FundLogic Alternatives p.l.c.

Promoter and Distributor
Morgan Stanley & Co International plc

Supplement dated 18 February 2014
for
INDUS PACIFICHOICE ASIA FUND

This Supplement contains specific information in relation to the **Indus PacifiChoice Asia Fund** (the **Sub-Fund**), a sub-fund of **FundLogic Alternatives plc** (the **Fund**), an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the Regulations. The Sub-Fund is managed by Indus Capital Partners, LLC (“INDUS” or the “Investment Manager”).

This Supplement forms part of and should be read in conjunction with the Prospectus for the Fund dated 18 February 2014 (the Prospectus).

The Fund may invest principally in financial derivative instruments.

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

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

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1. INVESTMENT OBJECTIVE AND POLICIES

1.1 Investment Objective

The Sub-Fund's investment objective is to seek high risk-adjusted returns while preserving capital, principally through investments in liquid equities and equity-related securities (as described below) of companies in the Asia Pacific markets, including in emerging markets.

1.2 Investment Policy

The Sub-Fund may seek to achieve its objective by principally investing in both long and synthetic short positions in equities and equity related securities including, without limitation, common stock, convertible bonds, warrants, preferred stock and depository receipts. The Sub-Fund will invest primarily in large capitalization Pan Asian (including, without limitation, Asia, Japan, Australia and India) companies. There are no limits to the extent that the Sub-Fund will invest in Pan Asian emerging markets. The Sub-Fund may also invest in equities and equity related securities of companies closely connected with the Asia Pacific region and located in other geographic locations such as North America in an effort to capture investment opportunities arising from its Pan Asian research.

The Sub-Fund may utilize leverage to enhance returns where it deems appropriate. The ratio of long and synthetic short investments may vary through time. The Sub-Fund's gross exposure (long plus synthetic short positions) will generally have a long term average of 125% and will generally not be expected to exceed 200% of the Net Asset Value of the Sub-Fund. From time to time, the Sub-Fund may also invest in futures, currency, and fixed income securities (which may be below investment grade and be either fixed or floating and government or corporate) principally, but not exclusively, as a hedge against equity positions in the portfolio. It is not anticipated that the Sub-Fund will invest more than 10% of its Net Asset Value in fixed income securities. Debt securities will be deemed to be below investment grade, if they have a rating BB+ and/or lower by Standard & Poor's, or an equivalent rating by any of the other principal rating agencies or, if unrated, are determined to be below investment grade by the Investment Manager. While it is not currently expected that the Sub-Fund will have significant below investment-grade debt exposure, there are no limits to the extent that such investments might be included in the portfolio if deemed appropriate by the Investment Manager.

The Sub-Fund may also gain exposure to such securities (including, without limitation, synthetic short positions) through the use of financial derivative instruments ("**FDIs**") in relation to such securities. These FDI transactions may include swaps (including credit default swaps), options, futures, options on futures, and forward currency exchange contracts.

The Sub-Fund may invest in FDI transactions both for investment and efficient portfolio management purposes. For example: (i) equity swaps may be utilised for efficient cash management to minimise taxes on the purchase or sale of equities or for access to certain issuers and jurisdictions; (ii) single name options may be utilised to hedge out the risk associated with an industry or gain exposure to an issuer; (iii) index futures on equity and fixed income indices designed to represent relevant markets (including, without limitation, Nifty, KOSPI, Taiwanese, Thai, MSCI Indices, DJS Bank Index) may be utilised in order to hedge the equity portion of the portfolio from movements in the general equity market; and (iv) options on futures may be utilised to quantify the potential loss from a contract expiring in a loss position. In addition, for example, FDI may be used to seek to hedge against the risk of adverse currency movements between the Currency Hedged Share Classes as described under Classes of Shares below. For further information on the types of FDIs that the Sub-Fund may enter into please see the section entitled **Information on the Financial Derivative Instruments** below.

1.2.1 *INDUS Investment Process*

(i) The Investment Manager employs a disciplined, but not rigid, approach to managing international investment portfolios. The investment and trading team of the Investment Manager totals more than 30 professionals and has extensive experience, particularly in non-U.S. equities and economies, including Pan Asian markets.

At the core of the Investment Manager's approach is direct company research that encompasses thousands of company management meetings each yearThe Investment Manager also builds or analyzes financial and other valuation models as it deems necessary, and usually visits and revisits companies in which it holds positions. The Investment Manager develops and maintains a database on thousands of companies; builds and analyzes earnings, cash flow, and financial and other valuation models as it deems necessary; and maintains relationships with corporate managements, sell-side and independent analysts, and industry contacts. The Investment Manager is disciplined in its risk management and tactical approach to managing money, employing loss limits, and trading guidelines , as further described below.

(ii) In addition, the Investment Manager spends a significant amount of time analyzing various Asian economies, including collating third-party views of economic direction from visits with a cross section of representative economically sensitive companies, as well as frequent meetings with central banks and other policy makers, and incorporating input from the Investment Manager's primary economic consultant and other external economists and strategists. The objective is to understand and frame the investment environment that it believes is likely to prevail in the near future, providing context and perspective for bottom-up stock selection.

The Investment Manager attempts to:

- identify undervalued (or overvalued for short positions) stocks, defined a variety of different ways,
- understand why they are undervalued (overvalued for short positions), and
- project and anticipate foreseeable events and conditions that would drive a change in market consensus on the valuation of these stocks.

The Investment Manager will typically attempt to take long positions in companies that not only fit this valuation framework, but also have superior management, strong fundamentals, and better corporate governance. In addition, the Investment Manager will attempt to take synthetic short positions in companies that are identified by this review process as being overvalued.

The Investment Manager strives to maintain an analytical advantage in the positions the Sub-Fund holds. The Investment Manager has observed that a large portion of the returns of most portfolios is derived from a small number of positions. Thus, the Sub-Fund typically holds reasonably concentrated portfolios while maintaining what the Investment Manager believes to be a prudent risk profile.

The Investment Manager endeavors to minimize losses through active risk management. In addition to daily trading runs, exposure reports, position concentration reports, and similar risk reporting systems, the Investment Manager employs a variety of trading guidelines and active risk management techniques. These include, but are not limited to, the following:

- exiting a position if the original thesis does not come to pass, rather than changing the justification for the position,
- harvesting gains when a position grows disproportionately large relative to the level of conviction in the investment thesis,
- holding cash if the team has limited strong conviction ideas and/or if the Investment Manager deems the environment to be one of unfavorable risk/reward, and
- limiting losses in individual positions.

Additionally, the macro view also drives risk management, in that the Investment Manager will adjust the size and direction of investments to fit with its macro view.

1.2.2 *Other Activities forming part of the INDUS Investment Process*

The Investment Manager is not rigidly limited with respect to the markets or instruments in which it may invest. The Investment Manager will consider companies of all sizes and geographic locations (although with a primary focus on the Asia Pacific region) for investment. It is anticipated that market capitalisation of securities will not be less than US$250 million. In order to maintain flexibility and to capitalize on investment opportunities as they arise, the Investment Manager is not required to invest any particular percentage of the Sub-Fund in any type of investment, strategy, country or region provided, however, that it is anticipated that the Investment Manager will invest primarily in the Asia Pacific region.

General

The Sub-Fund will be leveraged through the use of FDIs. The Sub-Fund's global exposure is subject to an advanced risk management process. In compliance with the Regulations, the Sub-Fund's risk management process aims to ensure that on any day the relative VaR of the Sub-Fund will not exceed twice the VaR of the Benchmark Index, which in this instance will be the MSCI (All Country) Asia Pacific Index (the "**Benchmark Index**"), using a one-tailed confidence interval of 99% and a holding period of one month. The Investment Manager may alter the Benchmark Index from time to time to any other benchmark which the Investment Manager determines, in its sole discretion, is generally representative of the global financials market. Shareholders will not be notified in advance of any change in the Benchmark Index. However, such change will be notified to Shareholders in the periodic reports of the Sub-Fund following such change. The leverage of the Sub-Fund is generally not expected to exceed 200% of the Net Asset Value of the Sub-Fund. The ratio of long and synthetic short investments (which may be in either or both of equities and debt securities) may vary through time. The Sub-Fund's gross exposure (long plus synthetic short positions) calculated using the sum of the notionals of the derivatives used will generally have a long term average of 125% and is generally not expected to exceed 200% of the Net Asset Value of the Sub-Fund. The historical observation period should not be less than 1 year.

The Sub-Fund may invest in ancillary liquid assets which may include bank deposits, certificates of deposit, fixed or floating rate instruments, commercial paper, floating rate notes and freely transferable promissory notes.

The Sub-Fund is expected to enter into repurchase, reverse repurchase and stock lending agreements subject to the conditions and limits laid down by the Central Bank for efficient portfolio management purposes.

2. INVESTMENT RESTRICTIONS

The general investment restrictions as set out in the Prospectus shall apply.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interests of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders are located.

3. CERTAIN TRADING POLICIES OF THE INVESTMENT MANAGER

Allocation of Investments

It is the Investment Manager's (and its affiliates') policy that neither the Sub-Fund nor any other clients of the Investment Manager (the "**Other Clients**") shall receive inappropriate preferential treatment or otherwise be treated unfairly. Due to the differences in investment objectives and strategies, risk tolerance, tax status and other criteria between the Sub-Fund and the Other Clients, there are and will be differences among the investments of the Sub-Fund and those of Other Clients. In addition to those factors, the Investment Manager may also consider one or more of the following factors when determining the allocation of investment opportunities between the Sub-Fund and the Other Clients: legal and/or regulatory restrictions, account size, the portion of the portfolio invested, the nature of the security to be allocated, size of available positions, supply and demand for a security at a given price level, current market conditions, timing of cash flows and account liquidity. In light of these differing factors, there are circumstances where: (i) the Sub-Fund and all Other Clients participate in a given investment; (ii) only the Sub-Fund or certain Other Clients participate and/or (iii) the Sub-Fund and certain or all Other Clients invest at different times, levels and prices, in each case as determined by the Investment Manager in the manner that it believes is in the overall best interests of the Sub-Fund and the Other Clients.

Certain Other Clients may pursue investment objectives, strategies and styles similar to each other or to that of the Sub-Fund and accordingly, such Other Clients and the Sub-Fund may invest in the same or similar securities but also, due to the allocation factors described above, may take different action with respect to a particular security or securities. These considerations may cause the Investment Manager to recommend differing investment approaches or specific positions to the Sub-Fund and certain Other Clients. The Investment Manager may also take investment action or give investment advice that differs among the Sub-Fund and certain Other Clients. For example, the Investment Manager may buy securities on behalf of the Sub-Fund while selling simultaneously the same securities on behalf of certain Other Clients. Alternatively, the Investment Manager may take a long position in a security on behalf of the Sub-Fund while maintaining a short position in that same security on behalf of certain

Other Clients, in each case within the investment objectives of the Sub-Fund and such Other Clients and within the investment viewpoint of the Investment Manager.

Aggregation of Orders

From time to time the Investment Manager (and its affiliates) may, but is not required to aggregate orders for purchases or sales of securities on behalf of the Sub-Fund and certain Other Clients. Aggregated trade orders will be made by the Investment Manager in a manner that it considers to be fair, and consistent with its fiduciary duties. The Sub-Fund and the Other Clients participating in aggregated trade orders do not always pay (or receive) average share price with respect to securities transactions. In the event that purchase or sale orders are placed at the same time with the same order instructions (i.e., position amounts, price limits, etc.), the Sub-Fund and the Other Clients participating in such aggregated trade orders will generally participate on an average share price basis. In circumstances where trade orders contain different instructions or limitations or, are placed at different times, the Sub-Fund and the Other Clients that place such trade orders will generally pay (or receive) prices corresponding to the executed transactions based on order instructions and timing of trades. Personnel of the Investment Manager responsible for trading securities on behalf of the Sub-Fund and the Other Clients typically monitor the markets in which the Investment Manager trades in an effort to increase flexibility and efficiency of the Investment Manager's trading practices in order to maximize benefits for the Sub-Fund and the Other Clients.

Trade Error Policy

Consistent with its fiduciary duties, the Investment Manager's policy is to take the utmost care in making and implementing investment decisions for the Sub-Fund. In the event that a trade error is made on behalf of the Sub-Fund, the Investment Manager will, when possible, attempt to break or otherwise correct the trade as promptly as practicable.

4. INFORMATION ON THE FINANCIAL DERIVATIVE INSTRUMENTS

Swaps. These include credit default swaps, interest rate swaps, total return swaps, swaptions and currency swaps. The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. A seller receives a fixed rate of income throughout the term of the contract. An interest rate swap involves the exchange by the Sub-Fund with another party of their respective commitments to pay or receive cash flows. A total return swap is a bilateral financial contract, which allows the Sub-Fund to enjoy all of the cash flow benefits of an asset without actually owning this asset. A swaption is an option granting its owner the right but not the obligation to enter into an underlying swap. A currency swap is a foreign exchange agreement between two parties to exchange principal and fixed rate interest payments on a loan in one currency for principal and fixed rate interest payments on an equal loan in another currency.

Options. The Sub-Fund may also enter into options traded over-the-counter (or OTC options). Unlike exchange traded options, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC options are generally established through negotiation with the other party to the option contract. A call option on an investment is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. A put option is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option. Index put options may be purchased provided that all of the assets of the Sub-Fund, or a proportion of such assets which may not be less in value than the exercise value of the put option purchased, can reasonably be expected to behave in terms of price movement in the same manner as the options contract.

Futures and Options on Futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Forward Currency Exchange Contracts. The Sub-Fund may buy and sell currencies on a spot and forward basis. A forward currency exchange contract involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract.

5. INVESTMENT MANAGER

The Company has appointed the Investment Manager to manage the investment and re-investment of the assets of the Sub-Fund.

Established in 2000, the Investment Manager is an employee-owned investment firm investing in public and private equity primarily in the Asia Pacific region, Japan and the emerging markets. Headquartered at 888 Seventh Avenue, 26th Floor, New York, NY 10019 with offices in Tokyo, Hong Kong, London, San Francisco and Stamford, Indus has approximately 90 employees who represent over 10 different nationalities speaking over 20 different languages.

In the aggregate, among all its strategies, the Investment Manager manages approximately US$6.25 billion as of December 31, 2013. The firm's clients include institutional investors such as university endowments, foundations, public and private pensions, national government investment funds, family offices and financial institutions. The Investment Manager is registered as an investment advisor with the U.S. Securities and Exchange Commission. The Company has appointed the Investment Manager as investment manager for the Sub-Fund pursuant to an investment management agreement between the Company and the Investment Manager dated 4 January 2011 and amended from time to time (the "Agreement").

The Agreement provides that the Investment Manager shall be responsible for loss to the Company to the extent such loss is due to negligence (whether through an act or omission), wilful default or fraud by itself, its directors, officers, servants, employees, agents and appointees. The Investment Manager shall also be liable to the Company for contractual breach of the Agreement and for its tortuous conduct, breach of fiduciary duty and any misrepresentation made by or on behalf of the Investment Manager to the Company in connection with the Agreement. The Company shall indemnify and keep indemnified and hold harmless the Investment Manager from and against any and all actions, proceedings, claims, demands, losses, damages, costs and expenses directly or indirectly suffered or incurred by the Investment Manager as a consequence of any breach by the Company of any term of the Agreement.

The Agreement shall continue in force until terminated pursuant to the Agreement. Either party may terminate the Agreement on giving not less than three months' prior written notice (or such other period as may be agreed between the parties). The Agreement may be terminated at any time in the circumstances set out in the Agreement.

6. SUB-CUSTODIAN

Pursuant to an agreement dated 17 December 2010 (the "**Sub-Custody Agreement**"), the Custodian has appointed Morgan Stanley & Co. International plc ("**MSI plc**") as sub-custodian in relation to the Sub-Fund, subject to the overall supervision of the Custodian, and MSI plc may in such capacity hold certain assets of the Sub-Fund from time to time. Morgan Stanley & Co. International plc is a company incorporated with limited liability under the laws of England and Wales whose principal place of business for this agreement is at 25 Cabot Square, Canary Wharf, London E14 4QA ("**MSI plc**") and which is regulated by the Financial Services Authority in the UK.

The Sub-Custody Agreement may be terminated by either party on five days' written notice, or, where the ancillary services agreement is not terminated, with MSI plc's written permission or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach of the agreement. The Sub-Custody Agreement provides that the Company shall indemnify MSI plc pursuant to the terms of the Sub-Custody Agreement, and that MSI plc and its employees and officers will not be liable to the Custodian or the Company for any loss, cost, charge, fee, expense, damage or liability resulting from any act or omission made in connection with the Sub-Custody Agreement or the services provided hereunder save where such loss, cost, charge, fee, expense, damage or liability results directly from the negligence, wilful default or fraud of MSI plc or its employees or officers.

7. SERVICE PROVIDER

The Fund has appointed MSI plc (the **Service Provider**) to provide certain services to the Fund as Service Provider pursuant to a Services Agreement dated 5 January 2011 in respect of the Sub-Fund (the **Services Agreement**).

Under the Services Agreement, the Service Provider or certain other members of the Morgan Stanley Group of companies (the **Morgan Stanley Companies**) will provide services to the Fund including the provision to the Fund of settlement, clearing and foreign exchange facilities. The Fund may also utilise Morgan Stanley Companies and other brokers and dealers for the purposes of executing transactions for the Fund.

The Service Provider may also act as a counterparty for the purposes of OTC transactions.

Further detail in respect of the Services Agreement is set out in the section entitled **Other Information** below.

8. RISK MANAGER

Pursuant to a risk management agreement dated 26 August 2010, as amended (the "**Risk Management Agreement**"), Morgan Stanley & Co. International plc (the "**Promoter"**) has agreed to provide certain Sub-Funds of the Company, including the Sub-Fund, with risk management and compliance reporting services in accordance with the Risk Management Agreement and the risk management processes in respect of the Sub-Funds.

The Agreement provides that the Promoter shall not be liable for any loss, damage or expense (including, without limitation, reasonable legal counsel and professional fees and other costs and expenses incurred in connection with the defence of any claim, action or proceedings) directly suffered or incurred by the Company or the Sub-Fund arising directly out of any act or omission done or suffered by the Promoter (its directors, officers, servants, employees, delegates or sub-contractors) in the performance or non-performance of its duties thereunder, save for such loss, damage or expense as shall directly result from the negligence, bad faith, wilful default or fraud of the Promoter (its directors, officers, servants, employees, delegates or sub-contractors) in the performance or non-performance of its duties under this Agreement. In no circumstance shall the Promoter be liable for any indirect, special or consequential losses of the Company or the Sub-Fund or any other party arising from the performance or non-performance of its duties thereunder.

The Agreement shall continue in force until terminated pursuant to the Risk Management Agreement. Either party may terminate the Agreement on giving not less than 90 days' written notice at any time. The Agreement may also be terminated at any time in the circumstances set out in the Agreement.

9. BORROWING AND LEVERAGE

The Fund may borrow money in an amount up to 10% of its net assets at any time for the account of any Sub-Fund and the Custodian may charge the assets of the Sub-Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes.

The Sub-Fund will be leveraged through the use of FDI. In accordance with the requirements of the Central Bank, the Sub-Fund's risk management process aims to ensure that on any day the relative VaR of the Sub-Fund will not exceed 2 times the VaR of the Benchmark Index, which in this instance will be the MSCI (All Country) Asia Pacific Index (the "**Benchmark Index**"), using a one-tailed confidence interval of 99% and a holding period of one month.

10. RISK FACTORS

10.1 The risk factors set out in the section entitled **Risk Factors** in the Prospectus apply. Shareholders are urged to read section 16.11 of the Prospectus entitled **Emerging Markets** for information on the risks associated with investment in such markets.

The following additional risk factors also apply:

10.2 **Currency Risk**

The Base Currency of the Sub-Fund is US Dollar. Shareholders may subscribe in Euro, Pound Sterling or Swiss Franc into the EUR, GBP or CHF denominated Share classes respectively.

The EUR, CHF and GBP denominated Share classes are Currency Hedged Share Classes. Shareholders in the Currency Hedged Share Classes are urged to read the section of the Prospectus entitled **Hedged Share Classes** for information on the currency risks associated with investment in those Share classes.

10.3 Performance Fee – No Equalisation

The methodology used in calculating the performance fees in respect of the Sub-Fund 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 (as no equalisation methodology is employed in respect of the performance fee calculation).

10.4 Counterparty risk

The Sub-Fund will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Sub-Fund. This would include the counterparties to any FDI, repo or securities lending agreement that it enters into. Trading in FDI which have not been collateralised gives rise to direct counterparty exposure. The Sub-Fund mitigates much of its credit risk to its counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any FDI is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Sub-Fund. The Fund maintains an active oversight of counterparty exposure and the collateral management process in respect of the Sub-Fund.

11. DIVIDEND POLICY

It is not the intention of the Directors to declare a dividend in respect of any Share class. Any distributable profits will remain in the Sub-Fund's assets and be reflected in the Net Asset Value of the relevant class of Shares.

12. KEY INFORMATION FOR PURCHASING AND SELLING

Base Currency

US Dollar

Classes of Shares

Shares in the Sub-Fund will be available in eighteen different classes as follows:

Class	Currency Denomination	Currency Hedged Shares	Initial Issue Price per Share	Minimum Initial Subscription	Management Charge	Performance Fee	Minimum Subsequent Subscription /Minimum Repurchase Amount	Minimum Holding (Number of Shares)
Class A EUR Shares	Euro	Yes	€1000	€10,000	2.0%	20%	€1,000	10 Shares
Class A USD Shares	US Dollar	No	$1000	$10,000	2.0%	20%	$1,000	10 Shares
Class A GBP Shares	Pound Sterling	Yes	£1000	£10,000	2.0%	20%	£1,000	10 Shares
Class A CHF Shares	Swiss Francs	Yes	CHF 1000	CHF 10,000	2.0%	20%	CHF 1,000	10 Shares

Class B EUR Shares	Euro	Yes	€1000	€1,000,000	1.5%	20%	€10,000	1,000 Shares
Class B USD Shares	US Dollar	No	$1000	$1,000,000	1.5%	20%	$10,000	1,000 Shares
Class B GBP Shares	Pound Sterling	Yes	£1000	£1,000,000	1.5%	20%	£10,000	1,000 Shares
Class I EUR Shares	Euro	Yes	€1000	€1,000,000	1.5%	20%	€10,000	1,000 Shares
Class I USD Shares	US Dollar	No	$1000	$1,000,000	1.5%	20%	$10,000	1,000 Shares
Class I GBP Shares	Pound Sterling	Yes	£1000	£1,000,000	1.5%	20%	£10,000	1,000 Shares
Class I CHF Shares	Swiss Francs	Yes	CHF 1000	CHF 1,000,000	1.5%	20%	CHF 10,000	1,000 Shares
Class P EUR Shares	Euro	Yes	€1000	€250,000	1.5%	20%	€10,000	250 Shares
Class P USD Shares	US Dollar	No	$1000	$250,000	1.5%	20%	$10,000	250 Shares
Class P GBP Shares	Pound Sterling	Yes	£1000	£250,000	1.5%	20%	£10,000	250 Shares
Class P CHF Shares	Swiss Francs	Yes	CHF 1000	CHF 250,000	1.5%	20%	CHF 10,000	250 Shares
Class S EUR Shares	Euro	Yes	€1000	€50,000,000	1.25%	20%	€100,000	50,000 Shares
Class S USD Shares	US Dollar	Yes	$1000	$50,000,000	1.25%	20%	$100,000	50,000 Shares
Class E USD Shares	US Dollar	No	$1000	US$100,000	N/A	N/A	$50,000	N/A

The limits set out above may be raised, lowered or waived at the discretion of the Directors (or their delegate). Shareholders will be notified of any permanent change to the Minimum Initial Subscription Amount, the Minimum Subsequent Subscription Amount, the Minimum Holding and/or the Minimum Repurchase Amount. The Company has the power to redeem the remaining holding of any Shareholder who redeems his holding of Shares in any Share class to below the Minimum Holding.

The Class B EUR Shares, Class B USD Shares and Class B GBP Shares comprised the initial investor share classes and are no longer being offered.

Class E USD Shares are only available to investors who have agreed separate fee arrangements with the Investment Manager.

The EUR, GBP and CHF denominated Share classes are Currency Hedged Share Classes. In respect of the Currency Hedged Share Classes the Investment Manager will seek to hedge against the risk of currency movements between the Base Currency of the Sub-Fund and the currency in which the relevant Currency Hedged Share Class is denominated. Investors in EUR, GBP and CHF denominated Share classes are referred to the description and risks related to Hedged Share Classes in section 16.5 of the Prospectus.

Investors must subscribe into a Share class in the currency in which that Share class is denominated. Repurchase payments are also made in the currency in which the relevant Share class is denominated.

The Directors may, in their discretion, waive the minimum amounts above either generally or in relation to any specific subscription or repurchase.

Initial Offer Period

Class S EUR Shares, Class S USD Shares, Class B EUR Shares, Class B USD Shares, Class B GBP Shares, Class I EUR Shares, Class I GBP Shares, Class I USD Shares, Class A USD Shares and Class E USD Shares are issued at their Net Asset Value per Share on each Dealing Day.

The initial offer period for Class A EUR shares, Class A GBP Shares, Class P EUR Shares, Class P USD Shares and Class P GBP Shares shall be from 9.00 a.m. (Irish time) on 10 January 2011 until 2.00 p.m. (Irish time) on 31 July 2014 as may be shortened or extended by the Directors in accordance with the requirements of the Central Bank. Thereafter, these Share Classes will be issued at their Net Asset Value per Share on the relevant Dealing Day.

The initial offer period for Class A CHF, Class P CHF and Class I CHF Shares shall be from 9.00 a.m. (Irish time) on 6 August 2013 until 2.00 p.m. (Irish time) on 31 July 2014 as may be shortened or extended by the Directors in accordance with the requirements of the Central Bank. Thereafter, these Share Classes will be issued at their Net Asset Value per Share on the relevant Dealing Day.

Business Day

Every day (except legal public holidays in the United Kingdom and Ireland and days on which the stock markets in London are closed) during which banks in Ireland and the United Kingdom are open for normal business and such other day or days as the Directors may from time to time determine and notify in advance to Shareholders.

Dealing Day

Every Friday (except legal public holidays in the United Kingdom and Ireland and days on which the stock markets in London are closed) during which banks in Ireland and the United Kingdom are open for normal business and such other day or days as the Directors may from time to time determine and notify in advance to Shareholders, provided that in any event there shall be at least one Dealing Day per fortnight.

Dealing Deadline

12 midday Irish time two Business Days prior to the relevant Dealing Day.

The Directors may, in their discretion and on an exceptional basis only, waive the Dealing Deadline either generally or in relation to any specific subscription provided that applications are received prior to the Valuation Point for that particular Dealing Day.

Settlement Date

In the case of subscriptions, by 12 midday Irish time, 3 Business Days after the relevant Dealing Day.
In the case of repurchases, within 5 Business Days after the relevant Dealing Day.

In respect of subscriptions investors will be liable for any interest, losses or other costs incurred as a result of failing to settle an order within these time frames.

Valuation Point

In the case of transferable securities and listed FDI, the valuation point will be such time on a Dealing Day which reflects the close of business on the markets relevant to such assets and liabilities or such other time as the Directors may determine from time to time and notify to Shareholders. In the case of OTC FDI, the valuation point will be the close of business on the Dealing Day or such other time as the Directors may determine 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 the Dealing Deadline.

Redemption Gate

The provisions of section 19 of the Prospectus entitled **Repurchase of Shares** in respect of the ability of the Directors to refuse to redeem Shares in excess of 10% of the total number of Shares in the Sub-Fund or 10% of the Net Asset Value of the Sub-Fund where the total requests for repurchase on any Dealing Day exceed that amount shall only apply where the Net Asset Value of the Sub-Fund exceeds €200 million.

In the case of the Sub-Fund, where the Net Asset Value of the Sub-Fund remains less than €200 million, if total requests for repurchase on any Dealing Day exceed 25% of the total number of Shares in the Sub-Fund or 25% of the Net Asset Value of the Sub-Fund, the Directors may in their discretion refuse to redeem any Shares in excess of 25%. Any request for repurchase on such Dealing Day shall be reduced rateably and the repurchase requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been repurchased. With respect to any application received in respect of the initial Dealing Day, to the extent that subsequent applications shall be received in respect of following Dealing Days, such later applications shall be postponed in priority to the satisfaction of applications relating to the initial Dealing Day, but subject thereto shall be dealt with as set out in the preceding sentence.

Dilution Levy

Notwithstanding the provisions of the Prospectus, any dilution levy in respect of the Sub-Fund will only be imposed on an exceptional basis in the case of a severe dislocation of the markets in which the Sub-Fund invests which could impact dramatically the bid-offer spread of the underlying securities and therefore lead to higher costs in the purchase or sale of securities by the Sub-Fund at the expense of all remaining Shareholders. In such circumstances, the dilution levy to be imposed will not exceed 1% of the subscription or redemption proceeds, as applicable, on the relevant Dealing Day.

13. CHARGES AND EXPENSES

Initial and Repurchase Charges

With respect to Class A EUR Shares, Class A USD Shares, Class A GBP Shares and Class A CHF Shares, the Sub-Fund may on any Dealing Day require a Shareholder to pay an initial charge of up to 5% of the issue price of Shares of the relevant class on that Dealing Day. Any initial charge received by the Sub-Fund may be paid to the Distributor, or any sub-distributor or intermediary, who has the discretion to waive or rebate such charge.

With respect to Class P EUR Shares, Class P CHF Shares, Class P USD Shares and Class P GBP Shares, the Sub-Fund may on any Dealing Day require a Shareholder to pay an initial charge of up to 3% of the issue price of such Shares on that Dealing Day. Any initial charge received by the Sub-Fund may be paid to the Distributor, or any sub-distributor or intermediary, who has the discretion to waive or rebate such charge.

The Sub-Fund may on any Dealing Day require a Shareholder to pay a charge for the exchange of Shares of any class of up to 3% of the total repurchase price of the Shares of the Original Class on that Dealing Day.

No repurchase charge shall be payable in respect of the Shares.

The Sub-Fund may also impose an anti-dilution levy of or adjustment on repurchase of Shares as further described in the section of the Prospectus entitled **Issue and Repurchase Prices/Calculation of Net Asset Value/Valuation of Assets**.

Management Charge

The Company will pay to the Investment Manager from the assets attributable to each class of Shares of the Sub-Fund the following fees which are based on a percentage of net assets attributable to such class of Shares, which is accrued daily and paid monthly in arrears at an annual rate set out below:-

2.0% per Class A EUR Share, Class A USD Share, Class A GBP Share and Class A CHF Share (collectively the "**Class A Shares**")

1.5% per Class B EUR Share, Class B USD Share and Class B GBP Share (collectively the "**Class B Shares**")

1.5% per Class I EUR Share, Class I USD Share, Class I GBP Share and Class I CHF Share (collectively, the "**Class I Shares**")

1.5% per Class P EUR Share, Class P USD Share, Class P GBP Share and Class P CHF Share (collectively, the "**Class P Shares**")

1.25% per Class S EUR Share and Class S USD Share (collectively, the "**Class S Shares**")

No management fee is payable in respect of the Class E USD Shares.

Performance Fee

In addition to the Management Charge the Investment Manager is entitled to a performance fee (the "Performance Fee") in relation to the Class A Shares, the Class B Shares, the Class I Shares, the Class P Shares and the Class S Shares. If applicable, the Performance Fee will be paid out of the net assets attributable to the relevant Share Class. No Performance Fee is payable in respect of the Class E USD Shares.

The Performance Fee shall be calculated and shall accrue at each Valuation Day and the accrual will be reflected in the Net Asset Value per Share of the relevant Share Class. The Performance Fee will be paid annually in arrears as soon as practicable after the close of business on the Business Day following the end of the relevant Performance Period.

The Performance Fee shall be calculated in respect of each period of twelve months beginning on 1 January and ending on the following 31 December (a "**Performance Period**").

The Performance Fee for each Performance Period shall be equal to 20% of the amount, if any, by which the Net Asset Value of the relevant Share Class exceeds the Base Net Asset Value of such Share Class on the last Business Day of the Performance Period.

"Base Net Asset Value" means in respect of the initial Performance Period for a Share Class the Initial Offer Price of the relevant Share Class multiplied by the number of Shares of such Share Class issued during the Initial Offer Period, increased or decreased on each Dealing Day by the value of any subscriptions or redemptions of Shares which have taken place since the Initial Offer Period. For each subsequent Performance Period for a Share Class the "Base Net Asset Value" means either (i) where a Performance Fee was payable in respect of the prior Performance Period, the Net Asset Value per Share of the relevant Share Class at the beginning of the Performance Period multiplied by the number of Shares of such Share Class in issue at the beginning of such Performance Period, increased or decreased on each Dealing Day by the value of any subscriptions or redemptions of Shares which have taken place since the beginning of such Performance Period; or (ii) where no Performance Fee was payable in respect of the prior Performance Period, the Base Net Asset Value of the relevant Share Class at the end of the prior Performance Period, increased or decreased on each Dealing Day by the value of any subscriptions or redemptions of Shares which have taken place since the beginning of such Performance Period. Accordingly, no Performance Fee will be payable in respect of a Share Class unless it has exceeded the highest Net Asset Value per Share at which a Performance Fee was last paid adjusted for subscriptions and redemptions during the period, or the issue price of that Share Class adjusted for subscriptions and redemptions during the period, whichever is higher.

In addition, the Performance Fee with respect to any redemptions of Shares during the Performance Period will crystallise and become payable within 14 days of redemption date.

The Performance Fee shall be calculated by the Administrator and verified by the Custodian.

If the Investment Management Agreement is terminated, the fees due to the Investment Manager shall be calculated on the basis of a Performance Period ending on the last day on which the Investment Management Agreement is in effect, subject to a pro rata adjustment based on the number of days elapsed in the current Performance Period as a percentage of the total number of days in the Performance Period.

The Directors may, with the consent of the Investment Manager, waive or reduce any portion of the Performance Fee.

For the avoidance of doubt, the calculation of any Performance Fee shall include all income and net realised and unrealised gains and losses. Investors shall note that Performance Fees may be paid on unrealised gains, which may subsequently never be realised.

Risk Management, Administrator's and Custodian's Fees

The Company will pay the Promoter, out of the assets of the Sub-Fund, a fee, which will not exceed 0.40% per annum of the net assets of the Sub-Fund and will be accrued daily and paid monthly in arrears.

The Promoter will, inter alia, pay the fees and expenses of the Administrator and Custodian in full out of this fee and will be entitled to retain any excess after payment of such fees for risk management services provider by the Promoter.

Notwithstanding the above, any transaction charges, reasonable fees and customary agents' charges due to any sub-custodian (which shall be charged at normal commercial rates) together with value added tax, if any, thereon, shall be paid out of the assets of the Sub-Fund or, if paid by the Custodian, shall be reimbursed to the Custodian out of the assets of the Sub-Fund.

Ongoing Charges and Expenses

The additional charges and expenses specified in the section entitled **Ongoing Charges and Expenses** in the Prospectus will, save in respect of the fees of the Distributor, be paid out of the assets of the Sub-Fund.

14. HOW TO SUBSCRIBE FOR SHARES

Requests for the purchase of Shares should be made in accordance with the provisions set out in the section entitled **Applications for Shares** in the Prospectus.

15. HOW TO REPURCHASE SHARES

Requests for the sale of Shares should be made in accordance with the provisions set out in the section entitled **Repurchase of Shares** in the Prospectus.

16. HOW TO EXCHANGE SHARES

Requests for the exchange of Shares should be made in accordance with the provisions set out in the section entitled **Exchange of Shares** in the Prospectus.

17. ESTABLISHMENT CHARGES AND EXPENSES

The cost and expenses of establishing the Sub-Fund will be paid by Morgan Stanley & Co International plc.

18. OTHER CHARGES AND EXPENSES

Further details of charges and expenses payable out of the assets of the Sub-Fund are set out in the Prospectus under the headings **Management Charges and Expenses** and **General Charges and Expenses.**

19. OTHER INFORMATION

As at the date of this Supplement there are twenty-two other sub-funds of the Fund currently in existence, Emerging Markets Equity Fund, Salar Convertible Absolute Return Fund, MS PSAM Global Event UCITS Fund, Indus Select Asia Pacific Fund, MS Algebris Global Financials UCITS Fund, MS Ascend UCITS Fund, MS SOAM U.S. Financial Services UCITS Fund, MS Cohen & Steers Global Real Estate L/S Fund, MS Alkeon UCITS Fund, MS Perella Weinberg Partners Tōkum Long/Short Healthcare UCITS Fund, RiverCrest European Equity Alpha Fund, MS Claritas Long Short Market Neutral UCITS Fund, MS SLJ Macro UCITS Fund, MS QTI UCITS Fund, MS Turner Spectrum UCITS Fund, MS Short Term Trends UCITS Fund, MS Long Term Trends UCITS Fund, MS Discretionary Plus UCITS Fund, MS Swiss Life Multi Asset Protected Fund; MS Dalton Asia Pacific UCITS Fund, MS Broadmark Tactical Plus UCITS Fund and MS TCW Unconstrained Plus Bond Fund.

Services Agreement

Pursuant to the Services Agreement, neither the Service Provider nor any Morgan Stanley Company nor their employees or officers will be liable for any loss, cost, charge, fee, expense, damage or liability resulting from any act or omission made in connection with the Services Agreement or the services provided thereunder. In particular, but without limitation, the Service Provider will not be liable for any loss of, or any failure to insure, investments, or for the quality, quantity, condition or delivery of investments or the correctness, validity, sufficiency or genuineness of any of the documents relating to investments. This exclusion does not apply where such loss results directly from the negligence, wilful default or fraud of the Service Provider or any Morgan Stanley Company or their employees or officers.

The Service Provider or any Morgan Stanley Company or their employees or officers will not in any circumstances be liable for any consequential loss, damage or liability regardless of whether it is aware of the likelihood of such loss, damage or liability. The Company will fully indemnify the Service Provider or any Morgan Stanley Company or their employees or officers on demand against any and all claims which the Service Provider or any Morgan Stanley Company or their employees or officers may suffer or incur directly or indirectly (including those incurred to a sub-custodian, broker, executing broker, exchange, clearing house or other regulatory authority) as a result, or in connection with, or arising out of the Services Agreement, related documents, related transactions and any other matters set out in the Services Agreement. This indemnity will not extend to the Service Provider or any Morgan Stanley Company or their employees or officers in so far as the claims suffered by the same are a direct result of its fraud, wilful default, negligence, breach of applicable law or regulation (other than where the breach of law or regulation arises as a result of the indemnified person taking any action or inaction on the instructions of the Company or its agents or as a result of the failure by the Company to take any action required to be taken by it under applicable law or regulation).

As security for the payment and discharge of all liabilities of the Company to the Service Provider and the Morgan Stanley Companies, all investments and cash held by the Service Provider and each such Morgan Stanley Company will be charged by the Company in their favour and will therefore constitute collateral for the purposes of the rules of the Financial Services Authority (the **FSA**). Investments and cash may also be deposited by the Company with the Service Provider and other Morgan Stanley Companies as margin and will also constitute collateral for the purposes of the FSA rules. Investments which constitute collateral for the purposes of the FSA rules may not be segregated from the Service Provider's own investments and may be available to creditors of the Service Provider or the Morgan Stanley Companies. Cash which the Company transfers to the Service Provider will, subject to the terms of the Agreement, be client money for the purposes of the FSA Rules and will therefore be subject to the client money protections conferred by the FSA Rules.

Either party may terminate the Services Agreement by giving at least five Business Days' prior written notice. The Service Provider may terminate the Services Agreement with immediate effect if it determines in its discretion that it has become unlawful under any applicable law for the Service Provider or the Morgan Stanley Companies, or the Company to perform of any or all of its respective obligations thereunder.