electronic communication agreed in advance with the Administrator. For the avoidance of doubt the discretion of any Director to authorise the Administrator to accept redemption requests up to 4.30 p.m. (Irish time) on a Business Day preceding a Dealing Day described above shall also apply to electronic redemption requests.

Shareholders will not be permitted to request the redemption of their Shares unless the original completed subscription application form has been received by the Administrator, and all anti-money laundering documentation received and checks required by the Central Bank have been completed in respect of the relevant subscription.

Shareholders will not be entitled to withdraw redemption requests unless otherwise agreed by the Administrator in consultation with the Directors. The Directors or the Administrator shall be entitled to refuse to redeem any Shares until the share certificates (if any) in respect of those Shares have been returned to the Company. The original of all requests for redemptions must be received by the Administrator in order for payment to be made, provided, however, that payment may be made where a redemption request has been submitted by fax, e-mail or any other form of electronic communication agreed in advance with the Administrator and where payment is made to the account specified by the Shareholder in its original subscription application form, or such other account as may be specified by original notice in writing to the Administrator.

The Shares shall be redeemed at the Net Asset Value per Share on the Dealing Day on which redemption is effected as calculated in accordance with the Articles of Association. Investors in some Portfolios may also be subject to redemption fees and Duties and Charges on a redemption. Investors' attention is drawn to the "Fees and Expenses" section and the redemption information in respect of a Portfolio contained in Annex II.

If outstanding redemption requests from all holders of Shares of a particular series on any Dealing Day

total an aggregate of more than 10% of all the Shares of such series in issue on such Dealing Day, with the exception of the Global Equity Alpha Fund, the Company shall be entitled at its discretion to refuse to redeem such number of Shares in issue in that series on that Dealing Day in respect of which redemption requests have been received as the Directors shall determine. If the Company refuses to redeem Shares for this reason, the requests for redemption on such date shall be reduced rateably and the Shares to which each request relates which are not redeemed shall be redeemed on each subsequent Dealing Day in priority to any request received thereafter, provided that the Company shall not be obliged to redeem more than 10% of the number of Shares of a particular series outstanding on any Dealing Day, until all the Shares of the series to which the original request related have been redeemed.

Redemption proceeds will be paid in the currency received by the Administrator in respect of the subscription for the Shares being redeemed. Any currency conversion necessary will be undertaken by the Administrator at the investor's expense at the prevailing rate on the date of redemption. Redemption proceeds will be paid within ten (10) Business Days of the relevant Dealing Day.

Unless payment has been suspended in the circumstances described under "Temporary Suspension of Dealings" below. Unless otherwise agreed with the Company, redemption proceeds will be paid by electronic transfer at the expense of the relevant Shareholder to the Shareholder's account as specified in the Shareholder's subscription application form or as otherwise specified by original notice in writing by the Shareholder to the Company.

Redemption Proceeds may, with the consent of the Shareholder concerned, be paid by in specie transfer to the Shareholder in question of assets of the Company. Where a Shareholder requests the redemption of Shares equal to 5% or more of the Net Asset Value of a Portfolio on any Dealing Day, the Company may do so at its absolute discretion. The assets to be transferred shall be selected at the discretion of the Directors, subject to the approval of the Custodian and taken at their value used in determining the redemption price of the Shares being so repurchased. If requested by the Shareholder, the Company must sell the assets on behalf of the Shareholder at the Shareholder's expense and give the Shareholder cash. Such distributions will not materially prejudice the interests of remaining Shareholders.

Where satisfaction of a redemption request would result in a Shareholder holding a number of Shares in a class with a value less than the Minimum Holding for that class, the Directors shall be entitled, at their discretion, to treat the application for redemption as an application for the redemption of all of that Shareholder's Shares of the relevant class or to offer the Shareholder an opportunity to amend or withdraw the redemption request.

MANDATORY REDEMPTION OF SHARES

Shareholders are required to notify the Company immediately in the event that they become Irish Residents, US Persons, Restricted Investors or cease to be Exempt Investors, or the Declaration made by or on their behalf is no longer valid. Shareholders are also required to notify the Company immediately in the event that they hold Shares for the account or benefit of Irish Residents, US Persons, Restricted Investors or otherwise hold Shares in breach of any law or regulation or otherwise in circumstances having or which may have, adverse regulatory, tax or fiscal consequences or be a material administrative disadvantage for the Company, the relevant Portfolio or the Shareholders as a whole. In addition, Shareholders are required to notify the Company if any information provided or representations made by them on any subscription application form is no longer correct.

Where the Company becomes aware that a Shareholder is (a) a US Person or is holding Shares for the account or benefit of a US Person and such person is not an “accredited investor” (as defined in Rule 501(a) of Regulation D under the 1933 Act) and a “qualified purchaser” (as defined in Section 2(a)(51) of the 1940 Act); (b) a Restricted Investor or is holding Shares for the account or benefit of a Restricted Investor; (c) holding Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, legal, pecuniary or tax consequences or material administrative disadvantage for the Company, the relevant Portfolio or the Shareholders as a whole; or (d) not holding Shares equal to or greater than the Minimum Holding, the Company, at its absolute discretion, may: (i) direct the Shareholder to dispose of those Shares to a person who is entitled to own the Shares within such time period as the Company stipulates; or (ii) redeem the Shares at their Net Asset Value per Share as at the next Business Day after the date of notification to the Shareholder or following the end of the period specified for disposal pursuant to (i) above.

Under the Articles, any person who becomes aware that he is holding Shares in contravention of any of the above provisions and who fails to transfer, or deliver for redemption, his Shares pursuant to the above provisions or who fails to make the appropriate notification to the Company shall indemnify and hold harmless each of the Directors, the Company, the Manager, the Investment Manager, the Administrator, the Custodian and the Shareholders (each an “Indemnified Party”) from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

The Company shall be entitled to redeem Shares in respect of any Portfolio or class in the circumstances described in the “Termination of Portfolios or Share Classes” section.

EXCHANGE PRIVILEGE

Except where dealings in Shares have been temporarily suspended in the circumstances described in this Prospectus, Shareholders may request the exchange of Shares of any class in a Portfolio (the "Original Class") on any Business Day for Shares in any other Portfolio established by the Company (for the purposes of this section, the "New Class"), provided that a properly completed exchange request form is received by the Administrator before 3.00 p.m. (Irish time) on the Business Day preceding the relevant Dealing Day (provided however, any Director may, up to 4.30 p.m. (Irish time) on the Business Day preceding the relevant Dealing Day, authorise the Administrator to accept an exchange request, so long as such exchange request is not accepted after the relevant Valuation Point), or such other time as the Directors may agree and notify to the Shareholders. Investors should note that they may incur Duties and Charges when subscribing for or redeeming Shares in a Portfolio as part of an exchange of Shares.

Requests for exchanges of Shares shall be effected by notice in writing to the Company in such form as the Directors may approve. The general provisions and procedures relating to redemptions of Shares of the Original Class and subscriptions for Shares of the New Class will apply to any exchange of Shares. Accordingly, for these purposes, an exchange request will be treated as a redemption request in respect of the Original Class and as a subscription application request in respect of Shares of the New Class. Exchange fees, if any, will be disclosed in the "Fees and Expenses" section.

Exchange request forms should be sent by post or facsimile (with the original followed by post) to the Distributor or relevant sub-distributor for onward transmission to the Administrator at the address specified above in the "Subscriptions" section or to the Administrator by e-mail or any other form of electronic communication agreed in advance with the Administrator. For the avoidance of doubt the discretion of any Director to authorise the Administrator to accept exchange requests up to 4.30 p.m. (Irish time) on a Business Day preceding a Dealing Day described above shall also apply to electronic exchange requests. Exchange requests forms received after the above deadline will be held over and dealt with on the following Business Day. The price at which Shares will be exchanged will be determined by reference to the Net Asset Value per Share of the relevant Shares on the relevant Business Day.

When requesting the exchange of Shares as an initial investment in a New Class, Shareholders should ensure that the Net Asset Value of the Shares exchanged is equal to or exceeds the Minimum Initial Subscription for the New Class, except and insofar as the Directors may in their absolute discretion vary or waive such requirement, either generally or in any specific case. If the number of Shares of the New Class to be issued on exchange is not an integral number of Shares, the Company may issue fractional new Shares or return the surplus arising to the Shareholder seeking to convert the Shares of the Original Class. The Directors may, in their absolute discretion refuse to accept any request for exchange for Shares, in whole or in part.

TRANSFER OF SHARES

Transfers of Shares must be effected by transfer in writing in any usual or common form or in any other form approved by the Directors from time to time. Every form of transfer must state the full name and address of each of the transferor and the transferee and must be signed by or on behalf of the transferor. The Directors or their delegate may decline to register any transfer of Shares unless the transfer form is deposited at the registered office of the Company, or such other place as the Directors may reasonably require, accompanied by such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and to determine the identity of the transferee. The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the register of Shareholders. A transfer of Shares will not be registered unless the transferee, if not an existing Shareholder, has completed a subscription application form with respect to the relevant Shares to the satisfaction of the Directors. The Directors may also, at their absolute discretion, decline to register a transfer which would result in either the transferee holding Shares with a Net Asset Value less than the Minimum Initial Subscription, or the transferor holding Shares with a Net Asset Value less than the Minimum Holding for the relevant class.

Shares are freely transferable except that the Directors may decline to register a transfer of Shares (a) if the transfer is in breach of US securities laws; (b) the result of which would be that Shares would be held by or for the account or benefit of a Restricted Investor (c) if in the opinion of the Directors the transfer would be unlawful or result or be likely to result in any adverse regulatory, legal, pecuniary or tax consequences or material administrative disadvantage for the Company, the relevant Portfolio or the Shareholders as a whole; (d) in the absence of satisfactory evidence of the transferee's identity; or (e) where the Company is required to redeem, appropriate or cancel such number of Shares as are required to meet the appropriate tax of the Shareholder on such transfer. A proposed transferee may be required to provide such representations, warranties or documentation as the Directors may require in relation to the above matters. In the event that the Company does not receive a Declaration in respect of the transferee, the Company will be required to deduct appropriate tax in respect of any payment to the transferee or any sale, transfer, cancellation, redemption, repurchase, cancellation or other payment in respect of the Shares as described in the section headed "Taxation" below.

Subscriptions by and Transfers to US Persons

The Directors may authorise the purchase by or transfer of Shares to or on behalf of a US Person if:

- (a) such purchase or transfer does not result in a violation of the 1933 Act or the securities laws of any state of the United States;
- (b) such purchase or transfer would not require the Company or any Portfolio to register under the 1940 Act; and
- (c) there will be no adverse regulatory, tax or fiscal consequences or material administrative disadvantage to a Portfolio or its Shareholders as a whole as a result of such a purchase or transfer.

Each applicant for Shares who is in the United States or a US Person will be required to provide such representations, warranties or documentation as may be required by the Directors to ensure that such requirements are met prior to approval of such sale or transfer by the Directors. The Directors shall determine from time to time the number of US Persons who may be admitted into the Company. The Directors have determined to permit the private sale of Shares in the United States or to US Persons to a limited number of "accredited investors" (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are also "qualified purchasers" (as defined in Section 2(a)(51) of the 1940 Act) under restrictions and other circumstances designed to preclude any requirement to register the Shares under the 1933 Act or any securities law of any state of the United States, or cause the Company or any Portfolio to become subject to the registration requirements of the 1940 Act, including presentation by such investors, prior to the delivery to them of Shares, of a letter containing specified representations and agreements.

Accordingly, amongst other things, each investor that is a US Person will be required to represent, among other customary private placement representations, that it: (i) is an “accredited investor” as defined in Regulation D; (ii) it will not transfer or deliver all or any part of its Shares except in accordance with the restrictions set forth in the Prospectus and the Articles; (iii) is acquiring the Shares for the its own account, for investment purposes only and not with a view to resale or distribution; and (iv) is a “qualified purchaser” for purposes of the 1940 Act. A “qualified purchaser” generally includes a natural person who owns not less than US\$5,000,000 in investments or a company acting for its own account or the accounts of other qualified purchasers which owns and invests on a discretionary basis not less than US\$25,000,000 in investments and certain trusts. Further, the subscription application form and the Articles contain restrictions on transfer designed to assure that these conditions will be met.

Unless otherwise agreed by the Directors, each non-US investor will be required to represent, amongst other things, that it: (i) is not a US Person; (ii) will not transfer or deliver all or any part of its Shares except in accordance with the restrictions set forth in the Articles and this Prospectus; (iii) will notify the Directors immediately if it becomes a US Person at any time during which it holds or owns any Shares; (iv) has not obtained any of the funds used by it to effect the purchase of Shares from US Persons; (v) is acquiring the Shares for its own account, for investment purposes only and not with a view to resale or distribution; and (vi) received information as to offers to sell and communicated offers to buy the Shares, as the case may be, whilst it was outside the United States and was outside the United States at the time it originated its application to buy the Shares.

The Directors may refuse an application for Shares by or for the account or benefit of any US Person or decline to register a transfer of Shares to or for the account or benefit of any US Person and may require the mandatory redemption or transfer of Shares beneficially owned by any US Person.

TEMPORARY SUSPENSION OF DEALINGS

The Directors may at any time, with prior notification to the Custodian, temporarily suspend the issue, valuation, sale, purchase, redemption or conversion of Shares and/or the payment of redemption proceeds at any time during:

- (a) any period when any Recognised Market on which a substantial portion of the investments for the time being comprised in the relevant Portfolio are quoted, listed or dealt in is closed otherwise than for ordinary holidays, or during which dealings on any such Recognised Market are restricted or suspended;
- (b) any period when, as a result of political, military, economic or monetary events or other circumstances beyond the control, responsibility and power of the Directors, the disposal or valuation of investments for the time being comprised in the relevant Portfolio cannot, in the opinion of the Directors, be effected or completed normally or without prejudicing the interests of Shareholders;
- (c) any breakdown in the means of communication normally employed in determining the value of any investments for the time being comprised in the relevant Portfolio or during any period when for any other reason the value of investments for the time being comprised in the relevant Portfolio cannot, in the opinion of the Directors, be promptly or accurately ascertained;
- (d) any period when the Company is unable to repatriate funds for the purposes of making redemption payments or during which the realisation of investments for the time being comprised in the relevant Portfolio, or the transfer or payment of funds involved in connection therewith cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange;
- (e) any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the relevant Portfolio or the remaining Shareholders in such Portfolio;
- (f) any period after a notice convening a meeting of Shareholders for the purpose of dissolving the Company or terminating a Portfolio has been issued, up to and including the date of such meeting of Shareholders;
- (g) any period during which dealings in a collective investment scheme in which the Portfolio has invested a significant portion of its assets are suspended;
- (h) any period in which the repurchase of the Shares would, in the opinion of the Directors, result in a violation of applicable laws; or
- (i) any period when the Directors determine that it is in the best interests of the Shareholders to do so.

Notice of any such suspension shall be published by the Company at its registered office and in such newspapers and through such other media as the Directors may from time to time determine, if in the opinion of the Directors, it is likely to exceed thirty (30) days, and shall be transmitted immediately to the Central Bank, the Irish Stock Exchange and the Shareholders. Shareholders who have requested the issue or redemption of Shares of any series or class will have their subscription or redemption request dealt with on the first Dealing Day after the suspension has been lifted unless applications or redemption requests have been withdrawn prior to the lifting of the suspension. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

DETERMINATION OF NET ASSET VALUE

The Net Asset Value of each Portfolio, and the Net Asset Value per Share in each Portfolio, shall be calculated by the Administrator to the nearest four (4) decimal places in the Base Currency as at the Valuation Point for each Dealing Day in accordance with the valuation provisions set out in the Articles and summarised below.

The Net Asset Value of a Portfolio shall be calculated by ascertaining the value of the assets of the relevant Portfolio and deducting from such amount the liabilities of the Portfolio, which shall include all fees and expenses payable and/or accrued and/or estimated to be payable out of the assets of the Portfolio. The Net Asset Value per Share in respect of a Portfolio will be calculated by dividing the Net Asset Value of the relevant Portfolio by the number of Shares of the relevant Portfolio in issue.

In the event that a Portfolio is divided into different classes of Shares, the amount of the Net Asset Value of the Portfolio attributable to a class shall be determined by establishing the number of Shares issued in the class at the relevant Valuation Point and by allocating the relevant fees and class expenses to the class, making appropriate adjustments to take account of distribution, subscriptions, redemptions, gains and expenses of that class and apportioning the Net Asset Value of the Portfolio accordingly. The Net Asset Value per Share in respect of a class will be calculated by dividing the Net Asset Value of the relevant class by the number of Shares of the relevant class in issue. The Net Asset Value of a Portfolio attributable to a class and the Net Asset Value per Share in respect of a class will be expressed in the class currency of such class if it is different to the Base Currency.

The Net Asset Value of each Portfolio and the Net Asset Value per Share in each Portfolio in respect of any Dealing Day will be calculated using the value of each of the relevant assets or liabilities as at their respective Valuation Points and will be determined at the time set out in Annex II to this Prospectus.

The currency exposures of the assets of the Portfolios will not be allocated to separate classes. The Investment Manager or sub-investment manager shall limit hedging to the extent of the particular Hedged Class' currency exposure. Foreign exchange hedging shall not be used for speculative purposes. The periodic reports of the Company will indicate how hedging transactions have been utilised.

Each asset which is quoted, listed or traded on or under the rules of any Recognised Market shall be valued at the last traded price or, if unavailable or if bid and offer quotations are made, the latest available middle market quotation (ie the mean of the bid and offer price quoted) on the relevant Recognised Market at close of business on such Recognised Market on each Dealing Day. Prices will be obtained for this purpose by the Administrator from independent sources, such as recognised pricing services or brokers specialising in the relevant markets, which in the opinion of the Administrator represent objective and accurate sources of information. If the investment is normally quoted, listed or traded on or under the rules of more than one Recognised Market, the relevant Recognised Market shall be that which the Directors determine provides the fairest criterion of value for the investment. If prices for an investment quoted, listed or traded on the relevant Recognised Market are not available at the relevant time, or are unrepresentative in the opinion of the Directors or their delegates, such investment shall be valued at such value as shall be estimated with care and in good faith as the probable realisation value of the investment by a competent person appointed for such purpose by the Directors or their delegates and approved for the purpose by the Custodian. If the investment is quoted, listed or traded on a Recognised Market but acquired or traded at a premium or discount outside of or off the Recognised Market, the investment shall be valued taking into account the level of premium or discount as of the date of valuation of the instrument with the approval of the Custodian and the Custodian must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. Neither the Directors, the Manager or their delegates or the Custodian shall be under any liability if a price reasonably believed by them to be the last traded price or, as the case may be, middle market quotation for the time being, may be found not to be such.

The value of any investment which is not normally quoted, listed or traded on or under the rules of a Recognised Market, will be valued at its probable realisation value estimated with care and in good faith

by the Directors (who shall be approved for the purpose by the Custodian) in consultation with the Administrator or by a competent person appointed by the Directors and approved for such purpose by the Custodian.

Fixed income securities may be valued by reference to the valuation of the securities which are considered comparable in rating, yield, due date and other characteristics where reliable market quotations are not available, using a methodology which will be compiled by the Directors or their delegate.

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

Units or shares in collective investment schemes (including Shares held by a Portfolio in another Portfolio) shall be valued on the basis of the latest available net asset value per unit as published by the collective investment scheme. If such prices are unavailable, the units will be valued at their probable realisation value estimated with care and in good faith by the Directors (who shall be approved for the purpose by the Custodian) in consultation with the Administrator or by a competent person appointed for such purpose by the Administrator and approved for such purpose by the Directors and the Custodian.

In determining a Portfolio's Net Asset Value per Share, all assets and liabilities initially expressed in foreign currencies will be converted into the base currency of the relevant Portfolio using the market rates prevailing at the Valuation Point. If such quotations are not available, the rate of exchange will be determined in accordance with policies established in good faith by the Directors.

Derivative instruments including swaps, interest rate futures contracts and other financial futures and options contracts which are traded on a Recognised Market shall be valued at the settlement price as determined by the relevant Recognised Market at the close of business on such Recognised Market, provided that where it is not the practice of the relevant Recognised Market to quote a settlement price, or if a settlement price is not available for any reason, such instruments shall be valued at their probable realisation value estimated with care and in good faith by the Directors (who shall be approved for the purpose by the Custodian) in consultation with the Administrator.

OTC derivatives will be valued either using the counterparty's valuation or an alternative valuation, including valuation by the Company or by an independent pricing vendor. OTC derivatives shall be valued at least daily. If using the counterparty's valuation, such valuation must be approved or verified by a party independent of the counterparty and approved by the Custodian (which may include the Company or a party related to the OTC counterparty provided that it is an independent unit within the same group and which does not rely on the same pricing models employed by the counterparty) on a weekly basis. If using an alternative valuation, the Company will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA. In the event that the Company opts to use an alternative valuation, the Company will use a competent person appointed by the Directors, approved for this purpose by the Custodian, or will use such other method approved by the Custodian and such alternative valuation will be reconciled with the counterparty's valuation on a monthly basis. Any significant differences to the counterparty valuation will be promptly investigated and explained.

Forward foreign exchange and interest rate swap contracts may be valued in accordance with the preceding provisions or alternatively by reference to freely available market quotations.

Certificates of Deposit shall be valued by reference to the latest traded price for certificates of deposit of like maturity, amount and credit risk on each Business Day or, if such price is not available, at the latest bid price or, if such price is not available or is unrepresentative of the value of such certificate of deposit in the opinion of the Directors, at probable realisation value estimated with care and in good faith by a competent person appointed by the Directors and approved for the purpose by the Custodian. Treasury bills and bills of exchange shall be valued with reference to bid prices ruling in the relevant markets for such instruments of like maturity, amount and credit risk at close of business on such markets on the relevant Business Day if such price is not available, at probable realisation value

estimated with care and good faith by the Investment Manager or a competent person appointed by the Directors and approved for such purpose by the Custodian. Where the investment policy of a Portfolio is primarily to invest in cash and high quality money market securities which have a residual maturity of up to and including 397 days (or which have regular yield adjustments in line with money markets conditions at least every 397 days or have a risk profile, including credit and interest rate risks, that corresponds to financial instruments which have a maturity of up to and including 397 days), the Portfolio may be valued by using the amortised cost method of valuation (which shall be approved by the Custodian) whereby the relevant security is valued at its cost of acquisition adjusted for amortisation of premium or accretions of discount on the security. The weighted average maturity of the Portfolio must not exceed 60 days. In addition, where any other Portfolio invests in securities which have a remaining maturity of three months or less and which have no specific sensitivity to market parameters, including credit risk, such securities may also be valued by using the amortised cost method of valuation (which shall be approved by the Custodian). The Directors, or the Administrator as their delegate, will review the valuation of such securities relative to their market value in accordance with the requirements of the Central Bank.

Adjustment of Valuations

Notwithstanding the above provisions the Directors may, with the approval of the Custodian (a) adjust the valuation of any listed investment; or (b) in relation to a specific asset permit some other method of valuation approved by the Custodian to be used if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as they deem relevant, they consider that such adjustment or alternative method of valuation is required to reflect more fairly the value thereof.

Publication

Save where the determination of the Net Asset Value per Share in respect of the Company has been temporarily suspended in the circumstances described under "Temporary Suspension of Dealings" above, the Net Asset Value per Share of each Portfolio shall be made public at the registered office of the Investment Manager and may also be published in various publications as required and will be notified immediately and without delay upon calculation to the Irish Stock Exchange on each Dealing Day and published by the Irish Stock Exchange on its website (www.ise.ie), which will be kept up-to-date.

TERMINATION OF PORTFOLIOS OR SHARE CLASSES

The Company is established for an unlimited period and may have unlimited assets in its Portfolios. However, the Company may (but is not obliged to) redeem all of the Shares of any series or class in issue if:

- (a) the Shareholders in that Portfolio or class pass a special resolution providing for such redemption at a general meeting of the holders of the Shares of that Portfolio or class;
- (b) the redemption of the Shares in that Portfolio or class is approved by a resolution in writing signed by all of the holders of the Shares in that Portfolio or class;
- (c) the Net Asset Value of the relevant Portfolio does not exceed or falls below the Base Currency equivalent of US\$75,000,000 (or such other amount as may be approved by the Directors in respect of any Portfolio); or
- (d) the Directors deem it appropriate because of adverse political, economic, fiscal or regulatory changes affecting the relevant Portfolio or class of Shares.

If the Custodian has given notice of its intention to retire and no new custodian acceptable to the Central Bank has been appointed within ninety (90) days of such notice, the Company shall apply to the Central Bank for revocation of its authorisation and shall redeem all of the Shares of any series or class in issue.

In each such case, the Shares of the relevant Portfolio or class shall be redeemed after giving not less than one month's but no more than three (3) months' prior notice to all holders of such Shares. The Shares will be redeemed at the Net Asset Value per Share on the relevant Dealing Day less such sums as the Company in its discretion may from time to time determine as an appropriate provision for Duties and Charges in relation to the estimated realisation costs of the assets of the relevant Portfolio and in relation to the redemption and cancellation of the Shares to be redeemed.

Unamortised establishment and organisational expenses shall be borne by the Company or Portfolio as applicable.

MANAGEMENT AND ADMINISTRATION

THE DIRECTORS AND SECRETARY

The Directors are responsible for managing the business affairs of the Company. The Directors have delegated certain of their duties and powers to the Manager which has in turn delegated (a) the administration of the Company's affairs, including responsibility for the preparation and maintenance of the Company's records and accounts and related fund accounting matters (including the calculation of the Net Asset Value per Share) and Shareholder registration and transfer agency services to the Administrator; (b) the investment, management and disposal of the assets of each Portfolio to the Investment Manager; and (c) the marketing, distribution and sale of Shares to the Investment Manager with the power to sub-delegate these responsibilities to such companies or persons as it may from time to time determine in accordance with the requirements of the Central Bank. The Directors have delegated the safekeeping of the Company's assets to the Custodian.

The Directors are listed below with their principal occupations. None of the Directors has entered into an employment or service contract with the Company nor is any such contract proposed. Consequently, the Directors are all non-executive Directors. The Company has granted indemnities to the Directors in respect of any loss or damages which they may suffer save where this results from the Directors' negligence, default, breach of duty or breach of trust in relation to the Company. The Articles do not stipulate a retirement age for Directors, nor do they provide for retirement of Directors by rotation. However, the Directors may be removed by the Shareholders by ordinary resolution in accordance with the procedures established under the Irish Companies Acts 1963 to 2009. The address of the Directors is the registered office of the Company.

Paul Sullivan (Irish). Since 2005 Paul Sullivan has been a non-executive director of several Irish based UCITS and professional investor investment funds. Between 2002 and 2005 he acted as an independent financial adviser specialising in treasury, financial risk management and the management of sovereign debt. He has over thirty years international and domestic professional experience in finance. Before becoming a non-executive director and an independent adviser in 2002, he spent over ten years as an executive director of the Irish sovereign debt management office, the National Treasury Management Agency (NTMA), which he helped to establish in 1991. His responsibilities as a director at NTMA included Strategy, Risk Management and Financial Management. Before joining NTMA in 1991, he was for over ten years a Vice President at Chase Manhattan Bank, primarily in London and New York; during this period he held a number of senior positions in the management of the Bank's Treasury, Asset-Liability and Capital Markets businesses in Europe. He is an economist by professional background, with post-graduate degrees in both economics and in finance.

Tom Finlay (Irish) currently acts as an independent non-executive director to a number of investment funds domiciled in Ireland. Mr. Finlay is a barrister by profession who worked for 26 years (February 1975 to May 2001) for Bank of Ireland Asset Management (the Fund Management division of the Bank of Ireland Group). His most recent role was head of their Irish Business. In the early 1990s, Mr. Finlay had a direct involvement in the setting up of the Bank of Ireland Group's fund administration and custodial services to international clients. In 2001, he set up his own consultancy business which to date has concentrated on providing strategic advice in the areas of client service and relationship management. He is a past Chairman of the Irish Association of Pension Funds and in 2001 was appointed to the Irish Pension Board (the statutory body responsible for regulating Occupational Pension Schemes in Ireland) where he served a full five year term and chaired the Board's Policy Committee.

Pier Alberto Furno (Italian) has been the managing partner and chief executive officer of Nemesis Asset Management LLP since August 2004 and is also the managing director of Nemesis SAM. Prior to founding Nemesis Asset Management LLP, Mr Furno worked with Lehman Brothers International (Europe) between December 1999 and August 2004 as an executive director and senior portfolio manager. In total, Mr Furno has worked in investment management for over 20 years. Mr Furno graduated from Universita di Modena with a degree in Economia e Commercio and from the University of Southern Europe Monaco with a BBA. Mr Furno has been approved by the Financial Services

Authority in the UK and licensed by the National Association of Security Dealers in the USA.

Save for the information given in this document, no further information is required to be given in respect of the Directors pursuant to the listing requirements of the Irish Stock Exchange.

The Company Secretary is Matsack Trust Limited.

THE MANAGER

The Company has appointed Capita Financial Managers (Ireland) Limited to act as manager to the Company and each Portfolio with power to delegate one or more of its functions subject to the overall supervision and control of the Company. The Manager is a private limited company. It was incorporated in Ireland on 22 February 2006 and is a subsidiary of Capita Financial Group Limited ("**Capita Financial Group**") a limited liability company incorporated in England and Wales. Capita Financial Group Limited is ultimately owned by The Capita Group plc, a public limited company incorporated in England and Wales and listed on the London Stock Exchange. As of July 2008, The Capita Group Plc's funds under administration in collective investment schemes and managed accounts totalled approximately US\$40 Billion.

The authorised share capital of the Manager is €150,000 with a paid up share capital of €2.00. The Manager is authorised and regulated by the Central Bank. The Manager currently acts as manager to eight other collective investment schemes. The directors of the Manager are Tony Joyce, Christopher Addenbrooke, Michael Greaney and Paul Nunan, and are described below:

Michael Greaney (Irish) is Financial Controller and a Director of the Manager having joined Capita Financial Managers (Ireland) Limited in July 2006. Prior to this, Michael spent seven years with ABN Amro in various roles. He was seconded to ABN Dublin in 2005 to act as Deputy CFO, having previously headed up their Shared Services operation in Manchester. Prior to this, he worked in various senior roles in ABN's London operation. He has ten years experience working in Financial Services having previously worked in West Landesbank and Lloyds TSB. He is also a Qualified ACA, having qualified while working for an audit firm in July 1996.

Tony Joyce (Irish) is a non-executive director of the Manager and a former Managing Director and Finance Director of Hibernian Investment Managers Limited contributing to all aspects of the business including managing the bond and treasury desks for seven years. Mr. Joyce was also a director of three subsidiaries of Hibernian, created and managed unit trusts and special purpose funds. Prior to joining Hibernian Mr. Joyce was vice-president in Citibank from 1987 to 1989 where he traded bonds and managed the interest rate swap book. Mr. Joyce holds an MBA and an FCCA.

Paul Nunan (Irish) is Managing Director of the Manager and former Head of Operations having joined the Manager in March 2006. Prior to this, Mr. Nunan worked for BISYS Hedge Fund Services Ireland Limited where his final role was to manage the implementation of the BHFS systems platform. Mr. Nunan has over twelve years experience working in fund administration and is a qualified Accountant.

Christopher Addenbrooke (British) was technical director of BWD Rensburg (now Rensburg Sheppards from 1987 to 2001 and formed Northern Registrars in 1988 and was appointed Managing Director in 1988. Northern Administration and Northern Registrars were acquired by Capita in February 2003. Following the acquisition, Chris was appointed CEO of Capita Registrars, one of the largest profit centres of Capita, until 2007 when he was appointed CEO of Capita Financial Group. Mr. Addenbrooke has managed the design, set-up and implementation of large scale IT administration systems. He has also been involved with CREST since its inception and is represented on a number of industry committees. He has over 25 years experience in the Financial Services industry.

The secretary of the Manager is Mr. Michael Greaney.

Under the Management Agreement, the Manager will provide or procure that its delegate provides management and administration services to the Company. The Management Agreement should continue in force until terminated by either the Company or the Manager at any time upon ninety (90)

days' prior written notice to the other party or until terminated by either the Company or the Manager at any time by notice in writing to the other party in certain circumstances set out in the Management Agreement including the event where a party commit any material breach of its obligations under the Management Agreement and (if such breach shall be capable of remedy) shall fail within thirty days' of receipt of notice served by the other party requiring it so to do to make good such breach; or upon or after the liquidation or insolvency of a party in accordance with the terms of the Management Agreement. The Management Agreement shall automatically terminate if the Company's authorisation by the Central Bank is revoked.

Under the Management Agreement, the Manager shall not be liable to the Company or any Shareholder or otherwise for any loss suffered by the Company or any such Shareholder in connection with the performance or non-performance of the Manager's duties under the Management Agreement or otherwise in connection with the subject matter of the Management Agreement or any matter or thing done or omitted to be done by the Manager in pursuance thereof unless such loss or disadvantage arises from the fraud, bad faith, negligence or wilful default in the performance or non-performance by the Manager of its obligations or duties under the Management Agreement. The Company shall indemnify and keep indemnified and hold harmless the Manager and each of its directors, officers, servants, employees, agents and appointees from and against any and all claims which may be made or brought against or directly or indirectly suffered or incurred by the Manager in the performance or non-performance of its obligations or duties under the Management Agreement or otherwise in connection with the subject matter of the Management Agreement but excluding tax on the overall income or profits of the Manager save to the extent that such claims are attributable to the fraud, bad faith, negligence or wilful default in the performance or non-performance by the Manager or persons designated by it of its obligations or duties under the Management Agreement.

THE INVESTMENT MANAGER

Pursuant to the Investment Management Agreement between the Company, the Manager and Nemesis Asset Management LLP, Nemesis Asset Management LLP was appointed by the Manager on behalf of the Company to provide investment management and advisory services to the Company in respect of the Nemesis Inflation Fund. Nemesis Asset Management LLP was established in the UK on 15 March 2002 as a limited liability partnership and is now a subsidiary of Nemesis SAM. Nemesis Asset Management LLP is authorised and regulated by the Financial Services Authority in the UK to conduct designated investment business. Pursuant to the Investment Management Agreement between the Company, the Manager and Nemesis SAM, Nemesis SAM was appointed by the Manager on behalf of the Company to provide investment management and advisory services to the Company in respect of the Nemesis Global Value Fund, the Nemesis USA Value Fund and the Nemesis European Value Fund. Nemesis SAM is a Monegasque limited liability company, which has been registered in Monaco under agreement SAF/2007-10 and is authorised and regulated by the Commission de Contrôle des Activités Financières. The Investment Manager has a wide range of experience in asset management.

For the avoidance of confusion, Nemesis Asset Management LLP and Nemesis SAM are referred to collectively in this section as the "Investment Manager" and the investment management agreements between the Investment Manager, the Company and the Manager are referred to collectively in this section as the "Investment Management Agreement".

Under the Investment Management Agreement, neither the Investment Manager nor any of its members, directors, officers, employees or agents is liable for any loss or damage arising directly or indirectly out of or in connection with the performance by the Investment Manager of its obligations and duties unless such loss or damage arises out of or in connection with the negligence, wilful default, fraud or bad faith of the Investment Manager in the performance of its duties, and in no circumstances shall the Investment Manager nor any of its members, directors, officers, employees or agents be liable for special, indirect or consequential damages, or for lost profits or loss of business, arising out of the performance or non-performance of its duties, or the exercise of their powers under the Investment Management Agreement. In addition, the Company has agreed to indemnify and keep indemnified and hold harmless the Investment Manager (and each of its members, directors, officers, employees and agents) from and against any and all actions, proceedings, claims, liabilities, demands, losses, damages, costs and expenses (including legal and professional fees and expenses arising therefrom or incidental thereto)

which may be made or brought against or directly or indirectly suffered or incurred by the Investment Manager (or any of its members, directors, officers, employees or agents) arising out of or in connection with the performance of its obligations and duties hereunder in the absence of any negligence, wilful default, fraud or bad faith of or by the Investment Manager in the performance of its duties hereunder or as otherwise may be required by law.

The Investment Management Agreement should continue in force until terminated by either the Manager or the Investment Manager at any time upon ninety (90) days' prior notice in writing to the other party or until terminated by either the Manager or the Investment Manager forthwith by notice in writing to the other party in the event that a Force Majeure Event as defined in clause 11 of the Investment Management Agreement continues for longer than fourteen (14) days or until otherwise terminated by either the Manager or the Investment Manager in accordance with the terms of the Investment Management Agreement. The Investment Management Agreement shall terminate forthwith upon the termination of the Management Agreement.

The Investment Manager may from time to time, with the prior approval of the Manager and the Central Bank, appoint sub-investment managers in respect any particular Portfolio. Details of any such appointment may be obtained, on request, from the Investment Manager and will be included in the periodic reports of the Company. The fees payable to such sub-investment manager(s) shall be met by the Manager or the Investment Manager and shall not be payable by the Company.

Client Classification

The Investment Manager has classified the Manager as a Professional Client under the current MiFID categorisations of retail client, professional client and eligible counterparty.

Appropriateness and Suitability

While the Manager is classified as a Professional Client and the Investment Manager takes the decision to execute an order on the Company's behalf, it will take reasonable steps to assess whether such services are suitable for the relevant Portfolio based on information provided by the Company on the Portfolio's investment objectives, its financial status and its knowledge and experience in the relevant investment field. As a Professional Client, an Investment Manager is entitled to assume that the Manager has the requisite knowledge and experience in the relevant investment field. If the Manager does not consider this to be the case, the Manager must make the Investment Manager aware of this prior to the provision of the services mentioned above by such Investment Manager to the Manager on behalf of the Company and provide the Investment Manager with any available information as to the level of the Manager's knowledge and experience.

THE ADMINISTRATOR AND REGISTRAR

The Manager has appointed Capita Financial Administrators (Ireland) Limited to act as administrator of the Company responsible for performing the day to day administration of the Company including the registrar and transfer agency function and related support services to the Company and for providing fund accounting for the Company, including the calculation of the Net Asset Value of the Company and the Shares.

The Administrator is a private limited company. It was incorporated in Ireland on 22 February 2006 and is a subsidiary of Capita Financial Group Limited ("**Capita Financial Group**") a limited liability company incorporated in England and Wales. Capita Financial Group Limited is ultimately owned by The Capita Group plc, a public limited company incorporated in England and Wales and listed on the London Stock Exchange. As of July 2008, The Capita Group Plc's funds under administration in collective investment schemes and managed accounts totalled approximately US\$40 Billion. The authorised share capital of the Administrator is €150,000 with paid up share capital of €2.00. The Administrator is authorised and regulated by the Central Bank. The main activities of the Administrator are to provide administration, registrar and transfer agency services to other collective investment schemes.

The Administration Agreement shall continue in force until terminated by either the Manager or the

Administrator on ninety (90) days notice in writing to the other party or in certain circumstances set out in the Administration Agreement including the appointment of a receiver, manager or other similar officer, administrator or liquidator of the whole or in part of the undertaking, assets and revenues of the Administrator, the insolvency of the Administrator and the event when an order is made or an effective resolution is passed for the winding up of the Administrator. The appointment of the Administrator shall also terminate immediately if any of the parties is in material breach of any of the terms of the Administration Agreement and shall not have remedied such breach within thirty days after service of notice requiring the same to be remedied.

Other than as set out in the Administration Agreement, the Administrator shall not, in the absence of negligence, wilful default, bad faith or fraud on its part be liable to the Manager, the Company or any Shareholder for any act or omission, in the course of, or in connection with, the services rendered by it under the Administration Agreement or for any loss or damage which the Manager, the Company or any Shareholder may sustain or suffer as the result of, or in the course of, the discharge by the Administrator of its duties under or pursuant to and in accordance with the Administration Agreement. The Company has agreed to indemnify the Administrator from and against any and all claims (other than those resulting from the negligence, wilful default or fraud on the part of the Administrator) which may be imposed on, incurred by, or asserted against the Administrator in performing its obligations or duties under the Administration Agreement.

THE CUSTODIAN

The Company has appointed BNY Mellon Trust Company (Ireland) Limited to act as Custodian for the safekeeping of all the investments, cash and other assets of the Company and to ensure that the issue and repurchase of Shares by the Company and the calculation of the Net Asset Value of the Company and of the Shares is carried out and that all income received and investments made are in accordance with the Articles of Association and the UCITS Regulations. In addition, the Custodian is obliged to enquire into the conduct of the Company in each financial year and report thereon to Shareholders.

The Custodian is a private limited company incorporated under the laws of Ireland to provide custody and trustee services to Irish domiciled collective investment schemes and to international and Irish institutions.

The principal duties of the Custodian include the safekeeping of the Company's assets, the maintenance of bank accounts and the timely settlement of all securities transactions. Under the Custodian Agreement, the Custodian must segregate, keep and maintain the assets of the Company separate and apart from the assets of the Custodian and its affiliates. Under the terms of the Custodian Agreement, the Custodian has the full power to delegate the whole or any part of its custodial functions in relation to the assets of the Company, provided that the liability of the Custodian will not be affected by the fact that it has entrusted to a third party some or all of the assets of the Company in its safekeeping. The Company and the Custodian acknowledge that the Central Bank considers that, in order to discharge its liability, the Custodian must exercise care and diligence in choosing and appointing a third party as a safekeeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned and must maintain an appropriate level of supervision over the safekeeping agent and make appropriate enquiries from time to time to confirm that the obligations of the agent continue to be competently discharged. This does not purport to be a legal interpretation of the UCITS Regulations.

The Custodian Agreement provides that the Custodian shall be liable to the Company and the Shareholders for any loss suffered by them arising out of the unjustifiable failure of the Custodian to perform its obligations or the improper performance of such obligations under the Custodian Agreement. The Custodian Agreement provides that the Company shall, subject to the terms of the Custodian Agreement, indemnify and keep indemnified and hold harmless the Custodian and each of its directors, officers, servants, employees and agents against any and all actions, proceedings, claims, demands, losses, damages, costs and expenses (including legal and professional fees and expenses arising therefrom or incidental thereto and including any loss suffered or incurred by the Custodian arising out of the failure of a settlement system to effect a settlement) other than actions, proceedings, losses, damages, costs and expenses of any nature suffered or incurred as a result of the Custodian's

unjustifiable failure to perform its obligations or the improper performance of them which may be made or brought against or directly or indirectly suffered or incurred by the Custodian or any of its directors, officers, servants, employees arising out of or in connection with the performance or non-performance of the Custodian's duties under the Custodian Agreement.

The Custodian Agreement shall continue in force until terminated by either party on ninety (90) days' notice in writing to the other party or as otherwise provided by the Custodian Agreement, provided that such termination shall only take effect upon the appointment of a successor with the approval of the Central Bank.

THE DISTRIBUTOR

Pursuant to a distribution agreement dated 10 March 2009 between the Manager, Nemesis Asset Management LLP and the Company, Nemesis Asset Management LLP has been appointed by the Manager on behalf of the Company to promote and market the sale of Shares and to use all reasonable endeavours to procure subscribers for Shares. Pursuant to a distribution agreement dated 3 November 2010 between the Manager, Nemesis SAM and the Company, Nemesis SAM has been appointed by the Manager on behalf of the Company to promote and market the sale of Shares and to use all reasonable endeavours to procure subscribers for Shares. For the avoidance of confusion, Nemesis Asset Management LLP and Nemesis SAM are referred to collectively in this section as the "Distributor" and the distribution agreements between the Manager, the Distributor and the Company are referred to collectively in this section as the "Distribution Agreement".

The Distribution Agreement shall continue in force until terminated by either party on ninety (90) days' prior written notice to the other party or as otherwise provided by the Distribution Agreement.

Under the Distribution Agreement, neither the Distributor nor any of its directors, officers, employees or agents is liable for any loss or damage arising directly or indirectly out of or in connection with the performance by the Distributor of its duties unless such loss or damage arises out of or in connection with the negligence, wilful default, fraud or bad faith of or by the Distributor in the performance of its duties or of any sub-distributor or agent appointed by the Distributor. In addition, the Manager has agreed to indemnify and keep indemnified and hold harmless out of the assets of the Company the Distributor (and each of its directors, officers, employees and agents) from and against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including legal and professional fees and expenses arising therefrom or incidental thereto) which may be made or brought against or directly or indirectly suffered or incurred by the Distributor (or any of its directors, officers, employees or agents) arising out of or in connection with the performance of its obligations and duties hereunder in the absence of any negligence, wilful default, fraud or bad faith.

THE PAYING AGENTS

Local laws/regulations in the EEA Member States may require the appointment of facilities agents/paying agents/representatives/distributors/correspondent banks (any such appointee hereafter referred to as a "Paying Agent") and maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged to 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 the intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator for the account of the relevant Portfolio and (b) redemption monies payable by such intermediate entity to the relevant Shareholder. Fees and expenses of the Paying Agents appointed by the Company which will be at normal commercial rates will be borne by the Company in respect of which a Paying Agent has been appointed. All Shareholders of the relevant Portfolio on whose behalf a Paying Agent is appointed may avail of the services provided by Paying Agents appointed by or on behalf of the Company.

TAXATION

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons.

The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.

Taxation of the Company

The Company intends to conduct its affairs so that it is Irish tax resident. On the basis that the Company is Irish tax resident, the Company qualifies as an “investment undertaking” for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

The Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners if Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below. Explanations of the terms ‘resident’ and ‘ordinarily resident’ are set out at the end of this summary.

Taxation of non-Irish shareholders

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder’s Shares once the declaration has been received by the Company confirming the Shareholder’s non-resident status. The Declaration may be provided by an Intermediary who holds Shares on behalf of investors who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the Intermediary’s knowledge, the investors are not resident (or ordinarily resident) in Ireland. An explanation of the term ‘Intermediary’ is set out at the end of this summary.

If this declaration is not received by the Company, the Company will deduct Irish tax in respect of the Shareholder’s Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). The Company will also deduct Irish tax if the Company has information which reasonably suggests that a Shareholder’s declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances. The Company must be informed if a Shareholder becomes Irish tax resident.

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

Taxation of exempt Irish shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) Taxes Consolidation Act of Ireland (“TCA”), the Company will not deduct Irish tax in respect of the Shareholder’s Shares once the declaration has been received by the Company confirming the Shareholder’s exempt status.

The categories listed in section 739D(6) TCA can be summarised as follows:

1. Pension schemes (within the meaning of section 774, section 784 or section 785 TCA).
2. Companies carrying on life assurance business (within the meaning of section 706 TCA).
3. Investment undertakings (within the meaning of section 739B TCA).
4. Investment limited partnerships (within the meaning of section 739J TCA).
5. Special investment schemes (within the meaning of section 737 TCA).
6. Unauthorised unit trust schemes (to which section 731(5)(a) TCA applies).
7. Charities (within the meaning of section 739D(6)(f)(i) TCA).
8. Qualifying managing companies (within the meaning of section 734(1) TCA).
9. Specified companies (within the meaning of section 734(1) TCA).
10. Qualifying fund and savings managers (within the meaning of section 739D(6)(h) TCA).
11. Personal Retirement Savings Account (PRSA) administrators (within the meaning of section 739D(6)(i) TCA).
12. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).
13. The National Asset Management Agency.
14. The National Pensions Reserve Fund Commission or a Commission investment vehicle.
15. Qualifying companies (within the meaning of section 110 TCA).
16. Any other person resident in Ireland who is permitted (whether by legislation or by the express concession of the Irish Revenue Commissioners) to hold Shares in the Company without requiring the Company to deduct or account for Irish tax.

Irish resident Shareholders who claim exempt status will be obliged to account for any Irish tax due in respect of Shares on a self-assessment basis.

If this declaration is not received by the Company in respect of a Shareholder, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company within the charge to Irish corporation tax and in certain other limited circumstances.

Taxation of other Irish shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and is not an 'exempt' Shareholder (see above), the Company will deduct Irish tax on distributions, redemptions and transfers and, additionally, on 'eighth anniversary' events, as described below.

Distributions by the Company

If the Company pays a distribution to a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the distribution. The amount of Irish tax deducted will be:

1. 25% of the distribution, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the distribution, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners.

Generally, a Shareholder will have no further Irish tax liability in respect of the distribution. However, if the Shareholder is a company for which the distribution is a trading receipt, the gross distribution (including the Irish tax deducted) will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

Redemptions and transfers of shares

If the Company redeems Shares held by a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the redemption payment made to the Shareholder. Similarly, if such an Irish resident Shareholder transfers (by sale or otherwise) an entitlement to Shares, the Company will account for Irish tax in respect of that transfer. The amount of Irish tax deducted or accounted for will be calculated by reference to the gain (if any) which has accrued to the Shareholder on the Shares being redeemed or transferred and will be equal to:

1. 25% of such gain, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the gain, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability the Company may appropriate or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

Generally, a Shareholder will have no further Irish tax liability in respect of the redemption or transfer. However, if the Shareholder is a company for which the redemption or transfer payment is a trading receipt, the gross payment (including the Irish tax deducted) less the cost of acquiring the Shares will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

If Shares are not denominated in Euro, a Shareholder may be liable (on a self-assessment basis) to Irish capital gains taxation on any currency gain arising on the redemption or transfer of the Shares.

Eighth Anniversary' Events

If a non-exempt Irish resident Shareholder does not dispose of Shares within eight years of acquiring them, the Shareholder will be deemed for Irish tax purposes to have disposed of the Shares on the eighth anniversary of their acquisition (and any subsequent eighth anniversary). On such deemed disposal, the Company will account for Irish tax in respect of the increase in value (if any) of those Shares over that eight year period. The amount of Irish tax accounted for will be equal to:

1. 25% of such increase in value, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the increase in value, in all other cases.

The Company will pay this tax to the Irish Revenue Commissioners. To fund the Irish tax liability, the Company may appropriate or cancel Shares held by the Shareholder.

However, if less than 10% of the Shares (by value) in the relevant Sub-Fund are held by non-exempt Irish resident Shareholders, the Company may elect not to account for Irish tax on this deemed disposal. To claim this election, the Company must:

1. confirm to the Irish Revenue Commissioners, on an annual basis, that this 10% requirement is satisfied and provide the Irish Revenue Commissioners with details of any non-exempt Irish resident Shareholders (including the value of their Shares and their Irish tax reference numbers); and
2. notify any non-exempt Irish resident Shareholders that the Company is electing to claim this exemption.

If the exemption is claimed by the Company, any non-exempt Irish resident Shareholders must pay to the Irish Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the Company on the eighth anniversary (and any subsequent eighth anniversary).

Any Irish tax paid in respect of the increase in value of Shares over the eight year period may be set off on a proportionate basis against any future Irish tax which would otherwise be payable in respect of those Shares and any excess may be recovered on an ultimate disposal of the Shares.

Share exchanges

Where a Shareholder exchanges Shares on arm's length terms for other Shares in the Company or for Shares in another Sub-Fund of the Company and no payment is received by the Shareholder, the Company will not deduct Irish tax in respect of the exchange.

Stamp duty

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, transfer or redemption of Shares. If a Shareholder receives a distribution *in specie* of assets from the Company, a charge to Irish stamp duty could potentially arise.

Gift and Inheritance tax

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish resident or ordinarily resident.

The Shares could be treated as Irish situate assets because they have been issued by an Irish Company. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the 'valuation date' (as defined for Irish capital acquisitions tax purposes);
2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

Reporting of information under the Savings Directive

Ireland has transposed the EU Directive on the taxation of savings income in the form of interest payments (Directive 2003/48/EC) into Irish law. In certain circumstances, the Company (or an Irish paying agent) may be obliged to report information to the Irish Revenue Commissioners relating to Shareholders who are individuals resident in the EU (other than in Ireland) or in certain other territories. A reporting obligation may also arise with respect to Shareholders established in these jurisdictions who are not legal persons, persons subject to corporate taxation or UCITS. Any information reported to the Irish Revenue Commissioners would be communicated to the authorities in the jurisdiction of residence (or establishment) of the relevant Shareholders. However, no reporting obligation should

arise in Ireland once (broadly) the Company, or the relevant sub-fund of the Company, invests less than 15% of its total assets (directly or indirectly) in debt claims or other specified assets.

Meaning of terms

Meaning of 'residence' for companies

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

1. the company (or a related company) carries on a trade in Ireland and either the company is ultimately controlled by persons resident in EU member states or countries with which Ireland has a double tax treaty, or the company (or a related company) are quoted companies on a recognised stock exchange in the EU or in a tax treaty country; or
2. the company is regarded as not resident in Ireland under a double tax treaty between Ireland and another country.

Meaning of 'residence' for individuals

An individual will be regarded as being tax resident in Ireland for a calendar year if the individual:

1. spends 183 days or more in Ireland in that calendar year; or
2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year. Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purposes of applying this 'two year' test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during that day.

Meaning of 'ordinary residence' for individuals

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 Ireland 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 Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2007 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2010.

Meaning of 'intermediary'

An 'intermediary' means a person who:

1. carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking resident in Ireland on behalf of other persons; or
2. holds units in such an investment undertaking on behalf of other persons.

FEES AND EXPENSES

Management, Investment Management, Sub-Investment Management, Distribution and Administration Fees

In respect of the each Portfolio the Manager shall be entitled to a minimum monthly management fee of €650 per Portfolio. The management fee shall accrue daily and be payable monthly in arrears at the end of each calendar month. The Manager shall also be entitled to recover from the Company all out-of-pocket expenses suffered or incurred by the Manager or its delegates in the performance of their duties on behalf of the Company.

The Company will also pay the Investment Manager an investment management fee out of the assets of each Portfolio. The investment management fee shall be charged at the rates set out in Annex II in relation to each Portfolio. The investment management fee, with the exception of the performance fees described below, shall accrue daily and be payable monthly in arrears at the end of each calendar month. The maximum investment management fee in respect of each Portfolio shall be disclosed in Annex II to this Prospectus. The Investment Manager shall also be entitled to recover from each Portfolio all out-of-pocket expenses suffered or incurred by the Investment Manager in the performance of its duties. The Investment Manager will pay any Sub-Investment Manager out of the investment management fee it receives from the Company and will discharge any out-of-pocket expenses incurred by any Sub-Investment Manager.

The Company will pay the Administrator an administration fee, charged in respect of each Portfolio, subject to a minimum monthly fee of €4,250 and additional transaction charges which shall be disclosed in Annex II to this Prospectus and shall accrue daily and be payable monthly in arrears at the end of each calendar month. The Administrator shall be also entitled to an annual fee of US\$5,000 for the provision of a Money Laundering Reporting Officer to the Company. The Administrator shall also be entitled to recover from the Company all out-of-pocket expenses suffered or incurred by the Administrator in the performance of its duties on behalf of the Company.

Investment in other CIS

If a Portfolio invests in the shares or units of other collective investment schemes (other than Portfolios) which are managed directly or indirectly 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 of more than 10% of the share capital or of the votes, (an "Affiliate"), the Investment Manager or such the Affiliate will limit any investment management fee in respect of such investment to a maximum of 0.25% of the net asset value thereof.

Performance Fees

The Investment Manager may, for one or more Portfolios charge a performance fee. If applicable such performance fee will be set out below and in the relevant part of Annex II. Performance fees will be charged at the level of the individual classes of Shares.

Custody Fees

The Company will pay the Custodian a fee in respect of the Custodian services for each Portfolio which shall not exceed 0.03% per annum of the Net Asset Value of the relevant Portfolio, subject to a minimum fee of €30,000 per annum for each Portfolio, and which will accrue monthly and be payable monthly in arrears. The Custodian will also be entitled to reimbursement by the Company out of the assets of the Portfolio for safekeeping fees, transaction charges and reasonable out-of-pocket expenses incurred for the benefit of the Portfolio including the fees (which will not exceed normal commercial rates) and reasonable out-of-pocket expenses of any sub-custodian appointed by the Custodian. The Company will also bear the cost of any value added tax applicable to any fees or other amounts payable to the Custodian in relation to the Company. At the date of this Prospectus it is not

envisaged that any such value added tax shall be payable.

Sales Charges

An up-front Sales Charge of up to 5% of the subscription monies may be charged to applicants for Shares in any Portfolio and, if charged, shall be deducted out of the gross subscription monies. If charged, the Company may pay the up-front sales charge to the Distributor or any sub-distributor.

Redemptions

The Articles entitle the Company to charge redeeming Shareholders in any Portfolio a redemption charge of up to 3% of the relevant redemption proceeds. Investors should refer to Annex II for further information as to whether it is intended to charge a redemption charge in respect of redemptions of Shares in a Portfolio in which they intend to invest or in which they have invested.

At present the Company does not impose and does not envisage imposing such a charge. Should it impose such a charge for any Portfolio, the Company will give prior notice to Shareholders in the relevant Portfolio.

Exchange Charge

There is no charge payable for exchanging Shares in a Portfolio for Shares in any other Portfolio established by the Company.

Duties and Charges

In calculating the Net Asset Value per Share of a Portfolio in connection with any subscription application or redemption request, the Directors may on any Dealing Day when there are net subscriptions or redemptions adjust the Net Asset Value per Share by adding or deducting Duties and Charges to cover dealing costs and to act as an anti-dilution levy to preserve the value of the underlying assets of the relevant Portfolio. Any such Duties and Charges will account for actual expenditure on the purchase or sale of the assets of the Portfolio and will be retained for the benefit of the Portfolio. The Directors reserves the right to waive such charge at any time.

Establishment and Organisational Expenses

The Company's organisational expenses (including expenses relating to the preparation of the contracts to which it is a party, the cost of printing the initial Prospectus, the obtaining of a listing of Shares on the Irish Stock Exchange and the fees and expenses of its professional advisers) are not expected to exceed US\$100,000. These expenses will be amortised over the first five (5) annual accounting periods of the Company or such other period as may be determined by the Directors. Each Portfolio's establishment and organisational expenses (including expenses relating to the negotiation and preparation of the contracts to which it is a party, the costs of preparing and printing the Prospectus and related marketing materials, the costs of obtaining a listing on the Irish Stock Exchange and the fees and expenses of its professional advisers), which will payable out of the assets of the Portfolio, are not expected to exceed US\$100,000. These expenses will be amortised over the first three (3) annual accounting periods of each Portfolio or such other period as may be determined by the Directors.

Miscellaneous Fees, Costs and Expenses

The Company and the Portfolios will also pay certain other costs, charges, fees and expenses incurred in its operation, including without limitation fees and expenses incurred in relation to banking and brokerage in respect of the purchase and sale of Portfolio securities, taxes, insurance, the costs and expenses of maintaining its books of account and of preparing, printing, publishing and distributing (in such languages as may be necessary) prospectuses, supplements, annual and semi-annual reports and other documents or information to current and prospective Shareholders (including the costs of developing and enhancing computer software and electronic transmission techniques to distribute such documents or information),

the expense of publishing price and yield information, in relevant media, the costs and expenses of obtaining authorisations or registrations of the Company or of any Shares with the regulatory authorities in various jurisdictions, including any levy applied by the Central Bank, the cost of listing and maintaining a listing of Shares on any stock exchange, marketing and promotional expenses, the cost of convening and holding Directors and Shareholders meetings and professional fees and expenses for legal, auditing and other consulting services, any and all expenses arising in respect of the termination or liquidation of the Company and such other costs and expenses (including non-recurring and extraordinary costs and expenses) as may arise from time to time and which have been approved by the Directors as necessary or appropriate for the continued operation of the Company or of any Portfolio. In connection with the registration of the Company or the Shares for sale in certain jurisdictions, the Company may pay the fees and expenses of paying agents, information agents and/or correspondent banks, such payments to be made at normal commercial rates.

The Directors shall be entitled to a fee as remuneration for their services at a rate to be determined from time to time by the Directors provided that the amount of remuneration payable to any Director in any one year in respect of the Company shall not exceed €20,000 or such other amount as the Directors may from time to time determine and disclose to the Shareholders in the latest annual or semi-annual report. The Directors, and any alternate Directors, shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in attending Directors or Shareholders meetings or any other meetings in connection with the business of the Company. None of the Directors have entered into a service contract with the Company nor is any such contract proposed and none of the Directors is an executive of the Company.

The expenses of each Portfolio of the Company are deducted from the total income of such Portfolio before dividends are paid. Expenses of the Company which are not directly attributable to the operation of a particular Portfolio are allocated among all Portfolios in a manner determined by the Directors. Expenses of the Company which are not directly attributable to a specific class of Shares and which are directly attributable to a specific Portfolio are allocated among all classes of such Portfolio in a manner determined by the Directors acting fairly and equitably. In such cases, the expenses will normally be allocated among all classes of such Portfolio pro-rata to the value of the net assets of the Portfolio which are attributable to those classes. Expenses of the Company which are directly attributable to a specific class of Shares shall be allocated to that class.

The Company shall also discharge any fees or expenses payable to any agent appointed in connection with the registration of the Company or any of the Portfolios in any jurisdiction, which fees shall be at normal commercial rates.

Without prejudice to the above, the Manager, the Investment Manager, any sub-investment manager or investment adviser, or the Distributor may from time to time and at their sole discretion and out of their own resources decide to share or rebate to associated companies or to some or all Shareholders or to intermediaries (including service providers to the Company), part or all of the management, investment management, investment advisory, performance and/or distribution fees. Rebates to Shareholders or intermediaries may be applied in paying up additional Shares to be issued to the Shareholder. Such Shares shall be issued to the Shareholders at their Net Asset Value.

Sub-Distributor / Intermediary Charges

Additional fees, including service charges in respect of subscriptions for and redemptions of Shares, may be payable by Shareholders or investors to intermediaries through whom they invest in such amount as they may agree with the relevant intermediaries and this may result in differing yields to different investors in relation to their Shares.

The investor is advised to carefully consider these fees charged by the intermediary. The intermediary might be required to make appropriate disclosures to its clients (including, but not limited to, disclosure of any inducements and/or fees received or paid).

GENERAL

CONFLICTS OF INTEREST

The Custodian, the Administrator, the Manager, the Investment Manager, any sub-investment manager, the Directors, the Distributors (the "Interested Parties"), and their affiliates may from time to time act as manager, registrar, administrator, trustee, custodian, investment manager, adviser, director, FDI counterparty or distributor in relation to, or be otherwise involved in, other funds or collective investment schemes which have similar investment objectives to those of the Company and/or in any of the Portfolios, or be otherwise involved in banking and investment banking including corporate finance and capital markets activities, in securities issuing, securities distribution, research and trading. It is, therefore, possible that any of them may, in the due course of their business, have potential conflicts of interests with the Company or any Portfolio, or a material interest or potential conflict of interest in services or transactions with or for the Company or any Portfolio. Each will at all times have regard in such event to its obligations under the Memorandum and Articles of Association and/or any agreements to which it is party or by which it is bound in relation to the Company or any Portfolio and, in particular, but without limitation to its obligations to act in the best interests of the Shareholders so far as practicable, having regard to its obligations to other clients, when undertaking any investments where conflicts of interest may arise and will endeavour to ensure that such conflicts are resolved fairly and, in particular, the Investment Manager has agreed to act in a manner which it in good faith considers fair and equitable in allocating investment opportunities to the Company.

The Interested Parties may invest in, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Company. The Interested Parties are under no obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of (or share with the Company or inform the Company of) any such transaction or any benefit received by any of them from any such transaction, but will allocate any such opportunities on an equitable basis between the Company and other clients.

The relationship between the Manager, the Investment Manager and the Company is as described in the Management Agreement and the Investment Management Agreement. Neither that relationship, nor the services the Manager or Investment Manager provides nor any other matter, will give rise to any fiduciary or equitable duties on the Manager or Investment Manager's part or on the part of the Manager or Investment Manager's affiliates which would prevent or hinder the Manager, the Investment Manager, or any of their affiliates in doing business under those agreements, acting as both market maker and broker, principal and agent or in doing business with or for affiliates, connected customers or other customers or investors and generally acting as provided in the agreements.

In providing services to the Manager or the Company, neither, the Investment Manager, any sub-investment manager, the Manager, nor their affiliates shall be obliged to disclose to the Manager or the Company or take into consideration any information, fact, matter or thing if:

- (i) such information is held solely on the other side of a Chinese Wall from the individual making the decision or taking the step in question; and
- (ii) disclosure or use of such information would breach a duty or confidence to any other person or result in a breach of the law; and
- (iii) such information has not come to the actual notice of the individual making the decision or taking the step in question (whether or not such information comes to the notice of any officer, director, member, employee or agent of the Investment Manager's or any affiliate).

No further disclosure to, or consent from, the Manager or Company is required in relation to or as a result of any matter referred to above.

Where the competent person valuing unlisted securities is an Interested Party the fees payable by the Company which are based on Net Asset Value may increase as the value of the Company's investments increase.

There is nothing to prevent the Directors or other Interested Parties from dealing as principal in the sale or purchase of assets to or from the Company, or to prevent the Custodian from acting as custodian and/or trustee in any other capacity for other clients, or from buying, holding and dealing in any assets for its own account or for the account of any client notwithstanding that similar or the same assets may be held or dealt in by or for the account of the Company. The Custodian shall not be deemed to be affected by notice of, or to be under any duty to disclose to the Company, information which has come into its or its associates' possession as a result of any such arrangements. Neither the Custodian nor any of its associates shall be liable to account to the Company for any profits or benefits made or derived by or in connection with any such transaction. However, any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length and consistent with the best interest of Shareholders. Transactions will be deemed to have been effected on normal commercial terms negotiated at arm's length if: (a) a certified valuation of the transaction by a person approved by the Custodian as independent and competent is obtained; (b) execution of the transaction is on best terms on organised investment exchanges in accordance with the rules of the exchange; or (c) where (a) and (b) are not practical, the transaction is executed on terms which the Custodian is satisfied (or, in the case of a transaction involving the Custodian, on terms which the Directors are satisfied) conform to the principle of execution on normal commercial terms negotiated at arm's length and in the best interest of Shareholders.

A Director may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is interested, provided that he has disclosed to the Directors prior to the conclusion of any such transaction or arrangement the nature and extent of any material interest of his therein. Unless the Directors determine otherwise, a Director may vote in respect of any contract or arrangement or any proposal whatsoever in which he has a material interest, having first disclosed such interest. With that exception, at the date of this Prospectus no Director or any connected person of any Director has any interest, beneficial or non-beneficial, in the share capital of the Company or any material interest in the Company or in any agreement or arrangement with the Company except that one or more of the Directors may hold Subscriber Shares. The Directors shall endeavour to ensure that any conflict of interest is resolved fairly.

In selecting brokers to make purchases and sales for the Company for the account of a Portfolio, the Investment Manager will choose those brokers who have agreed to provide best execution to the Company. In this regard, best execution means taking all reasonable steps to obtain the best possible result for the Company, taking into account price, costs, speed, likelihood of execution and settlement, the size and nature of the order and any other considerations relevant to the execution of the order. In managing the assets of each Portfolio, the Investment Manager may receive certain research and statistical and other information and assistance from brokers. The Investment Manager may allocate brokerage business to brokers who have provided such research and assistance to the Company and/or other accounts for which the Investment Manager exercises investment discretion. The benefits provided under any soft commission arrangements must assist in the provision of investment services to the Company. The Investment Manager shall notify the Manager and the Company of any soft commission arrangements and these arrangements shall be disclosed in the periodic reports, including the annual audited accounts of the Company and in this Prospectus.

In circumstances where the Investment Manager or any sub-investment manager recaptures a portion of brokerage fees from a broker in relation to the purchase and/or sale of securities for a Portfolio, such rebate (less any reasonable properly vouched fees and expenses directly incurred by the Investment Manager or the sub-investment manager in arranging such rebate and agreed with the Company) must be paid into that Portfolio.

Pier Alberto Furno is the managing partner and chief executive officer of Nemesis Asset Management LLP and is also the managing director of Nemesis SAM.

MiFID Implementation

Since 1 November 2007, where an Investment Manager executes an order on the Company's behalf and when placing an order with, or passing an order to, other entities, the Investment Manager will do so in accordance with its order execution policy, as may be amended from time to time.

Investment Managers' Conflict of Interest Policy

In accordance with the current FSA Rules, the Investment Manager has in place arrangements to manage conflicts of interest between itself and its clients and between different clients. The Investment Manager will operate in accordance with a conflicts of interest policy. Where the Investment Manager does not consider that the arrangements under its conflicts of interest policy are sufficient to manage a particular conflict, it will inform the Manager of the nature of the conflict so that it can decide how to proceed.

MEETINGS

At least one general meeting of the Company shall be held in each year as the Company's annual general meeting. At least twenty one (21) days' notice (inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) shall be given to Shareholders. The notice shall specify the place, day and hour of the meeting and the terms of the resolutions to be proposed. A proxy may attend on behalf of any Shareholder. The voting rights attached to the Shares are set out under the heading "Voting Rights" in this Prospectus.

REPORTS AND ACCOUNTS

The Directors shall cause to be prepared an annual report and audited annual accounts for the Company and each Portfolio for the period ending 31 December in each year. These will be forwarded to Shareholders and the Companies Announcements Office of the Irish Stock Exchange within four months of the end of the relevant accounting period end and at least twenty one (21) days before the annual general meeting. In addition, the Directors shall cause to be prepared a half-yearly report which shall include unaudited half-yearly accounts for the Company and each Portfolio. The half-yearly report will be made up to 30 June in each year. Half-yearly accounts for each Portfolio will be forwarded to Shareholders in the relevant Portfolio and the Companies Announcements Office of the Irish Stock Exchange within two months of the end of the relevant accounting period. The annual report and the half-yearly report will be sent to Shareholders by electronic mail or other electronic means of communication, although Shareholders may also, on request, receive reports by hard copy mail.

DIRECTORS' REPORT

The Directors confirm that the Company was incorporated in Ireland on 21 October 2008.

WINDING UP

The Articles contain provisions to the following effect:

- (a) If the Company shall be wound up the liquidator shall apply the assets of the Company in such manner and order as he thinks fit in satisfaction of creditors claims.
- (b) The assets available for distribution among the Shareholders shall then be applied in the following priority:
 - (i) First, in the payment to the holders of the Shares or class of each Series of a sum in the currency in which that Series or class is designated (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such Series or class held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Portfolio to enable

such payment in full to be made. In the event that there are insufficient assets as aforesaid, to enable such payment in full to be made, no recourse shall be had to any of the assets comprised within any of the Portfolios.

- (ii) Secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Portfolios remaining after any recourse thereto under sub-paragraph (i) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Portfolios.
 - (iii) Thirdly, in the payment to the holders of each Series or class of Shares of any balance then remaining in the relevant Portfolio, such payment being made in proportion to the number of Shares of that Series held.
 - (iv) Fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Portfolios, such payment being made in proportion to the number of Shares held.
- (c) 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 and any other sanction required by the Companies Acts of Ireland, divide among the Shareholders 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 the Shareholders or different classes of Shareholders. Shareholders may request that assets which are to be distributed to them in specie will be first liquidated to cash. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders 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 Shareholder shall be compelled to accept any assets in respect of which there is liability.

MATERIAL CONTRACTS

The following contracts, which are summarised in the “Management and Administration” and “Fees and Expenses” sections in this Prospectus, have been entered into and are, or may be, material:

- (a) Management Agreement.
- (b) Investment Management Agreement.
- (c) Administration Agreement.
- (d) Custodian Agreement.
- (e) Distribution Agreement.

DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Administrator at Montague House, Adelaide Road, Dublin 2, Ireland during normal business hours on any Dealing Day:

- (a) the material contracts referred to above;
- (b) the Memorandum and Articles of Association;
- (c) the UCITS Regulations and the Central Bank regulations issued pursuant thereto; and

(d) the most recent audited financial statements for the Company.

In addition, the annual audited financial statements for the Company will be sent to shareholders and prospective investors on request. The Memorandum and Articles of Association and any yearly or half-yearly reports may also be obtained from the Administrator free of charge or may be inspected at the registered office of the Administrator during normal business hours on any Dealing Day.

ANNEX I RECOGNISED MARKETS

The exchanges/markets are set out below in accordance with the requirements of the Central Bank, which does not issue a list of approved markets.

With the exception of permitted investment in unlisted securities, investment will be limited to the following stock exchanges and regulated markets:

- (i) Any stock exchange or market in any EU Member State or in any of the following member countries of the OECD: Australia, Canada, Japan, New Zealand, Norway, Switzerland and the United States of America.

- (ii) Any of the following exchanges or markets:
 - Argentina Buenos Aires Stock Exchange
Cordoba Stock Exchange
La Plata Stock Exchange
Mendoza Stock Exchange
Rosario Stock Exchange

 - Bahrain Bahrain Stock Exchange

 - Botswana Botswana Stock Exchange

 - Brazil Bahia-Sergipe-Alagoas Stock Exchange
Brasilia Stock Exchange
Extremo Sul Porto Alegre Stock Exchange
Minas Esperito Santo Stock Exchange
Parana Curitiba Stock Exchange
Pernambuco e Paraiba Recife Stock Exchange
Regional Fortaleza Stock Exchange
Rio de Janeiro Stock Exchange
Santos Stock Exchange
Sao Paulo Stock Exchange

 - Chile Santiago Stock Exchange
Valparaiso Stock Exchange

 - China Shanghai Securities Exchange
Shenzhen Stock Exchange

 - Colombia Colombian Stock Exchange

 - Cote d'Ivoire Regional Stock Exchange West Africa

 - Croatia Zagreb Stock Exchange

 - Ecuador Bolsa de Valores de Quito

 - Egypt Cairo and Alexandria Stock Exchange

 - Ghana Ghana Stock Exchange

 - Hong Kong Hong Kong Stock Exchange

Iceland	OMX Nordic Exchange
India	Bombay Stock Exchange Madras Stock Exchange Delhi Stock Exchange Ahmedabad Stock Exchange Bangalore Stock Exchange Cochin Stock Exchange Gauhati Stock Exchange Magadh Stock Exchange Pune Stock Exchange Hyderabad Stock Exchange Ludhiana Stock Exchange Uttar Pradesh Stock Exchange Calcutta Stock Exchange
Indonesia	Jakarta Stock Exchange Surabaya Stock Exchange
Jordan	Amman Stock Exchange
Kazakhstan	Kazakhstan Stock Exchange
Kenya	Nairobi Stock Exchange
Kuwait	Kuwait Stock Exchange
Lebanon	Beirut Stock Exchange
Malaysia	Kuala Lumpur Stock Exchange Bumiputra Stock Exchange
Mauritius	Stock Exchange of Mauritius
Mexico	Bolsa Mexicana de Valores
Morocco	Casablanca Stock Exchange
Namibia	Namibian Stock Exchange
Nigeria	Nigerian Stock Exchange
Oman	Muscat Securities Market
Panama	Bolsa de Valores de Panama
Pakistan	Karachi Stock Exchange Lahore Stock Exchange
Peru	Lima Stock Exchange
Philippines	Philippines Stock Exchange
Qatar	Doha Securities Market
Russia	St. Petersburg Stock Exchange Moscow International Stock Exchange

	Moscow Interbank Currency Exchange (equity securities only)
Saudi Arabia	Saudi Stock Exchange (Tadawul)
Serbia	Belgrade Stock Exchange
Singapore	Singapore Stock Exchange SESDAQ
South Africa	Johannesburg Stock Exchange
South Korea	Korea Stock Exchange
Sri Lanka	Colombo Stock Exchange
Taiwan	Taiwan Stock Exchange
Thailand	Thailand Stock Exchange
Trinidad & Tobago	Trinidad & Tobago Stock Exchange
Tunisia	Bourse de Tunis
Turkey	Istanbul Stock Exchange
United Arab Emirates	Abu Dhabi Securities Market Dubai Financial Market Dubai International Financial Exchange
Ukraine	Ukrainian Stock Exchange
Uruguay	ROSPIDE SOCIEDAD DE BOLSA S.A
Venezuela	Bolsa de Valores de Caracas
Vietnam	Vietnam Stock Exchange
Zambia	Lusaka Stock Exchange

(iii) The following exchanges or markets:-

- the market organised by the members of the International Capital Market Association;
- (a) NASDAQ in the United States, (b) the market in the US government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; and (c) the over-the-counter market in the United States conducted by primary dealers and secondary dealers regulated by the Securities and Exchange Commission and the National Association of Securities Dealers and by banking institutions regulated by the US Comptroller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- the French Market for "Titres des Creance Negotiable" (over-the-counter market in

negotiable debt instruments);

- the UK market (i) conducted by banks and other institutions regulated by the FSA and subject to the Inter-Professional Conduct provisions of the FSA's Market Conduct Sourcebook and (ii) in non-investment products which are subject to the guidance contained in the "Non-Investment Products Code" drawn up by the participants in the London market, including the FSA and the Bank of England (formerly known as "The Grey Paper"); and
- the alternative investment market in the United Kingdom regulated and operated by the London stock exchange.

(iv) any organised exchange or market in the European Economic Area on which futures or options contracts are regularly traded.

(v) any stock exchange approved in a member state of the European Economic Area.

Financial Derivative Instruments

In the case of an investment in financial derivative instrument, in any derivative market approved in a member state of the European Economic Area or in any of the following member countries of the OECD: Australia, Canada, Japan, New Zealand, Norway, Switzerland and the United States of America and the following exchanges or markets:

Bermuda	International Futures Exchange (Bermuda) Ltd
Hong Kong SAR	Hong Kong Futures Exchange
India	The Bombay Stock Exchange (The Stock Exchange, Mumbai) The National Stock Exchange of India, Limited
Korea	Korea Exchange (Futures Market Division)
Mexico	Mexican Derivatives Exchange
Taiwan	Taiwan Stock Exchange Taiwan Futures Exchange
Thailand	Thailand Futures Exchange Pcl
Singapore	Singapore Exchange Derivatives Trading, Limited (formerly SIMEX, the Singapore International Monetary Exchange)
South Africa	JSE Securities Exchange South Africa

ANNEX II PORTFOLIOS

Nemesis Global Value Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Portfolio's overall investment objective is to provide long-term capital appreciation through investing mainly in common stocks which are listed/traded on Recognised Markets in Europe, North America, South America, the Far East, Australia, Japan and Korea as disclosed in this Prospectus.

The Portfolio will endeavour to out-perform the MSCI World Index, which is a market capitalisation weighted index composed of companies representative of the market structure of developed market countries in North America, Europe and the Asia/Pacific region. The MSCI World Index reflects stock market trends by representing the evolution of an unmanaged portfolio containing a broad selection of domestically listed companies. The Portfolio may invest without limitation in Emerging Market Countries.

The Investment Manager will take a "value investing" approach in achieving its investment objective. The Investment Manager's aim is to identify stocks that it considers to be undervalued in relation to the market. The Investment Manager believes that inherent in this methodology is a conservative approach to risk. The Investment Manager takes a long-term approach to investing and expects to hold investments for a minimum period of six months. The Investment Manager's philosophy behind this approach is that in the short- to medium-term, markets may ignore the underlying fundamental strengths of an asset. The Investment Manager will adopt a bottom up approach to stock selection, examining the absolute performance of the relevant security with a focus upon the financial, management and business quality of each proposed investment. This will include an analysis of returns on equity, debt to capital ratios, the attitude of management to creating value for shareholders and the leadership and pricing power of the relevant entity in its industry.

The securities in which the Portfolio may invest include securities of any class or series. The investments may or may not pay dividends and may or may not carry voting rights. The Portfolio may also invest in convertible securities and may include debt securities such as convertible bonds or preferred stock that may be converted into common stock and which carry the right to purchase common stock.

The Portfolio will normally be fully or substantially invested in equity securities. However, the Portfolio may also invest in short-term securities (including without limitation commercial paper, certificates of deposit bankers acceptances and bonds which are investment grade corporate debt as rated by Moody's and/or Standard and Poor's) and floating rate/variable rate notes. Any cash will be held solely as an ancillary liquid asset.

Fees and Investment Information

Shares in the Portfolio, to include the Management Class, will be issued at their Net Asset Value per Share, subject to the provision for Duties and Charges in respect of the issue of the Shares and rounding as provided for in the Articles on each Dealing Day.

The Minimum Initial Subscription, Minimum Holding and fees, payable from the assets of each class of this Portfolio, are as follows:

Share Class	Minimum Initial Subscription	Minimum Holding	Investment Management Fee (and distribution fee, where applicable)*	Admin Fee**
US Dollar Institutional Accumulating Class	US\$2,500,000	US\$10,000	1.25%	0.10%

US Dollar Adviser Accumulating Class	US\$10,000	US\$1,000	1.5%	0.10%
US Dollar Investor Accumulating Class	US\$1,000	US\$100	2.5% ***	0.10%
Euro Institutional Accumulating Class #	€2,500,000	€10,000	1.25%	0.10%
Euro Adviser Accumulating Class #	€10,000	€1,000	1.5%	0.10%
Euro Investor Accumulating Class #	€1,000	€100	2.5% ***	0.10%
Sterling Institutional Accumulating Class #	£2,500,000	£10,000	1.25%	0.10%
Sterling Adviser Accumulating Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor Accumulating Class #	£1,000	£100	2.5% ***	0.10%
US Dollar Institutional Distributing Class	US\$2,500,000	US\$10,000	1.25%	0.10%
US Dollar Adviser Distributing Class	US\$10,000	US\$1,000	1.5%	0.10%
US Dollar Investor Distributing Class	US\$1,000	US\$100	2.5% ***	0.10%
Sterling Institutional Distributing Class #	£2,500,000	£10,000	1.25%	0.10%
Sterling Adviser Distributing Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor Distributing Class #	£1,000	£100	2.5% ***	0.10%
US Dollar Management Class	N/A	N/A	N/A	0.10%
Euro Management Class #	N/A	N/A	N/A	0.10%
Sterling Management Class #	N/A	N/A	N/A	0.10%

Hedged Class

* The investment management and distribution fee is up to the amount shown above.

** The administration fee is up to the amount shown, subject to a minimum monthly fee of €4,250 and additional transaction charges.

*** Includes a distribution fee of 1%.

The Administrator shall be also entitled to an annual fee of US\$5,000 for the provision of a Money Laundering Reporting Officer to the Company.

The Manager shall be entitled to receive a monthly fee of €650 per Portfolio.

Performance Fee

The Investment Manager will also be paid a performance fee for the Portfolio in relation to each class of the Portfolio save for the Management Class and as described below.

The performance fee is based on a comparison between the performance of each class in the Portfolio and that of its benchmark which shall be the MSCI World Index – Total Return.

Should a class of one of the Portfolio outperform its benchmark, the Investment Manager shall be entitled to a fee of 20% of the amount by which the class outperforms the benchmark, provided always that no performance fee shall be payable in respect of a class unless the Net Asset Value per Share of the relevant class has also increased during the Performance Period. Furthermore, no performance fee shall be payable until any reduction in the Net Asset Value per Share of a class has been

recovered and the Net Asset Value per Share exceeds the level at which a performance fee was last paid.

Subject to verification by the Custodian, the performance fee shall accrue daily, be payable annually in arrears and be calculated by the Administrator in respect of each period of twelve months ending on the last Business Day in the period ending on 31 December in each year (the "Performance Period"). However, the first Performance Period shall be from 6 May 2009 to 31 December 2009 and the Net Asset Value per Share on 6 May 2009 shall be taken as the starting point in calculating the class performance for this Performance Period. Any performance fee accrued on Shares redeemed prior to the end of the Performance Period shall be immediately payable to the Investment Manager.

In the event that the performance of a class over a Performance Period is less than its benchmark, no performance fee shall be payable in respect of that class until such underperformance relative to its benchmark has been recovered.

Business Days

In respect of the Portfolio, a Business Day is a day (except Saturday or Sunday) on which the relevant financial markets in London and New York are open for business, other than public holidays in the Republic of Ireland.

Determination of the NAV

The Net Asset Value of the Portfolio and the Net Asset Value per Share in the Portfolio in respect of any Dealing Day will be determined at 11 pm (Irish time) on the relevant Dealing Day.

Base Currency

The Base Currency of the Portfolio is US Dollars.

Irish Stock Exchange Listing

Shares in each of the Euro Adviser Accumulating Class, the Euro Investor Accumulating Class and the Sterling Adviser Distributing Class were admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange on 6 May 2009.

Nemesis USA Value Fund

The Portfolio's overall investment objective is to provide long-term capital appreciation through investing primarily in common stocks of companies which have their head office or exercise an overriding part of their economic activity in the US and which are listed / traded on Recognised Markets in the US. The performance of the Portfolio will endeavour to out-perform the S&P 500 Index which is a capitalisation weighted index of 500 stocks. The S&P 500 Index is designed to measure performance of the broad domestic (USA) economy through changes in the aggregate market value of 500 stocks representing all major industries.

The Investment Manager will take a "value investing" approach in seeking to achieve its investment objective. The Investment Manager's aim is to identify stocks that it considers to be undervalued in relation to the market. The Investment Manager believes that inherent in this methodology is a conservative approach to risk. The Investment Manager takes a long-term approach to investing and expects to hold investments for a minimum period of six months. The Investment Manager's philosophy behind this approach is that in the short- to medium-term, markets may ignore the underlying fundamental strengths of an asset. The Investment Manager will adopt a bottom up approach to stock selection, examining the absolute performance of the relevant security with a focus upon the financial, management and business quality of each proposed investment. This will include an analysis of returns on equity, debt to capital ratios, the attitude of management to creating value for shareholders and the leadership and pricing power of the relevant entity in its industry.

The securities in which the Portfolio may invest include securities of any class or series. The investments may or may not pay dividends and may or may not carry voting rights. The Portfolio may also invest in convertible securities and may include debt securities such as convertible bonds or preferred stock that may be converted into common stock and which carry the right to purchase common stock.

The Portfolio will normally be fully or substantially invested in equity securities. However, the Portfolio may also invest in short-term securities (including without limitation commercial paper, certificates of deposit, bankers acceptances and bonds which are investment grade corporate debt as rated by Moody's and/or Standard and Poor's) and floating rate/variable rate notes. Any cash will be held solely as an ancillary liquid asset.

Fees and Investment Information

Shares in the Portfolio, including Shares in the Management Classes, will be issued at their Net Asset Value per Share, subject to the provision for Duties and Charges in respect of the issue of the Shares and rounding as provided for in the Articles on each Dealing Day.

The Minimum Initial Subscription, Minimum Holding and fees, payable from the assets of each class of this Portfolio, are as follows:

Share Class	Minimum Initial Subscription	Minimum Holding	Investment Management Fee (and distribution fee, where applicable)*	Admin Fee**
US Dollar Institutional Accumulating Class	US\$2,500,000	US\$10,000	1.25%	0.10%
US Dollar Adviser Accumulating Class	US\$10,000	US\$1,000	1.5%	0.10%
US Dollar Investor Accumulating Class	US\$1,000	US\$100	2.5% ***	0.10%
Euro Institutional Accumulating Class #	€2,500,000	€10,000	1.25%	0.10%
Euro Adviser Accumulating Class #	€10,000	€1,000	1.5%	0.10%
Euro Investor	€1,000	€100		0.10%

Accumulating Class #			2.5% ***	
Sterling Institutional Accumulating Class #	£2,500,000	£10,000	1.25%	0.10%
Sterling Adviser Accumulating Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor Accumulating Class #	£1,000	£100	2.5% ***	0.10%
US Dollar Institutional Distributing Class	US\$2,500,000	US\$10,000	1.25%	0.10%
US Dollar Adviser Distributing Class	US\$10,000	US\$1,000	1.5%	0.10%
US Dollar Investor Distributing Class	US\$1,000	US\$100	2.5% ***	0.10%
Sterling Institutional Distributing Class #	£2,500,000	£10,000	1.25%	0.10%
Sterling Adviser Distributing Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor Distributing Class #	£1,000	£100	2.5% ***	0.10%
US Dollar Management Class	N/A	N/A	N/A	0.10%
Euro Management Class #	N/A	N/A	N/A	0.10%
Sterling Management Class #	N/A	N/A	N/A	0.10%

Hedged Class

*The investment management and distribution fee is up to the amount shown above.

** The administration fee is up to the amount shown, subject to a minimum monthly fee of €4,250 and additional transaction charges.

*** Includes a distribution fee of 1%.

The Administrator shall be also entitled to an annual fee of US\$5,000 for the provision of a Money Laundering Reporting Officer to the Company.

The Manager shall be entitled to receive a monthly fee of €650 per Portfolio.

Performance Fee

The Investment Manager will also be paid a performance fee for the Portfolio in relation to each class of the Portfolio save for the Management Class and as below.

The performance fee is based on a comparison between the performance of each class in the Portfolio and that of its benchmark which shall be the benchmark shall be the MSCI S&P 500 Index – Total Return.

Should a class of one of the Portfolio outperform its benchmark, the Investment Manager shall be entitled to a fee of 20% of the amount by which the class outperforms the benchmark, provided always that no performance fee shall be payable in respect of a class unless the Net Asset Value per Share of the relevant class has also increased during the Performance Period. Furthermore, no performance fee shall be payable until any reduction in the Net Asset Value per Share of a class has been recovered and the Net Asset Value per Share exceeds the level at which a performance fee was last paid.

Subject to verification by the Custodian, the performance fee shall accrue daily, be payable annually in arrears and be calculated by the Administrator in respect of each period of twelve months ending on the last Business Day in the period ending on 31 December in each year (the "Performance Period"). However, the first Performance Period shall be from 6 May 2009 to 31 December 2009 and the Net Asset Value per Share on 6 May 2009 shall be taken as the starting point in calculating the class

performance for this Performance Period. Any performance fee accrued on Shares redeemed prior to the end of the Performance Period shall be immediately payable to the Investment Manager.

In the event that the performance of a class over a Performance Period is less than its benchmark, no performance fee shall be payable in respect of that class until such underperformance relative to its benchmark has been recovered.

Business Days

In respect of the Portfolio, a Business Day is a day (except Saturday or Sunday) on which the relevant financial markets in London and New York are open for business, other than public holidays in the Republic of Ireland.

Determination of the NAV

The Net Asset Value of the Portfolio and the Net Asset Value per Share in the Portfolio in respect of any Dealing Day will be determined at 11 pm (Irish time) of the relevant Dealing Day.

Base Currency

The Base Currency of the Portfolio is US Dollars.

Irish Stock Exchange Listing

Shares in each of the Euro Adviser Accumulating Class, the Euro Investor Accumulating Class, the US Dollar Adviser Accumulating Class, the US Dollar Investor Accumulating Class and the Sterling Adviser Distributing Class were admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange on 6 May 2009.

Nemesis European Value Fund

The Portfolio's overall investment objective is to provide long-term capital appreciation through investing primarily in common stocks of companies which have their head office or exercise an overriding part of their economic activity in Europe and which are listed / traded on Recognised Markets in Europe. The performance of the Portfolio will endeavour to out-perform the MSCI Europe Index which is a capitalisation weighted index that monitors the performance of stocks listed in the continent of Europe. The MSCI Europe Index reflects stock market trends by representing the evolution of an unmanaged portfolio containing a broad selection of domestically listed companies.

The Investment Manager will take a "value investing" approach in seeking to achieve its investment objective. The Investment Manager's aim is to identify stocks that it considers to be undervalued in relation to the market. The Investment Manager believes that inherent in this methodology is a conservative approach to risk. The Investment Manager takes a long-term approach to investing and expects to hold investments for a minimum period of six months. The Investment Manager's philosophy behind this approach is that in the short- to medium-term, markets may ignore the underlying fundamental strengths of an asset. The Investment Manager will adopt a bottom up approach to stock selection, examining the absolute performance of the relevant security with a focus upon the financial, management and business quality of each proposed investment. This will include an analysis of returns on equity, debt to capital ratios, the attitude of management to creating value for shareholders and the leadership and pricing power of the relevant entity in its industry.

The securities in which the Portfolio may invest include securities of any class or series. The investments may or may not pay dividends and may or may not carry voting rights. The Portfolio may also invest in convertible securities and may include debt securities such as convertible bonds or preferred stock that may be converted into common stock and which carry the right to purchase common stock.

The Portfolio will normally be fully or substantially invested in equity securities. However, the Portfolio may also invest in short-term securities (including without limitation commercial paper, certificates of deposit, bankers acceptances and bonds which are investment grade corporate debt as rated by Moody's and/or Standard and Poor's) and floating rate/variable rate notes. Any cash will be held solely as an ancillary liquid asset.

Fees and Investment Information

Shares in the Portfolio, including Shares in the Management Classes, will be issued at their Net Asset Value per Share, subject to the provision for Duties and Charges in respect of the issue of the Shares and rounding as provided for in the Articles on each Dealing Day.

The Minimum Initial Subscription, Minimum Holding and fees, payable from the assets of each class of this Portfolio, are as follows:

Share Class	Minimum Initial Subscription	Minimum Holding	Investment Management Fee (and distribution fee, where applicable)*	Admin Fee**
US Dollar Institutional Accumulating Class #	US\$2,500,000	US\$10,000	1.25%	0.10%
US Dollar Adviser Accumulating Class #	US\$10,000	US\$1,000	1.5%	0.10%
US Dollar Investor Accumulating Class #	US\$1,000	US\$100	2.5% ***	0.10%
Euro Institutional Accumulating Class	€2,500,000	€10,000	1.25%	0.10%
Euro Adviser Accumulating Class	€10,000	€1,000	1.5%	0.10%
Euro Investor Accumulating Class	€1,000	€100	2.5% ***	0.10%

Sterling Institutional Accumulating Class	£2,500,000	£10,000	1.25%	0.10%
Sterling Adviser Accumulating Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor Accumulating Class #	£1,000	£100	2.5% ***	0.10%
Euro Institutional Distributing Class	€2,500,000	€10,000	1.25%	0.10%
Euro Adviser Distributing Class	€10,000	€1,000	1.5%	0.10%
Euro Investor Distributing Class	€1,000	€100	2.5% ***	0.10%
Sterling Institutional Distributing Class #	£2,500,000	£10,000	1.25%	0.10%
Sterling Adviser Distributing Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor Distributing Class #	£1,000	£100	2.5% ***	0.10%
US Dollar Management Class #	N/A	N/A	N/A	0.10%
Euro Management Class	N/A	N/A	N/A	0.10%
Sterling Management Class #	N/A	N/A	N/A	0.10%

Hedged Class

* The investment management and distribution fee is up to the amount shown above.

** The administration fee is up to the amount shown, subject to a minimum monthly fee of €4,250 and additional transaction charges.

*** Includes a distribution fee of 1%.

The Administrator shall be also entitled to an annual fee of US\$5,000 for the provision of a Money Laundering Reporting Officer to the Company.

The Manager shall be entitled to receive a monthly fee of €650 per Portfolio.

Performance Fee

The Investment Manager will also be paid a performance fee for the Portfolio in relation to each class of the Portfolio save for the Management Class and as described below.

The performance fee is based on a comparison between the performance of each class in the Portfolio and that of its benchmark which shall be the benchmark shall be the MSCI Europe Index – Total Return.

Should a class of one of the Portfolio outperform its benchmark, the Investment Manager shall be entitled to a fee of 20% of the amount by which the class outperforms the benchmark, provided always that no performance fee shall be payable in respect of a class unless the Net Asset Value per Share of the relevant class has also increased during the Performance Period. Furthermore, no performance fee shall be payable until any reduction in the Net Asset Value per Share of a class has been recovered and the Net Asset Value per Share exceeds the level at which a performance fee was last paid.

Subject to verification by the Custodian, the performance fee shall accrue daily, be payable annually in arrears and be calculated by the Administrator in respect of each period of twelve months ending on the last Business Day in the period ending on 31 December in each year (the "Performance Period"). However, the first Performance Period shall be from 6 May 2009 to 31 December 2009 and the Net Asset Value per Share on 6 May 2009 shall be taken as the starting point in calculating the class

performance for this Performance Period. Any performance fee accrued on Shares redeemed prior to the end of the Performance Period shall be immediately payable to the Investment Manager.

In the event that the performance of a class over a Performance Period is less than its benchmark, no performance fee shall be payable in respect of that class until such underperformance relative to its benchmark has been recovered.

Business Days

In respect of the Portfolio, a Business Day is a day (except Saturday or Sunday) on which the relevant financial markets in London are open for business, other than public holidays in the Republic of Ireland.

Determination of the NAV

The Net Asset Value of the Portfolio and the Net Asset Value per Share in the Portfolio in respect of any Dealing Day will be determined at 11 pm (Irish time) of the relevant Dealing Day.

Base Currency

The Base Currency of the Portfolio is Euro.

Irish Stock Exchange Listing

Shares in each of the Euro Institutional Accumulating Class, the Euro Adviser Accumulating Class, the Euro Investor Accumulating Class, the US Dollar Adviser Accumulating Class and the Sterling Adviser Distributing Class were admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange on 6 May 2009.

Nemesis Inflation Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Portfolio's overall investment objective is to provide absolute returns with a target annual return of at least 4% per annum in excess of the return of the EU Consumer Price Index (excluding energy, food, alcohol and tobacco) (CPI Core) over an investment horizon of a full business cycle, which typically expands over 3-5 years.

The Portfolio will seek to achieve this investment objective by allocating its assets between different asset classes consisting of equities and fixed income securities which are listed or traded on Recognised Markets globally, interest rates, currencies (composed of the G10 currencies and some of the most liquid emerging market currencies) and commodities covering all four commodity sectors of energy, precious metals, base metals and agriculture/livestock. The Portfolio may invest up to 100% of its NAV in each such asset class and the allocation between them and any re-balancing of them will be determined by the Investment Manager, who will opportunistically allocate assets among these asset classes in proportions consistent with their evaluation of the expected returns and risks of each asset class in order to seek to add value to the Portfolio. The allocation among asset classes will be dynamic based on views of current market conditions and their outlook for each asset class. The proportional investments in each asset class may change from time to time as risk-adjusted return expectations shift. At any one time 100% of the assets of the Portfolio may be attributable to any one asset class, or a limited number of those asset classes.

Exposure to the asset classes referred to above may be obtained directly or through the use of derivative instruments, provided that the Portfolio will not have direct exposure to commodities. In addition, the Portfolio may use derivative instruments as described below for hedging purposes and/or to pursue its investment objective. The financial derivatives instruments into which the Portfolio may enter are as set out below under "*Derivative Instruments*".

While the Portfolio targets a certain level of return, it is not possible to guarantee that these levels will be met or achieved in every circumstances or that the actual annual return of the Portfolio will not be less than the target return for any period.

The Investment Manager will combine a top-down approach of allocation across different asset classes with a bottom-up approach of securities selection.

The Portfolio may invest without limit in fixed income securities of all maturities issued by governments globally and investment grade and high yield (i.e. non-investment grade) corporate debt instruments (such as corporate bonds, notes, commercial paper and debt securities), each of which may have fixed, floating and inflation-linked rates. The Portfolio may also seek to obtain exposure to this asset class by entering into derivative instruments, as described in greater detail below under "*Derivative Instruments*".

The Portfolio may invest in global equities, principally but not limited to, common shares, preference shares, securities convertible into or exchangeable for such equities, American Depositary Receipts and Global Depositary Receipts and derivative instruments, the return on which is linked to the performance of global equity indices, such as the MSCI World index. The Portfolio's investments in equity securities may include securities issued in Emerging Market Countries, which may be up to 100% of the NAV. The derivative instruments which the Portfolio may use are described in greater detail below under "*Derivative Instruments*".

The Portfolio may also take exposure to commodities and commodity indices by investing in exchange traded notes and derivatives, as described in greater detail below under "*Derivative Instruments*".

The Portfolio may also seek to take exposure to each of the asset classes described above (including commodities) through investment in Underlying Funds which are themselves exposed to the relevant asset classes but such investments will not exceed 20% of the Portfolio's NAV in aggregate.

The Portfolio may invest in money market instruments, such as bank deposits, fixed or floating rate instruments (including but not limited to commercial paper), certificates of deposit, debentures, asset backed securities and government or corporate bonds, cash and cash equivalents (including but not limited to treasury bills).

The Portfolio may invest in global currencies through direct holdings of such currencies or securities of the type described above denominated in them or through the use of derivative instruments, as described in greater detail below under “*Derivative Instruments*”.

Derivative Instruments

The Portfolio may also use derivative instruments such as futures, forwards, options, swaps, contracts for differences, credit derivatives, caps, floors and currency forward contracts to pursue its investment policies and to obtain exposure to the securities and indices described above. These instruments may be used for hedging purposes and/or investment purposes. For example, the Portfolio may enter into total return swaps, the return on which is linked to one or more of the securities or indices described above. A total return swap is an agreement between two parties whereby one party makes payments to the other based on an agreed rate, either fixed or variable, while the other party makes payments to the first party based on the return of an underlying asset or assets (e.g. a specified index). If the swap is “fully funded”, the first party makes one lump sum payment to the other at the outset of the investment and in return receives regular payments based on the underlying asset(s).

The Directors, with the approval of the Custodian, have appointed the Investment Manager as a “competent person” for the purposes of valuing derivative instruments held by the Portfolio. The Investment Manager will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA. The valuations produced by the Investment Manager will be reconciled with the counterparty’s valuation on a monthly basis and any significant differences to the counterparty valuation will be promptly investigated and explained.

The Portfolio may also use derivative instruments to hedge currency exposure (or to hedge against other risks or exposures), to change the Portfolio’s interest rate sensitivity or to gain exposure to the indices as described above in greater details or to the performance of a particular underlying asset or class of assets. Future contracts may be used to hedge against market risk, to change the Portfolio’s interest rate sensitivity or to gain exposure to an underlying market. Forward contracts may be used to hedge or to gain exposure to an increase in the value of an asset, currency or deposit. Options may be used to hedge or to achieve exposure to a particular market instead of using a physical security. Forward foreign exchange transactions may be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors may be used to hedge against interest rate movements exceeding given minimum levels. Contracts for differences may be used to gain exposure to equity and fixed income securities which are listed or traded on a Recognised Market mainly located in Europe and the US. Credit derivatives may be used to isolate and transfer exposure to or transfer the credit risk associated with equity and fixed income securities or indices of equity and fixed income securities in which the Portfolio may invest or to which the Portfolio may seek to have exposure. The use of derivatives by the Portfolio may increase its risk profile. For information in relation to the risks associated with the use of derivative instruments, please refer to the “Investment Risks” and “Investment Restrictions” sections of the Prospectus.

The Portfolio may also be leveraged as a result of its use of derivatives, however any such leverage will not exceed 100% of the total Net Asset Value of the Portfolio at any time. The Portfolio is therefore not expected to have an above average risk profile as a result of its investment in derivative instruments or exposure in indices as set out above in greater details through the use of financial derivatives.

The Portfolio will not use any FDI which have not been described in its risk management process, a copy of which has been submitted to and cleared by the Central Bank.

Fees and Investment Information

Shares will be issued at their Net Asset Value per Share, subject to the provision for Duties and Charges in respect of the issue of the Shares and rounding as provided for in the Articles on each Dealing Day.

The Minimum Initial Subscription, Minimum Holding and fees, payable from the assets of each class of this Portfolio, are as follows:

Share Class	Minimum Initial Subscription	Minimum Holding	Investment Management Fee (and distribution fee, where applicable)*	Performance Fee**	Admin Fee***
US Dollar Adviser Accumulating Class #	US\$10,000	US\$1,000	1.25%	10%	0.10%
US Dollar Investor Accumulating Class #	US\$1,000	US\$100	N/A	10%	0.10%
Euro Adviser Accumulating Class	€10,000	€1,000	1.25%	10%	0.10%
Euro Investor Accumulating Class	€1,000	€100	N/A	10%	0.10%
US Dollar Management Class #	N/A	N/A	N/A	N/A	0.10%
Euro Management Class	N/A	N/A	N/A	N/A	0.10%
Sterling Management Class #	N/A	N/A	N/A	N/A	0.10%

Hedged Class

* The investment management and distribution fee is up to the amount shown above.

** The performance fee is described more fully in the paragraph below.

** The administration fee is up to the amount shown, subject to a minimum monthly fee of €4,250 and additional transaction charges.

The Administrator shall be also entitled to an annual fee of US\$5,000 for the provision of a Money Laundering Reporting Officer to the Company.

The Manager shall be entitled to receive a monthly fee of €650 per Portfolio.

Performance Fee

The Investment Manager will also be paid a performance fee for the Portfolio on the classes stated above of the Portfolio, save for the Management Class, as described below.

The performance fee is based on a comparison between the performance of each class in the Portfolio and that of its benchmark which shall be the EU CPI Overall, excluding energy, food, alcohol, and tobacco, details of which are available on Bloomberg under ticker CPEXEU.

Should a class of the Portfolio outperform its benchmark by 4% (the “**Hurdle Rate**”) or more, the Investment Manager shall be entitled to a fee of 10% of the amount by which the class outperforms the benchmark, subject to the Hurdle Rate and provided always that no performance fee shall be payable in respect of a class unless the Net Asset Value per Share of the relevant class has also increased during the Performance Period. Furthermore, no performance fee shall be payable until any reduction in the Net Asset Value per Share of a class has been recovered and the Net Asset Value per Share exceeds the level at which a performance fee was last paid.

Subject to verification by the Custodian, the performance fee shall accrue daily, be payable annually in arrears and be calculated by the Administrator in respect of each period of twelve months ending on the last Business Day in the period ending on 31 December in each year (the “**Performance Period**”). The first Performance Period shall be from the date of this Prospectus to 31 December 2013 and the Net Asset Value per Share on the date of this Prospectus shall be taken as the starting point in

calculating the class performance for this Performance Period. Any performance fee accrued on Shares redeemed prior to the end of the Performance Period shall be immediately payable to the Investment Manager.

Fees from investing in other CIS

To the extent that the Portfolio invests in Underlying Funds, it will be liable as an investor in the Underlying Funds for its proportion of the fees of such Underlying Funds. The Portfolio will invest in Underlying Funds, which generally charge management fees of up to two (2) percent of the net asset value of the relevant Underlying Fund and performance fees of up to twenty (20) percent of the increase of the net asset value per share of the relevant Underlying Fund relative, in some cases, to an appropriate benchmark or high water mark and subject to certain conditions. In addition to these fees, subscription and redemption fees of up to five (5) percent, may apply in the Portfolio's investments in and redemptions from the Underlying Funds. On an exceptional basis, the Portfolio may invest in Underlying Funds which apply higher fees.

Where the Portfolio invests in an Underlying Fund which is managed, directly or by delegation, by an investment manager which is linked to the Investment Manager by common management or control, or by a substantial direct or indirect holding, the Portfolio will not be charged any subscription, conversion or redemption fees on account of its investment in such Underlying Fund.

The other fees and expenses of the Company and the Portfolio are set out in this Prospectus under the heading "Fees and Expenses".

Distribution Policy

It is the current intention of the Directors to declare and pay an annual dividend in respect of the Distribution Class Shares on or about 8 March in each year out of the net income and/or net realised capital gains and net unrealised capital gains of the Company attributable to the Nemesis Inflation Fund. It is expected that the dividend will be up to the amount by which the Net Asset Value of the Portfolio has exceeded the returns of the EU Consumer Price Index (CPI) (excluding food and energy items) + 4% over the relevant period. The Directors may however and at their discretion determine to delay or cancel the declaration of the dividend, in which case Shareholders will be notified of such decision.

Business Days

In respect of the Portfolio, a Business Day is a day (except Saturday or Sunday) on which the relevant financial markets in London are open for business, other than public holidays in the Republic of Ireland.

Determination of the NAV

The Net Asset Value of the Portfolio and the Net Asset Value per Share in the Portfolio in respect of any Dealing Day will be determined at 11 p.m. (Irish time) on the relevant Dealing Day.

Base Currency

The Base Currency of the Portfolio is Euro.

Irish Stock Exchange Listing

Shares in the Euro Adviser Accumulating Class were admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange on 8 March 2010.

Global Equity Alpha Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

The Portfolio's overall investment objective is to provide long-term capital appreciation.

The Portfolio will seek to achieve this objective by investing directly and indirectly in a global portfolio of at least 50 common stocks which are listed/traded on Recognised Markets in Europe, North America, South America, the Middle East and the Asia Pacific region, including in Emerging Market Countries. The Portfolio will also invest in stock index futures and options, with the objective of reducing the volatility of returns as well as hedging the equity beta of the Portfolio. The Portfolio is expected to have medium volatility but there can be no assurance that this expected level will be achieved or that the actual volatility of the Portfolio will not be in excess of or less than the expected level.

The Investment Manager will seek to profit from investing in stable companies with strong balance sheets and solid earnings over the long term. The Investment Manager has appointed Absolute Return Partners LLP to provide investment advisory services in respect of the Portfolio (the "Investment Advisor").

There are two distinct investment processes employed in the portfolio construction.

1. Equity Investments

The Investment Advisor has specifically designed a fundamental investment process with the aim of identifying investments without the use of broker research, earnings estimates or benchmarks. This screening process is strictly automated and scalable and is aimed at identifying companies with certain characteristics, such as strong historical earnings and strong balance sheets which, in the opinion of the Investment Advisor, increase the likelihood of solid future financial performance.

The investment process is built on two simple assumptions which, in the opinion of the Investment Advisor, are universally true:

- Long-term value creation stems from two sources – financial strength and earnings power;
- Companies are repetitive in their behaviour.

Consequently, it is the Investment Advisor's view that history repeats itself and that history carries more informational value than future projections; hence earning estimates and other forward-looking research are not employed in the stock selection process. Furthermore, in researching what drives performance, the Investment Advisor has found that those companies which consistently deliver strong earnings and have strong balance sheets outperform over time, regardless of valuation. Valuation is therefore not a factor in the stock selection process either.

A priority when designing the investment strategy is to eliminate manager and style risk by employing a predominately objective investment process. The process works as follows:

The first stage is to collate publicly available financial information (using an external data provider) on a universe of approximately 60,000 listed companies in approximately 150 countries. Following this, the quality of the data collected is analysed to ensure that it is of high quality. Where data is missing, or the quality of the data is questionable, a company is eliminated from the screening process.

The second stage of the investment process involves ranking the remaining companies in the universe using several financial ratios specific to the companies' balance sheets, profit and loss accounts and cash flow statements, which are calculated over a multi-year period. This process identifies those companies which, relative to all the other companies in the universe, have consistently delivered the strongest earnings growth, whilst maintaining the highest quality balance sheets. Each company is ranked on each of these financial ratios and a combined ranking is established. Following this, the stability of a company's earnings and financial strength is also measured by calculating the variance of

both earnings strength and financial strength over a multi-year period and those companies which meet the Investment Advisor's criteria in this regard are selected for further analysis.

The final assessment combines a number of additional factors with a view to producing a final list of at least 50 stocks for investment. Firstly liquidity is assessed by reviewing a company's free float and average daily trading volume. The focus is on companies with a free float in excess of US\$1 billion and an average daily trading volume of at least US\$2.5 million over the preceding three (3) months. However, some discretion is used in this process to ensure that no high quality companies are omitted unnecessarily.

Other qualitative factors which are reviewed at this stage may include, but are not limited to, portfolio concentration issues, shareholder ownership issues, black-listings, mergers and acquisition activities and other potential issues which could distort the share price or otherwise make it unsuitable for investment.

Once the quality check has been completed, it is currently intended to apply the investable amount to the selected investments *pro rata*, so that, assuming 50 stocks are invested in, 2% of the investable amount will be invested in each of the companies selected for the short list. However, the Investment Manager may, should the Investment Advisor so advise, apply an optimisation model (which shall take into account the risk attribution of each stock in the Portfolio) rather than allocating equal amounts to the selected stocks. Should the Investment Advisor so advise, the Investment Manager may increase the number of companies to be included in the Portfolio to ensure sufficient diversification and liquidity.

The investable amount excludes any money allocated as margin to collateralise the Portfolio's FDI investments (see below for details) and up to 10% of the Net Asset Value of the Portfolio which will at all times be kept in cash to facilitate redemptions and various expenses.

The investment process is repeated on or about 1 June each year, which is an appropriate re-balancing date, as the majority of companies have a December year-end and hence publish their annual reports in February, March or April, allowing sufficient time to analyse the data before selecting the constituents for next year's portfolio. For those companies which do not have a December year-end, the latest available annual report is used to calculate the financial ratios. Subscriptions and redemptions during the course of the year will be apportioned across the Portfolio's investments on a pro rata basis. For example, a company which accounts for 2.7% of the Portfolio value on 1 December, will be allocated 2.7% of any new money coming into the Portfolio on 1 December.

Although it is generally intended that the Portfolio's equity investments will remain unchanged between rebalancing dates, occasionally, when circumstances affecting a selected company result in material changes to the factors by which the company was assessed prior to being selected for investment, the Investment Manager may sell an investment in advance of the next rebalancing date. In such event, the Investment Manager may either re-invest the proceeds of the sale in another highly ranked company, as identified by the investment process conducted in respect of the previous rebalancing date or retain the proceeds of the sale as cash.

Although the Investment Manager will generally gain exposure to the selected stocks through direct investment in the stocks, it may also achieve this exposure through investments in warrants and equity linked notes, including but not limited to exchange traded notes ("ETNs") and participation notes, which are listed/traded on Recognised Markets in Europe, North America, South America, the Middle East and the Asia Pacific region and which may embed FDI, such as swaps or options. Additionally, the Investment Manager may achieve this exposure through investments in over-the-counter total return swaps and options, the return on which is linked to one or more of the selected stocks. A total return swap is an agreement between two parties whereby one party makes payments to the other based on an agreed rate, either fixed or variable, while the other party makes payments to the first party based on the return of an underlying asset or assets (e.g. a stock or a basket of stocks). If the swap is "fully funded", the first party makes one lump sum payment to the other at the outset of the investment and in return receives regular payments based on the underlying asset(s). An option is a derivative instrument that establishes a contract between two parties concerning the buying and selling of an asset at a reference price during a specified time frame. During this time frame, the buyer of the option

gains the right, but not the obligation, to engage in a specific transaction on the asset (either to buy it or sell it), while the seller incurs the obligation to fulfil the transaction if so requested by the buyer. The price of the option derives from the value of an underlying asset and the time remaining until the expiration of the option.

2. Active Volatility Management

Investors have traditionally used diversification as a risk management tool; however, more recently, diversification has proved difficult for several reasons:

1. Assets whose returns are lowly correlated with equity returns have much lower volatility than equities, leading to limited diversification benefits.
2. Risk assets that were previously lowly correlated to equities, have become much more correlated, primarily as a result of the risk-on / risk-off mentality that has prevailed in the post-2008 environment.
3. Even illiquid assets (e.g. private equity, hedge funds, real estate) which are often presumed to be lowly correlated to equities have frequently shown to suffer from lagged correlations.

These factors in combination have made diversification of risk more challenging and traditional measures of risk management less effective. Consequently, the Investment Manager in consultation with the Investment Advisor has decided to manage volatility risk in the Portfolio based on an approach called Active Volatility Management (AVM). Through AVM, the capital allocated to equities is dynamically varied in response to the changing level of risk associated with equity markets over time. AVM is a dynamic overlay strategy designed to enhance the Portfolio's risk/return profile by identifying periods of high risk in equity markets and adjusting overall equity exposure through an overlay of exchange-traded stock index futures. By managing risk in this way within the Portfolio, the equity investments can be left intact at all times; hence the risk management programme does not affect asset allocation decisions (other than the overall beta exposure) and therefore has no impact on the alpha generated from stock selection.

AVM measures the Portfolio's aggregate exposure to equity investments. It then identifies a basket of exchange-traded stock index futures that tracks that exposure. Whenever downside risk exceeds upside potential as per the AVM model, the exposure to equities is reduced through the selling of the basket of stock index futures referred to earlier. Whenever upside potential exceeds downside risk, the exposure to equities is increased through the buying of stock index futures.

The AVM programme uses a dynamic approach, allowing for varying degrees of exposure. It is anticipated that under normal market conditions the maximum exposure to equities (being the combination of the equity investments made as described above in the "Equity Investments" section and the exposure to equity indices obtained through buying stock index futures) will not exceed 150% of the total Net Asset Value of the Portfolio and the minimum exposure to equities will not fall below 33% of the total Net Asset Value of the Portfolio.

In addition to the AVM programme described above, the Portfolio may also invest in stock index options in order to manage volatility risk in the Portfolio.

Use of Derivatives and Risk Management

The overriding objective of using FDI as part of the investment strategy is to reduce the volatility risk of the Portfolio's equity investments. For example, stock index futures and stock index options may be used to hedge against equity market risk.

The Portfolio may also use FDI for investment purposes. For example, warrants, ETNs, swaps and options may be used to gain exposure to certain individual stocks. Forward contracts on foreign exchange rates may also be used to reduce the risk of adverse changes in foreign exchange rates across share classes.

The Portfolio will be leveraged due to its use of derivative instruments and the Portfolio may increase its risk profile as a result. However, any leverage will not exceed 100% of the total Net Asset Value of the Portfolio at any time. The Portfolio is therefore not expected to have an above average risk profile as a result of its use of FDI. For information, in relation to the risks associated with the use of derivative instruments, please refer to the “Investment Risks” and “Investment Restrictions” sections of the Prospectus.

The Portfolio will not use any FDI which have not been described in its risk management process, a copy of which has been submitted to and cleared by the Central Bank.

No currency hedging will take place within the equity portion of the Portfolio, with the exception of the hedging of the share class risk as described under the heading “*Share Class Hedging*” in the “*The Company*” section of the Prospectus. In the opinion of the Investment Advisor, the actual currency risk in a global equity portfolio is impossible to quantify. Many companies trade globally and some have either implicit or explicit hedges in place. Furthermore, the exposure to any given currency through the investment in one company may be partly or wholly offset through the investment in another company.

The Directors, with the approval of the Custodian, have appointed the Investment Manager as a “competent person” for the purposes of valuing FDI held by the Portfolio. The Investment Manager will follow international best practice and adhere to the principles on valuation of OTC FDI established by bodies such as IOSCO and AIMA. The valuations produced by the Investment Manager will be reconciled with the counterparty’s valuation on a monthly basis and any significant differences to the counterparty valuation will be promptly investigated and explained.

Fees and Investment Information

Shares in the Portfolio will be issued at their Net Asset Value per Share, subject to the provision for Duties and Charges in respect of the issue of the Shares and rounding as provided for in the Articles on each Dealing Day.

The Minimum Initial Subscription, Minimum Holding and fees, payable from the assets of each class of this Portfolio, are as follows:

Share Class	Minimum Initial Subscription	Minimum Holding	Investment Management Fee (and distribution fee, where applicable)*	Admin Fee**
US Dollar Institutional Accumulating Class	US\$2,500,000	US\$10,000	1.00%	0.10%
US Dollar Adviser Accumulating Class	US\$10,000	US\$1,000	1.5%	0.10%
US Dollar Investor Accumulating Class	US\$10,000	US\$1,000	2.5% ***	0.10%
Euro Institutional Accumulating Class #	€2,500,000	€10,000	1.00%	0.10%
Euro Adviser Accumulating Class #	€10,000	€1,000	1.5%	0.10%
Euro Investor Accumulating Class #	€10,000	€1,000	2.5% ***	0.10%
Sterling Institutional Accumulating Class #	£2,500,000	£10,000	1.00%	0.10%
Sterling Adviser Accumulating Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor Accumulating Class #	£10,000	£1,000	2.5% ***	0.10%
US Dollar Institutional Distributing Class	US\$2,500,000	US\$10,000	1.00%	0.10%
US Dollar Adviser	US\$10,000	US\$1,000		0.10%

Distributing Class			1.5%	
US Dollar Investor				
Distributing Class	US\$10,000	US\$1,000	2.5% ***	0.10%
Euro Institutional				
Distributing Class #	€2,500,000	€10,000	1.00%	0.10%
Euro Adviser Distributing				
Class #	€10,000	€1,000	1.5%	0.10%
Euro Investor				
Distributing Class #	€10,000	€1,000	2.5% ***	0.10%
Sterling Institutional				
Distributing Class #	£2,500,000	£10,000	1.00%	0.10%
Sterling Adviser				
Distributing Class #	£10,000	£1,000	1.5%	0.10%
Sterling Investor				
Distributing Class #	£10,000	£1,000	2.5% ***	0.10%

Hedged Class

* The investment management and distribution fee is up to the amount shown above.

** The administration fee is up to the amount shown, subject to a minimum monthly fee of €4,250 and additional transaction charges.

*** Includes a distribution fee of 1%.

The Administrator shall be also entitled to an annual fee of US\$5,000 for the provision of a Money Laundering Reporting Officer to the Company.

The Manager shall be entitled to receive a monthly fee of €650 per Portfolio.

Advisory Fee

The Investment Advisor will also be paid an advisory fee of up to 0.50% of the assets of the Portfolio in respect of the investment advisory services provided to the Investment Manager in respect of the Portfolio. The advisory fee shall accrue daily and be payable monthly in arrears at the end of each calendar month.

Performance Fee

The Investment Manager will also be paid a performance fee for the Portfolio in relation to each class of the Portfolio as described below.

A performance fee of 10% of the amount (if any) by which the Net Asset Value per Share on the relevant Calculation Day is greater than the highest Net Asset Value per Share on any preceding Calculation Day on which a performance fee was paid (or greater than the initial offer price in the case of the first Calculation Day) such excess being multiplied by the actual number of Shares in issue at the relevant Valuation Point or, in respect of Shares which are redeemed, the number of Shares being redeemed. No performance fee shall be payable unless the Net Asset Value per Share exceeds the level at which a performance fee was last paid (or the initial offer price where no performance fee has ever been paid) and any previous reduction in the Net Asset Value per Share below that level has been recovered.

“Calculation Day” for these purposes means:

- (a) the last Valuation Point in each calendar year;
- (b) in respect of Shares which are redeemed, the Valuation Point immediately prior to the Dealing Day on which such Shares are redeemed;
- (c) the date of termination of the Investment Management Agreement; or
- (d) such other date on which the Company or the Portfolio may be liquidated or cease trading.

Subject to verification by the Custodian, the performance fee shall accrue daily, be payable annually in

arrears and be calculated by the Administrator in respect of each period of twelve months ending on the last Business Day in the period ending on 31 December in each year (the "Performance Period"). However, the first Performance Period shall be from the end of the Initial Offer Period to 31 December 2011 and the Initial Offer Price shall be taken as the starting point in calculating the class performance for this Performance Period. Any performance fee accrued on Shares redeemed prior to the end of the Performance Period shall be immediately payable to the Investment Manager.

Fees of Underlying Funds

To the extent that the Portfolio invests in Underlying Funds it will be liable as an investor in the Underlying Funds for its proportion of the fees of such Underlying Funds. The Investment Manager expects that the management fees charged by the Underlying Funds in which it will invest will not exceed 1.5% of the net asset value of the relevant Underlying Fund and that such Underlying Funds will not charge performance fees or subscription and redemption fees. On an exceptional basis, the Portfolio may invest in Underlying Funds which apply higher fees which will in no circumstances exceed management fees of 2.5% of the net asset value of the relevant Underlying Fund or performance fees of 20% of the performance of the relevant Underlying Fund.

The Investment Manager does not expect that the Portfolio will invest in Underlying Funds which are managed, directly or by delegation, by an investment manager which is linked to the Investment Manager by common management or control, or by a substantial direct or indirect holding.

The Investment Advisor

The Investment Manager has appointed Absolute Return Partners LLP to provide investment advisory services in respect of the Portfolio pursuant to an investment advisory agreement dated 11 January 2011 (the "Agreement"). The Investment Advisor has been appointed due to its experience in managing and advising on alternative portfolios and specifically due to its knowledge of managing volatility risk.

The Investment Advisor was established in the UK in November 2002 as a limited liability partnership and has its registered office at 16 Water Lane, Richmond, Surrey TW9 1TJ, United Kingdom. The Investment Advisor is authorised and regulated by the Financial Services Authority in the UK ("FSA") and has been assigned the number 221250 by the FSA.

The Investment Advisor is engaged in the business of managing and advising on alternative investment portfolios as well as more traditional investment asset classes. The Investment Advisor has a diverse client base including institutional investors, wealth managers, family offices and private investors. As at January 2013 the Investment Advisor had over US\$400 million of assets under management.

Under the Agreement, the Investment Advisor will not be liable for any loss or damage arising out of with the performance by the Investment Manager of its obligations and duties unless such loss or damage arises out of or in connection with the negligence, wilful default, fraud or bad faith of the Investment Manager in the performance of its duties. In addition, the Investment Manager has agreed to indemnify the Investment Advisor from and against any and all actions, proceedings, claims, liabilities, demands, losses, damages, costs and expenses which may be made or brought against or incurred by the Investment Advisor arising out of with the performance of its obligations and duties in the absence of any negligence, wilful default, fraud or bad faith of the Investment Advisor in the performance of its duties or as otherwise may be required by law.

The Agreement will continue in force until terminated by either party on ninety days' prior notice or until otherwise terminated by either party in accordance with the terms of the Agreement. The Agreement shall terminate forthwith upon the termination of the Investment Management Agreement.

Business Days

In respect of the Portfolio, a Business Day is a day (except Saturday or Sunday) on which the relevant financial markets in London and New York are open for business, other than public holidays in the Republic of Ireland.

Determination of the NAV

The Net Asset Value of the Portfolio and the Net Asset Value per Share in the Portfolio in respect of any Dealing Day will be determined at 11 pm (Irish time) on the relevant Dealing Day.

Base Currency

The Base Currency of the Portfolio is US Dollars.

Irish Stock Exchange Listing

Shares in the US Dollar Adviser Accumulating Class, the US Dollar Investor Accumulating Class, the Euro Institutional Accumulating Class, the Euro Adviser Accumulating Class, the Euro Investor Accumulating Class, the Sterling Institutional Accumulating Class, the Sterling Adviser Accumulating Class, the Sterling Investor Accumulating Class, the Sterling Adviser Distributing Class, the US Dollar Investor Distributing Class and the Euro Adviser Distributing Class were admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange on 31 January 2011.

ANNEX III OTHER IMPORTANT INFORMATION FOR INVESTORS

ITALY

By virtue of its registration with the Banca d'Italia (the "**BOI**") and the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") the Company is authorised to sell Shares to investors in Italy.

This information must be read in conjunction with the Prospectus, the Simplified Prospectuses, the most recent annual report and, if published thereafter, the most recent semi-annual report of the Company. Material amendments to the Prospectus, the Simplified Prospectuses and the Articles will be filed with the BOI & CONSOB. For clarification purposes, any amendments to the Prospectus, the Simplified Prospectuses and the Articles shall be made in accordance with the requirements of the Central Bank.

Correspondent Bank in Italy

The Company has appointed Intesa Sanpaolo S.p.A. to act as its correspondent bank in Italy (the "**Correspondent Bank**"). Pursuant to the correspondent paying agent agreement entered into between the Manager, the Custodian and the Correspondent Bank dated 8 December 2009 (the "**Paying Agent Agreement**"), the Correspondent Bank has agreed to provide the following from their offices at Via Piazza San Carlo, n. 156, Turin, Italy:

- facilities at which subscriptions, conversion and redemption requests for Shares can be submitted to the Correspondent Bank and redemption proceeds, distributions or any other payments to the Shareholder may be paid to investors;

and to provide investors with the following from their offices at Piazza della Scala 6, 20121 Milano, Italy:

- the Memorandum and Articles of Association of the Company, the most recent semi-annual and annual accounts, the documents described in the Prospectus under "Inspection of Documents", the notice of the annual general meeting of the Company and the text of any resolutions passed at the most recent annual general meeting and facilities at which investors may inspect them.

On request, the Correspondent Bank will send copies of this information to investors free of charge.

For the Italian market only the Correspondent Bank may group the subscription, conversion and redemptions requests, and forward such requests to the Company on a cumulative basis, in the name of the Correspondent Bank and on behalf of the investors. In this case, the Shares will be registered in the Shareholder register in the name of the Correspondent Bank, who will act on a nominee-like basis for the relevant investor. In the application form, the investors will grant to the Correspondent Bank the relevant mandate.

Publication of prices

Details of the most recent prices of Shares may be obtained from the Investment Manager and will be published daily in the following local daily newspaper: Il Sole 24 Ore.

UNITED KINGDOM

The Company is a recognised collective investment scheme for the purposes of section 264 of the Financial Services and Markets Act 2000 of the United Kingdom.

The information below describes the facilities available to investors resident in the United Kingdom and the procedures which apply to dealing in Shares. This information must be read in conjunction with the

Prospectus, the Simplified Prospectus, the most recent annual report and, if published thereafter, the most recent semi-annual report of the Company. Material amendments to this Prospectus, the Simplified Prospectuses and the Articles will be filed with the FSA.

Facilities Agent in the United Kingdom

Nemesis Asset Management LLP has agreed to act as the facilities agent for the Company in the United Kingdom (in this capacity, the “**Facilities Agent**”). The Facilities Agent has agreed to provide the following from its office at 20 Balderton Street, London W1K 6TL, UK (the “Office”) to the Company’s investors:

- (a) Facilities at the Office: during normal business hours, UK investors may inspect and obtain copies, in the English language, of the following documents (free of charge in the case of those documents listed as (ii) and (iii));
 - (i) the Articles and any amendments thereto;
 - (ii) the latest version of the Prospectus and any amendments thereto;
 - (iii) the Simplified Prospectus and any amendments thereto;
 - (iv) the annual and half yearly reports most recently prepared and published by the Company (when available);
 - (v) the other documents specified in the Prospectus as being available for inspection.

The Company will cover the Facilities Agent’s reasonable costs in providing these services as determined by the supply of copies of such documents mentioned in paragraph (a)(i)-(vi) to above.

- (b) Information may be obtained at the Office either orally or in writing about the latest sale and purchase prices of Shares and investors may apply to redeem their Shares and through this facility obtain payment of any redemption price. Complaints regarding the operation of a Portfolio can be submitted at the above address for onward transmission to the Company.