LEGG MASON
GLOBAL ASSET MANAGEMENT

Prospectus

Legg Mason
Alternative Funds ICAV

An Irish collective asset-management vehicle with variable capital having registration number C139549 and established as an umbrella fund with segregated liability between sub-funds

16 March 2020

The Directors of the ICAV whose names appear on page 7 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 import of such information.

IMPORTANT INFORMATION

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION ABOUT THE ICAV AND THE FUNDS AND SHOULD BE READ CAREFULLY BEFORE INVESTING. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR BROKER, INTERMEDIARY, BANK MANAGER, LEGAL ADVISER, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

Certain terms used in this Prospectus are defined under the "Definitions" section herein.

CENTRAL BANK AUTHORISATION

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

INVESTMENT RISKS

There can be no assurance that the Funds will achieve their investment objectives. **It should be noted that the value of Shares may go down as well as up.** Investing in a Fund involves investment risks, including possible loss of the amount invested. The capital return and income of a Fund are based on the capital appreciation and income on its investments, less expenses incurred. Therefore, the Funds' returns may be expected to fluctuate in response to changes in such capital appreciation or income. **An investment in the Funds should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. In view of the fact that a commission of up to 5 per cent of the subscription monies may be payable on subscriptions for Class A Shares and of up to 2.5 per cent of the subscription monies may be payable on subscriptions for Class E Shares and that a dilution adjustment may be applied to all Share Classes of all Funds, an investment in such Shares should be regarded as a medium- to long-term investment. It should also be noted that the Distributing Plus (e) Share Classes, which are offered by certain Funds, may charge certain fees and expenses to capital rather than income, and there is an increased risk that investors in these Share Classes may not receive back the full amount invested when redeeming their holding. It should also be noted that the Distributing Plus Share Classes, which are offered by certain Funds, may distribute capital, and there is an increased risk that capital will be eroded and the distribution will be achieved by forgoing the potential for future capital growth of the investment of the Shareholders of these Share Classes as a result. The value of future returns in such Share Classes may also be diminished. This cycle may continue until all capital is depleted.** Investors' attention is drawn to the specific risk factors set out in the section herein entitled "Risk Factors".

SELLING RESTRICTIONS

GENERAL:

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

THE UNITED STATES OF AMERICA:

THE SHARES HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933 (THE "1933 ACT"), AND THE ICAV HAS NOT BEEN REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940 (THE "1940 ACT"). THE SHARES MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED DIRECTLY OR INDIRECTLY, IN THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS OR TO US PERSONS. THE SHARES MAY ONLY BE OFFERED AND SOLD TO NON-UNITED STATES PERSONS.

NOTICE TO RESIDENTS OF ARGENTINA:

THE SHARES OF THE FUNDS OFFERED HEREIN HAVE NOT BEEN SUBMITTED TO THE COMISIÓN NACIONAL DE VALORES ("CNV") FOR APPROVAL. ACCORDINGLY, THE SHARES MAY NOT BE OFFERED OR SOLD TO THE PUBLIC IN ARGENTINA. THIS PROSPECTUS (AND ANY INFORMATION CONTAINED HEREIN) MAY NOT

BE USED OR SUPPLIED TO THE PUBLIC IN CONNECTION WITH ANY PUBLIC OFFER OR SALE OF SHARES IN ARGENTINA.

NOTICE TO RESIDENTS OF BRAZIL:

THE SHARES OFFERED HEREIN MAY NOT BE OFFERED OR SOLD TO THE PUBLIC IN BRAZIL. ACCORDINGLY, THIS OFFERING OF SHARES HAS NOT BEEN SUBMITTED TO THE COMISSAO DE VALORES MOBILIÁRIOS ("CVM") FOR APPROVAL. DOCUMENTS RELATING TO SUCH OFFERING, AS WELL AS THE INFORMATION CONTAINED HEREIN AND THEREIN MAY NOT BE SUPPLIED TO THE PUBLIC, AS A PUBLIC OFFERING TO THE PUBLIC OR BE USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE TO THE PUBLIC IN BRAZIL.

NOTICE TO RESIDENTS OF CHILE:

NEITHER THE FUNDS NOR THE SHARES HAVE BEEN REGISTERED WITH THE SUPERINTENDENCIA DE VALORES Y SEGUROS PURSUANT TO LAW NO. 18.045, THE LEY DE MERCADO DE VALORES, AND REGULATIONS THEREUNDER. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE, THE SHARES IN THE REPUBLIC OF CHILE, OTHER THAN TO INDIVIDUALLY IDENTIFIED BUYERS PURSUANT TO A PRIVATE OFFERING WITHIN THE MEANING OF ARTICLE 4 OF THE LEY DE MERCADO DE VALORES (AN OFFER THAT IS NOT ADDRESSED TO THE PUBLIC AT LARGE OR TO A CERTAIN SECTOR OR SPECIFIC GROUP OF THE PUBLIC).

NOTICE TO RESIDENTS OF MEXICO:

THE SHARES OFFERED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE NATIONAL REGISTRY OF SECURITIES, MAINTAINED BY THE MEXICAN NATIONAL BANKING COMMISSION AND, AS A RESULT, MAY NOT BE OFFERED OR SOLD PUBLICLY IN MEXICO. THE FUNDS AND ANY DEALER MAY OFFER AND SELL THE SHARES IN MEXICO, TO INSTITUTIONAL AND ACCREDITED INVESTORS, ON A PRIVATE PLACEMENT BASIS, PURSUANT TO ARTICLE 8 OF THE MEXICAN SECURITIES MARKET LAW.

NOTICE TO RESIDENTS OF SINGAPORE:

CERTAIN FUNDS OF THE ICAV (THE "RESTRICTED FUNDS") HAVE BEEN ENTERED INTO THE LIST OF RESTRICTED SCHEMES MAINTAINED BY THE MONETARY AUTHORITY OF SINGAPORE (THE "MAS") FOR THE PURPOSES OF RESTRICTED OFFER IN SINGAPORE PURSUANT TO SECTION 305 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE "SFA"). THE LIST OF RESTRICTED FUNDS MAY BE ACCESSED AT: HTTPS://ESERVICES.MAS.GOV.SG/CISNETPORTAL/JSP/LIST.JSP OR AT SUCH OTHER WEBSITE AS MAY BE DIRECTED BY THE MAS.

IN ADDITION, CERTAIN FUNDS (WHICH MAY INCLUDE RESTRICTED FUNDS) HAVE BEEN RECOGNISED IN SINGAPORE FOR OFFER TO THE RETAIL PUBLIC (THE "RECOGNISED FUNDS"). PLEASE REFER TO THE SINGAPORE PROSPECTUS REGISTERED BY THE MAS RELATING TO THE RECOGNISED FUNDS (THE "SINGAPORE RETAIL PROSPECTUS") FOR THE LIST OF FUNDS WHICH ARE RECOGNISED FUNDS. THE SINGAPORE RETAIL PROSPECTUS MAY BE OBTAINED FROM THE RELEVANT APPOINTED DISTRIBUTORS.

THIS PROSPECTUS RELATES SOLELY TO THE RESTRICTED OFFER OR INVITATION OF THE SHARES OF THE RESTRICTED FUNDS. SAVE FOR THE RESTRICTED FUNDS WHICH ARE ALSO RECOGNISED FUNDS, THE RESTRICTED FUNDS ARE NOT AUTHORISED UNDER SECTION 286 OF THE SFA OR RECOGNISED UNDER SECTION 287 OF THE SFA BY THE MAS AND SHARES OF THE RESTRICTED FUNDS ARE NOT ALLOWED TO BE OFFERED TO THE RETAIL PUBLIC.

THIS PROSPECTUS AND ANY OTHER DOCUMENT OR MATERIAL ISSUED TO YOU IN CONNECTION WITH THE RESTRICTED OFFER OR SALE OF THE RESTRICTED FUNDS IS NOT A PROSPECTUS AS DEFINED IN THE SFA. ACCORDINGLY, STATUTORY LIABILITY UNDER THE SFA IN RELATION TO THE CONTENT OF PROSPECTUSES DOES NOT APPLY. YOU SHOULD CONSIDER CAREFULLY WHETHER THE INVESTMENT IS SUITABLE FOR YOU.

THIS PROSPECTUS HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MAS. ACCORDINGLY, THIS PROSPECTUS AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE RESTRICTED OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF SHARES OF THE RESTRICTED FUNDS MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY SHARES OF THE RESTRICTED FUNDS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE PURSUANT TO THIS PROSPECTUS, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE

OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 304 OF THE SFA; (II) TO A RELEVANT PERSON PURSUANT TO SECTION 305(1), OR ANY PERSON PURSUANT TO SECTION 305(2), AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 305, OF THE SFA, OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA. ANY RESTRICTED OFFER OF A RECOGNISED FUND MADE TO YOU PURSUANT TO THIS PROSPECTUS IS MADE UNDER AND IN RELIANCE ON SECTION 304 OR SECTION 305 OF THE SFA, UNLESS OTHERWISE NOTIFIED TO YOU IN WRITING.

WHERE SHARES ARE SUBSCRIBED OR PURCHASED UNDER SECTION 305 OF THE SFA BY A RELEVANT PERSON WHICH IS:

- **(A) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR**
- **(B) A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR,**

SECURITIES (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN SIX MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE SHARES PURSUANT TO AN OFFER MADE UNDER SECTION 305 OF THE SFA EXCEPT:

- **(1) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON DEFINED IN SECTION 305(5) OF THE SFA, OR TO ANY PERSON ARISING FROM AN OFFER REFERRED TO IN SECTION 275(1A) OR SECTION 305A(3)(I)(B) OF THE SFA;**
- **(2) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;**
- **(3) WHERE THE TRANSFER IS BY OPERATION OF LAW;**
- **(4) AS SPECIFIED IN SECTION 305A(5) OF THE SFA; OR**
- **(5) AS SPECIFIED IN REGULATION 36 OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (COLLECTIVE INVESTMENT SCHEMES) REGULATIONS 2005 OF SINGAPORE.**

IMPORTANT INFORMATION FOR RESIDENTS OF SINGAPORE

1. **THE OFFER OR INVITATION OF SHARES IS REGULATED BY THE CENTRAL BANK OF IRELAND UNDER THE EUROPEAN COMMUNITIES (UNDERTAKINGS FOR COLLECTIVE INVESTMENT IN TRANSFERABLE SECURITIES) REGULATIONS 2011 AS AMENDED AND ANY RULES FROM TIME TO TIME ADOPTED BY THE CENTRAL BANK OF IRELAND PURSUANT THERETO. THE CONTACT DETAILS OF THE CENTRAL BANK OF IRELAND ARE AS FOLLOWS:**

   ADDRESS: CENTRAL BANK OF IRELAND, NEW WAPPING STREET, NORTH WALL QUAY, DUBLIN 1, IRELAND
   TELEPHONE NO.: +353 1 224 6000
   FACSIMILE NO.: +353 1 671 6561

   LEGG MASON INVESTMENTS (IRELAND) LIMITED IS INCORPORATED IN IRELAND AND REGULATED BY THE CENTRAL BANK OF IRELAND. THE CONTACT DETAILS OF THE CENTRAL BANK OF IRELAND ARE SET OUT ABOVE UNDER PARAGRAPH 1.
2. **STATE STREET CUSTODIAL SERVICES (IRELAND) LIMITED, BEING THE DEPOSITARY OF THE FUNDS, INCLUDING THE RESTRICTED FUNDS, IS INCORPORATED IN IRELAND AND REGULATED BY THE CENTRAL BANK OF IRELAND.**

3. **INFORMATION ON THE PAST PERFORMANCE OF THE RESTRICTED FUNDS, WHEN AVAILABLE, MAY BE OBTAINED FROM LEGG MASON ASSET MANAGEMENT SINGAPORE PTE. LIMITED.**

PLEASE NOTE THAT FUNDS OTHER THAN THE RESTRICTED FUNDS ARE NOT AVAILABLE TO INVESTORS IN SINGAPORE PURSUANT TO THIS PROSPECTUS AND REFERENCES TO SUCH FUNDS IN THIS PROSPECTUS

ARE NOT AND SHOULD NOT BE CONSTRUED AS AN OFFER OF SHARES OF SUCH FUNDS IN SINGAPORE PURSUANT TO THIS PROSPECTUS.

NOTICE TO RESIDENTS OF URUGUAY:

THE OFFERING OF SHARES OF THE FUNDS CONSTITUTES A PRIVATE PLACEMENT, AND THE SHARES WILL NOT BE REGISTERED WITH THE CENTRAL BANK OF URUGUAY. THE SHARES BEING DISTRIBUTED CORRESPOND TO THE INVESTMENT FUNDS THAT ARE NOT INVESTMENT FUNDS REGULATED BY URUGUAYAN LAW 16,674 DATED SEPTEMBER 27, 1996, AS AMENDED.

NOTICE TO RESIDENTS OF VENEZUELA:

UNDER THE LAWS OF THE REPÚBLICA BOLIVARIANA DE VENEZUELA, NO PUBLIC OFFER OF THE SECURITIES DESCRIBED IN THIS PROSPECTUS MAY TAKE PLACE WITHOUT THE PRIOR APPROVAL OF THE NATIONAL SECURITIES COMMISSION IN VENEZUELA. THIS PROSPECTUS MAY NOT BE PUBLICLY DISTRIBUTED WITHIN THE TERRITORY OF THE REPÚBLICA BOLIVARIANA DE VENEZUELA.

MARKETING RULES

Shares are offered only on the basis of the information contained in the current Prospectus, the latest audited annual accounts of the ICAV and the latest half-yearly report of the ICAV.

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

This Prospectus may be translated into other languages provided that any such translation shall be a direct translation of the English text. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of Ireland. A country supplement, meaning a document used specifically for the offering of Shares of one or more Funds in a particular jurisdiction, may be available for certain jurisdictions where the Funds are offered for sale. **Each such country supplement shall form part of, and should be read in conjunction with, this Prospectus.** This Prospectus should be read in its entirety before making an application for Shares.

TABLE OF CONTENTS

IMPORTANT INFORMATION 1
DIRECTORY 7
DEFINITIONS 9
THE ICAV 16
THE FUNDS 16
Investment Objectives and Policies 16
Investment Restrictions 16
Adherence to Investment Objectives and Policies 17
Regulated Markets 17
Investment Techniques and Instruments and Financial Derivative Instruments 17
RISK FACTORS 22
BUYING, SELLING, SWITCHING AND CONVERTING SHARES 42
Types of Shares 42
Distributions 44
Initial Offer Period and Initial Offer Price 45
Subscription Price 45
Minimum Subscription Amounts 45
Subscription Procedures 45
Order Acceptance 46
Data Protection Notice 47
Contract Notes and Certificates 48
Redemption Procedures 48
Mandatory Redemption of Shares and Forfeiture of Dividend 49
Umbrella Cash Accounts 49
Transfers of Shares 50
Exchanges of Shares 50
Publication of the Price of the Shares 51
Disclosure of Portfolio Information 51
Settlement Procedures 51
Determination of Net Asset Value 52
Temporary Suspension of Valuation of the Shares and Sales and Redemptions 53
FEES AND EXPENSES 53
Management Fees and Distribution Fees 54
Performance Fee 55
Shareholder Services Fee 55
Administration Fee 55
Depositary Fee 55
Currency Administration Fee 55
Initial Charge and Other Fees or Expenses 55
MANAGEMENT AND ADMINISTRATION 56
The Board of Directors 56
The Manager 57
The Administrator 58
The Depositary 59
The Shareholder Servicing Agents 60
The Distributors 60
The Currency Administrator 61

TAXATION 61
Irish Tax Considerations 61
Automatic Exchange of Information 67
US Federal Income Tax Considerations 68
Other Tax Considerations 70
GENERAL 70
Conflicts of Interest and Best Execution 70
The Share Capital 72
The Funds and Segregation of Liability 72
Remuneration Policy of the Manager 73
Minimum Viable Size 74
Termination 74
Meetings 75
Reports 75
Complaints 75
Miscellaneous 75
Material Contracts 75
Supply and Inspection of Documents 76
SCHEDULE I 77
SCHEDULE II 80
SCHEDULE III 82
SCHEDULE IV 85
SCHEDULE V 87
SCHEDULE VI 88
SCHEDULE VII 90

Enclosures: Supplements, Application Form and Declaration Form

DIRECTORY

LEGG MASON ALTERNATIVE FUNDS ICAV

MANAGER AND PROMOTER

Legg Mason Investments (Ireland) Limited

6th Floor, Building Three
Number One Ballsbridge
126 Pembroke Road
Dublin 4
Ireland

BOARD OF DIRECTORS OF THE MANAGER

Joseph Carrier
Anita Connolly
Fionnuala Doris
Justin Eede
Joseph Keane
Penelope Kyle
Jaspal Sagger
Joseph LaRocque
Jane Trust

BOARD OF DIRECTORS OF THE ICAV

Joseph Carrier
Fionnuala Doris
Joseph Keane
Joseph LaRocque
Victoria Rock
Jaspal Sagger
Jane Trust

REGISTERED OFFICE OF THE ICAV

10 Earlsfort Terrace
Dublin 2
Ireland

DEPOSITARY

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

ADMINISTRATOR

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

INVESTMENT MANAGERS

See the Fund Supplement for each Fund

DISTRIBUTORS AND SHAREHOLDER SERVICING AGENTS

See the Fund Supplement for each Fund

AUDITORS

PricewaterhouseCoopers
Chartered Accountants &
Registered Auditors
One Spencer Dock
North Wall Quay
Dublin 1, Ireland

LEGAL ADVISERS

Arthur Cox
10 Earlsfort Terrace
Dublin 2, Ireland

DEFINITIONS

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

"1933 Act" means the US Securities Act of 1933, as amended;

"1940 Act" means the US Investment Company Act of 1940, as amended;

"Accumulating Share Classes" means any Share Class that includes the term "Accumulating" in its name;

"Administrator" means State Street Fund Services (Ireland) Limited;

"Administration Agreement" means the agreement dated 21 December 2018 between the ICAV, the Manager and the Administrator, and any subsequent amendments thereto, pursuant to which the latter was appointed administrator of the ICAV;

"AUD" means Australian Dollars, the lawful currency of Australia;

"Base Currency" means the base currency of a Fund as specified in the relevant Fund Supplement;

"Base Prospectus" means this document, which should be read in conjunction with the Fund Supplements;

"Business Day" any such days as set out in the relevant Fund Supplement or such other day(s) as the Directors may determine;

"Benchmarks Regulation" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014;

"CAD" means Canadian Dollars, the lawful currency of Canada;

"CHF" means Swiss Francs, the lawful currency of Switzerland;

"China" means the People's Republic of China;

"Central Bank" means the Central Bank of Ireland or any successor regulatory authority with responsibility for the authorisation and supervision of the ICAV;

"Central Bank Act" means the Central Bank (Supervision and Enforcement) Act 2013, as such may be amended, supplemented or replaced from time to time;

"Central Bank Regulations" means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019, as may be amended from time to time;

"Central Bank Rules" means the UCITS Regulations, Central Bank Regulations and any regulations, guidance and conditions issued by the Central Bank from time to time pursuant to the UCITS Regulations, the Central Bank Regulations and/or the Central Bank Act regarding the regulation of undertakings for collective investment in transferable securities, as such may be amended, supplemented or replaced from time to time;

"CFTC" means the U.S. Commodity Futures Trading Commission;

"Class" or "Share Class" means any class of Shares of the ICAV offered or described in the Prospectus, including each of the Class A Share Classes, Class E Share Classes, Class F Share Classes, Class X Share Classes, Class R Share Classes, S Class Shares and Premier Class Shares.

"CNH" means the offshore renminbi;

"Code" means the US Internal Revenue Code of 1986, as amended;

"Credit Institution" means an undertaking the business of which is to take deposits or other repayable funds from the public and to grant credits for its own account as defined in point (1) of article 4(1) of Regulation (EU) No 575/2013;

"Currency Administrator" means State Street Bank Europe Limited;

"Data Protection Legislation" means the Irish Data Protection Act, 1988 and 2003, the EU Data Protection Directive 95/46/EC, the EU ePrivacy Directive 2002/58/EC (as amended) and any relevant transposition of, or successor or replacement to, those laws (including, when they come into force, the General Data Protection Regulation (Regulation (EU) 2016/679) and the successor to the ePrivacy Directive;

"Dealer" means an authorised dealer or sub-distributor of Shares of one or more of the Funds;

"Dealing Day" in respect of each class of Shares such Business Day or Business Days as are specified as a Dealing Day in the relevant Fund Supplement, provided that there shall be at least two Dealing Days per month for each Fund;

"Dealing Deadline" means such day and time as specified in the relevant Fund Supplement;

"Depositary" means State Street Custodial Services (Ireland) Limited;

"Depositary Agreement" means the agreement dated 21 December 2018 between the ICAV, the Manager and the Depositary, and any subsequent amendments or novations thereto, pursuant to which the latter was appointed depositary of the ICAV;

"Developed Country" means any country that is not an Emerging Market Country:

"Directive" means the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as amended by Directive 2014/91/EU of 23 July 2014 (UCITS V);

"Directors" means the directors of the ICAV for the time being and any duly constituted committee thereof;

"Distribution Agreement" means the agreement dated 21 December 2018 between the ICAV, the Manager and LMIS and any amendments thereto, pursuant to which the latter was appointed as a Distributor of the Funds;

"Distributing Share Classes" means any Share Class that includes the term "Distributing" in its name;

"Distributor(s)" means LMIS, LMI Europe, LM Hong Kong, LM Singapore and/or EnTrust Global Ltd., as the context may require, and such other person or persons appointed by LMIS as a delegate distributor as set out in the Fund Supplement for the relevant Fund;

"EEA" means the European Economic Area;

"Eligible Collective Investment Schemes" means schemes established in Member States which are authorised under the Directive and/or any of the following open-ended collective investment schemes:

(a) schemes established in Guernsey and authorised as Class A Schemes;

(b) schemes established in Jersey as Recognised Funds;

(c) schemes established in the Isle of Man as Authorised Schemes;

(d) alternative investment funds authorised by the Central Bank provided such schemes comply in all material respects with the provisions of the Central Bank Rules;

(e) alternative investment funds authorised in the EU, the EEA, the U.S., Jersey, Guernsey or the Isle of Man and which comply, in all material respects, with the provisions of the Central Bank Rules; and

(f) such other schemes as may be permitted by the Central Bank and set out in this Base Prospectus.

"Emerging Market Country" means any country in which, at the time of purchase of securities, the per capita income is in the low to upper middle ranges, as determined by the World Bank;

"ETF" means exchange traded fund;

"EU" means the European Union;

"Euro" or **"E"** or **"€"** means the euro;

"FATCA" or "Foreign Account Tax Compliance Act" means sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, and any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of these Sections of the Code;

"FDI" means financial derivative instruments;

"FHLMC" means the Federal Home Loan Mortgage Corporation;

"Financial Account" means a **"Financial Account"** as used in the Irish IGA;

"FINRA" means the U.S. Financial Industry Regulatory Authority;

"FINRA Rules" means the rules of FINRA, as the same may be amended from time to time;

"FNMA" means the Federal National Mortgage Association;

"Fund" means a portfolio of assets which is invested in accordance with the investment objective and policies as set out in the relevant Fund Supplement and to which all liabilities, income and expenditure attributable or allocated to such fund shall be applied and charged and "Funds" means all or some of the Funds as the context requires or any other funds as may be established by the ICAV from time to time with the prior approval of the Central Bank. As at the date of this Prospectus, the ICAV has obtained approval from the Central Bank of the EnTrust Global Alternative Income Strategy;

"Fund Supplement" means a supplemental prospectus to this Base Prospectus which contains specific information in relation to the individual Funds approved by the Central Bank from time to time;

"GBP" or "Pound Sterling" means Pound Sterling, the lawful currency of the United Kingdom;

"GNMA" means the Government National Mortgage Association;

"Hedged Share Class" means any Share Class with the term "(Hedged)" in its name;

"HKD" means Hong Kong Dollars, the lawful currency of Hong Kong;

"ICAV" means Legg Mason Alternative Funds ICAV, an Irish collective asset-management vehicle with variable capital established pursuant to the ICAV Act and the UCITS Regulations;

"ICAV Act" means the Irish Collective Asset-Management Vehicles Act 2015, as may be amended, supplemented or replaced from time to time, including any regulations made by ministerial order thereunder and any conditions imposed thereunder by the Central Bank;

"Initial Offer Price" means the price per Share at which Shares are initially offered in a Fund during the Initial Offer Period as specified in the relevant Fund Supplement;

"Initial Offer Period" means the period during which Shares in a Fund are first offered for subscription at the Initial Offer Price as specified in the relevant Fund Supplement or on such other date or dates as the Directors may determine, in accordance with the requirements of the Central Bank;

"Instrument of Incorporation" means the instrument of incorporation of the ICAV as may be amended from time in accordance with the requirements of the Central Bank;

"Investment Grade" in reference to a security means that the security has a rating of BBB- or higher from S&P or Baa3 or higher from Moody's or the equivalent or higher from another NRSRO;

"Investment Manager" means the investment manager of a Fund as set out in the relevant Fund Supplement;

"Investment Management Agreement" means the agreement between the Manager and Investment Manager and any subsequent amendments thereto as set out in the relevant Fund Supplement;

"Investor Money Regulations" means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers;

"Irish IGA" means the intergovernmental agreement signed in December 2012 between Ireland and the US facilitating the implementation of FATCA;

"Irish Resident" means, unless otherwise determined by the Directors, any person who is Ordinarily Resident in Ireland or Resident in Ireland, as defined in the "Taxation" section of the Prospectus;

"IRS" means the US Internal Revenue Service;

"JPY" or "Japanese Yen" means Japanese Yen, the lawful currency of Japan;

"KRW" means Korean Won, the lawful currency of South Korea;

"Legg Mason" means Legg Mason, Inc.;

"LM Hong Kong" means Legg Mason Asset Management Hong Kong Limited;

"LMI Europe" means Legg Mason Investments (Europe) Limited;

"LMIS" means Legg Mason Investor Services, LLC;

"LM Singapore" means Legg Mason Asset Management Singapore Pte. Limited;

"Manager" means Legg Mason Investments (Ireland) Limited;

"Management Agreement" means the management agreement dated 21 December 2018 between the ICAV and the Manager, pursuant to which the Manager was appointed as manager of the ICAV;

"Member State" means a member state of the EU;

"MiFID II" means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended from time to time;

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

"Moody's" means Moody's Investors' Services, Inc., the rating agency;

"NASDAQ" means the market regulated by the National Association of Securities Dealers in the US;

"Net Asset Value" or "NAV" means the Net Asset Value of the ICAV, or of a Fund, as appropriate, calculated as described herein;

"Net Asset Value per Share" means, in respect of any Share, the Net Asset Value attributable to the Shares issued in respect of a Fund divided by the number of Shares in issue in respect of that Fund;

"New Issues" as defined for purposes of Rule 5130 of the FINRA Rules, as amended, extended, consolidated, substituted or re-enacted from time to time, means any initial public offering of an equity security as defined in Section 3(a)(11) of the US Securities Exchange Act of 1934 Act;

"NOK" means Norwegian Kroner, the lawful currency of Norway;

"Non-United States person" means any of the following: (a) a natural person who is not a resident of the US; (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-US jurisdiction and which has its principal place of business in a non-US jurisdiction; (c) an estate or trust, the income of which is not subject to US income tax regardless of source; (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons represent in the aggregate less than 10 per cent of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of the US Commodity Futures Trading Commission's regulations by virtue of its participants being Non-United States persons; and (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside of the US;

"NRSRO" means Nationally Recognised Statistical Rating Organisation;

"NZD" means New Zealand Dollars, the lawful currency of New Zealand;

"OECD" means the Organisation for Economic Co-Operation and Development;

"Original Lender" means an entity which, itself or through related entities, directly or indirectly, concluded the original agreement which created the obligations or potential obligations of the debtor or potential debtor giving rise to the exposures being securitised;

"Originator" means an entity which: (a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations or potential obligations of the debtor or potential debtor giving rise to the exposures being securitised; or (b) purchases a third party's exposures on its own account and then securitises them;

"PLN" means Polish zloty, the lawful currency of Poland;

"Professional Investor" means an investor who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. Professional investors include, among others, entities which are required to be authorised or regulated to operate in the financial markets, large undertakings, and other institutional investors whose main activity is to invest in financial instruments;

"Prospectus" means this Base Prospectus, the Fund Supplements and the Supplements, as may be amended, supplemented or replaced from time to time;

"Regulated Market" means a stock exchange or regulated market which is set out in Schedule II;

"REIT" means real estate investment trust;

"Relevant Institution" means a credit institution authorised in the European Economic Area ("EEA") (Member States, Norway, Iceland, Liechtenstein), a credit institution authorised within a signatory state, other than a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States of America) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia, or New Zealand;

"Revenue Commissioners" means the Office of the Revenue Commissioners of Ireland;

"SEC" means the Securities and Exchange Commission of the US;

"Securities Financing Transactions Regulation" means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012;

"Securities Financing Transaction" means any of the following: a repurchase transaction, securities or commodities lending and securities or commodities borrowing, a buy- sell back transaction or sell-buy back transaction and a margin lending transaction;

"Securitisation" means a transaction or scheme, whereby the credit risk associated with an exposure or a pool of exposures is tranched, having all of the following characteristics: (a) payments in the transaction or scheme are dependent upon the performance

of the exposure or of the pool of exposures; (b) the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme; (c) the transaction or scheme does not create exposures which possess all of the characteristics listed in Article 147(8) of Regulation (EU) No 575/2013;

"Securitisation Position" means an exposure to a Securitisation;

"Securitisation Regulation" means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012, as such may be amended, supplement or replaced from time to time;

"SEK" means Swedish Kronor, the lawful currency of Sweden;

"SGD" means Singapore Dollars, the lawful currency of the Republic of Singapore;

"Share" or "Shares" means any share or shares in the ICAV;

"Shareholder" means a holder of Shares;

"Shareholder Servicing Agents" means LMIS, LMI Europe, LM Hong Kong and/or LM Singapore and such other persons or persons appointed by LMIS as set out in the Fund Supplement for the relevant Fund;

"Shareholder Servicing Agreement" means the agreement dated 21 December 2018 between the Manager and LMIS and any subsequent amendments thereto;

"S&P" means Standard & Poor's Corporation, the rating agency;

"Sponsor" means a Credit Institution, whether located in the EU or not, as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013, or an investment firm as defined in point (1) of Article 4(1) of Directive 2014/65/EU other than an Originator, that: (a) establishes and manages an asset-backed commercial paper programme or other securitisation that purchases exposures from third-party entities, or (b) establishes an asset-backed commercial paper programme or other securitisation that purchases exposures from third-party entities and delegates the day-to-day active portfolio management involved in that securitisation to an entity authorised to perform such activity in accordance with Directive 2009/65/EC, Directive 2011/61/EU or Directive 2014/65/EU;

"STRIPS" means Separate Trading of Registered Interest and Principal of Securities as more particularly described in the "STRIPS" sub-section in the section entitled "Risk Factors";

"Subscriber Shares" means the initial share capital of the ICAV subscribed for at no par value;

"Supplement" means any supplement to this Base Prospectus issued by the ICAV from time to time;

"UCITS" means an undertaking for collective investment in transferable securities established pursuant to the UCITS Regulations;

"UCITS Regulations" means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended and any rules from time to time adopted by the Central Bank pursuant thereto;

"Umbrella Cash Account" means any single umbrella cash account in the name of the ICAV;

"Unhedged Share Class" means any Share Class that does not include "(Hedged)" in its name;

"United Kingdom" means England, Northern Ireland, Scotland and Wales;

"US" or "United States" means the United States of America, its territories, possessions and all other areas subject to its jurisdiction;

"US$" or "US Dollar" or "USD" means US Dollars, the lawful currency of the US;

"US Person" has the meaning provided in Schedule IV herein;

"US Reportable Account" means a Financial Account held by a US Reportable Person;

"US Reportable Person" has the meaning provided in Schedule V herein;

"Valuation Point" means such time on each Dealing Day as specified in the relevant Fund Supplement;

"World Bank" means the International Bank for Reconstruction and Development.

THE ICAV

The ICAV is an open-ended variable capital Irish collective asset-management vehicle established under the laws of Ireland pursuant to the ICAV Act and the UCITS Regulations. It was established on 2 April 2015 under registration number C139549. Its sole object is the collective investment in transferable securities and other liquid financial assets of capital raised from the public.

The ICAV is organised in the form of an umbrella fund with segregated liability between Funds. The Instrument of Incorporation provides for separate funds, each representing interests in a defined portfolio of assets and liabilities, which may be established from time to time with the prior approval of the Central Bank. The ICAV will prepare and the Directors will issue a separate Fund Supplement for each new Fund established by the ICAV setting out the relevant details of each such Fund. A separate portfolio of assets will be maintained for each Fund and will be invested in accordance with the investment objective and policies applicable to such Fund. The Fund Supplements provide a summary of key features of the Funds established by the ICAV that are being offered pursuant to this Prospectus.

The Instrument of Incorporation provides that the ICAV may offer separate Share Classes, each representing interests in a Fund comprising a distinct portfolio of investments. A separate portfolio of assets shall not be maintained for a Share Class. The different Share Classes offered by a particular Fund are set out in the relevant Fund Supplement. The Share Classes differ principally in terms of their sales charges, fees, rates of expenses, distribution policy, and currency denomination. Investors are thus able to choose a Share Class that best suits their investment needs, considering the amount of investment and anticipated holding period. The section entitled "Buying, Selling, Switching and Converting Shares" herein provides more detailed information regarding the different Share Classes offered by the ICAV. Existing and prospective investors should consult with their legal, tax and financial advisers in relation to which Share Class best suits their investment needs.

THE FUNDS

INVESTMENT OBJECTIVES AND POLICIES

The Instrument of Incorporation provides that the investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policies for each Fund of the ICAV appear in the relevant Fund Supplement.

With respect to each Fund, in certain circumstances, on a temporary and exceptional basis, when the Investment Manager deems it to be in the best interests of Shareholders, the Fund may not adhere to its investment policies as disclosed in the relevant Fund Supplement. Such circumstances include, but are not limited to: (1) when the Fund has high levels of cash as a result of subscriptions or earnings; (2) when the Fund has a high level of redemptions; or (3) when the Investment Manager takes temporary action to try to preserve the value of the Fund or limit losses in emergency market conditions or in the event of movements in interest rates. In such circumstances, a Fund may hold cash or invest in Money Market Instruments, short-term debt securities issued or guaranteed by national governments located globally, short-term corporate debt securities such as freely transferable promissory notes, debentures, bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organizations. During such periods, the Funds will only invest in debt securities that are rated at least Investment Grade by an NRSRO. In such circumstances, a Fund may not be pursuing its principal investment strategies and may not achieve its investment objective. The foregoing does not relieve the Funds of the obligation to comply with the requirements of the UCITS Regulations set out in Schedule I.

INVESTMENT RESTRICTIONS

The Funds' investments will be limited to investments permitted by the UCITS Regulations set out in Schedule I. Each Fund is also subject to the relevant investment policies as stated in the relevant Fund Supplement and, in the case of a conflict between such policies and the UCITS Regulations, the more restrictive limitation shall apply. In any event, the ICAV will comply at all times with the Central Bank Rules.

If the UCITS Regulations are altered during the life of the ICAV, the investment restrictions may be changed to take account of any such alterations and Shareholders will be advised of such changes in the next succeeding annual or half-yearly report of the relevant Fund.

The investment policies of each Fund may permit investments in units or shares of other collective investment schemes within the meaning of Regulation 68(1)(e) of the UCITS Regulations. No Fund will invest in another collective investment scheme that charges a management fee of greater than 5 per cent per annum or a performance fee of greater than 30 per cent of the increase in

the net asset value of the scheme. Such permitted investment includes investing in other Funds of the ICAV. Notwithstanding the foregoing, no Fund may invest in another Fund of the ICAV if the latter Fund itself holds shares in other Funds of the ICAV. If a Fund invests in another Fund of the ICAV, no annual management or investment management fee may be charged to the investing Fund with respect to that portion of its assets invested in the other Fund of the ICAV.

When a Fund invests in the units or shares of another collective investment scheme that is managed, directly or by delegation, by the Manager or the Fund's Investment Manager or by any other company with which the Manager or the Investment Manager is linked by common management or control, or by a direct or indirect holding of more than 10 per cent of the share capital or voting rights, the Manager, the Investment Manager or other company may not charge management, subscription, conversion or redemption fees on account of the Fund's investment in the units or shares of such other collective investment scheme.

ADHERENCE TO INVESTMENT OBJECTIVES AND POLICIES

Any change in investment objectives and any material change in investment policies will be subject to prior written approval of all Shareholders in the relevant Fund or approval by the majority of votes of Shareholders in the relevant Fund passed at a general meeting. In accordance with the ICAV's Instrument of Incorporation, Shareholders will be given twenty-one days' notice (excluding the day of posting and the day of the meeting) of such general meeting. The notice shall specify the place, day, hour, and nature of business of such meeting, as well as the proposed effective date of any changes to the investment objectives and policies. If a change in investment objectives and policies is approved by Shareholders on the basis of an approval by a majority of votes of Shareholders in the relevant Fund at a general meeting, a reasonable notification period will be provided by the ICAV to enable the Shareholders to redeem their Shares prior to implementation of the changes.

REGULATED MARKETS

Except to the extent permitted by the UCITS Regulations, the securities in which the Funds will invest will be listed or traded on a Regulated Market. The Regulated Markets in which the Funds may invest are listed in Schedule II hereto.

INVESTMENT TECHNIQUES AND INSTRUMENTS AND FINANCIAL DERIVATIVE INSTRUMENTS

Subject to the conditions and within the limits from time to time laid down by the Central Bank, and except where otherwise stated in the investment objective and policies of a Fund in the relevant Fund Supplement, a Fund may engage in transactions in FDIs, whether for efficient portfolio management purposes (i.e., hedging, reducing risks or costs, or increasing capital or income returns) or investment purposes. A list of the Regulated Markets on which the FDIs may be quoted or traded is set out in Schedule II.

A Fund may invest in FDI provided that:

(i) the relevant reference items or indices consist of one or more of the following:

- instruments referred to in Regulation 68(1)(a) – (f) and (h) of the UCITS Regulations, including financial instruments having one or several characteristics of those assets;
- financial indices;
- interest rates;
- foreign exchange rates;
- currencies; and

(ii) the FDI do not expose the Fund to risks which it could not otherwise assume (e.g., gain exposure to an instrument/issuer/currency to which the Fund cannot have a direct exposure);

(iii) the FDI do not cause the Fund to diverge from its investment objectives;

(iv) the reference in (i) above to financial indices shall be understood as a reference to indices which fulfil the following criteria and the provisions of the Central Bank Rules:

(a) they are sufficiently diversified, in that the following criteria are fulfilled:

(i) the index is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

(ii) where the index is composed of assets referred to in Regulation 68(1) of the UCITS Regulations, its composition is at least diversified in accordance with the Regulation 71 of the UCITS Regulations; and

(iii) where the index is composed of assets other than those referred to in Regulation 68(1) of the UCITS Regulations, it is diversified in a way which is equivalent to that provided for in Regulation 71 of the UCITS Regulations;

(b) they represent an adequate benchmark for the market to which they refer, in that the following criteria are fulfilled:

(i) the index measures the performance of a representative group of underlyings in a relevant and appropriate way;

(ii) the index is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers following criteria which are publicly available; and

(iii) the underlyings are sufficiently liquid, which allows users to replicate the index, if necessary; and

(c) they are published in an appropriate manner, in that the following criteria are fulfilled:

(i) their publication process relies on sound procedures to collect prices and to calculate and to subsequently publish the index value, including pricing procedures for components where a market price is not available; and

(ii) material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis; and

(v) where a Fund enters into a total return swap or invests in other FDI with similar characteristics, the assets held by the Fund must comply with Regulations 70, 71, 72, 73 and 74 of the UCITS Regulations.

Where the composition of assets which are used as underlyings by FDI does not fulfil the criteria set out in (a), (b) or (c) above, those FDI shall, where they comply with the criteria set out in Regulation 68(1)(g) of the UCITS Regulations, be regarded as FDI on a combination of the assets referred to in Regulation 68(1)(g)(i) of the UCITS Regulations, excluding financial indices.

Credit derivatives are permitted where:

(i) they allow the transfer of the credit risk of an asset as referred to above, independently from the other risks associated with that asset;

(ii) they do not result in the delivery or in the transfer, including in the form of cash, of assets other than those referred to in the Regulation 68(1) and (2) of the UCITS Regulations;

(iii) they comply with the criteria for OTC derivatives set out below; and

(iv) their risks are adequately captured by the risk management process of the Fund, and by its internal control mechanisms in the case of risks of asymmetry of information between the Fund and the counterparty to the credit derivative resulting from potential access of the counterparty to non-public information on firms the assets of which are used as underlyings by credit derivatives. The Fund must undertake the risk assessment with the highest care when the counterparty to the FDI is a related party of the Fund or the credit risk issuer.

FDIs must be dealt in on a market that is regulated, operates regularly, is recognised and is open to the public in a Member State or a non-Member State, but notwithstanding this, a Fund may invest in FDI dealt in over-the-counter, "OTC derivatives" provided that:

(i) the counterparty is: (a) a credit institution listed in Regulation 7(a) – (c) of the Central Bank Regulations; (b) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive; or (c) a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by the Federal Reserve;

(ii) where a counterparty within sub-paragraphs (b) or (c) of paragraph (i): (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the ICAV in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) of this paragraph (ii) this shall result in a new credit assessment being conducted of the counterparty by the ICAV without delay;

(iii) in the case of subsequent novation of the OTC derivative contract, the counterparty is one of: the entities set out in paragraph (i); or a CCP authorised, or recognised by ESMA, under EMIR; or, pending recognition by ESMA under Article 25 of EMIR, an entity classified as a derivatives clearing organisation by the Commodity Futures Trading Commission or a clearing agency by the SEC (both CCP);

(iv) risk exposure to the counterparty does not exceed the limits set out in Regulation 70(1)(c) of the UCITS Regulations. The Fund shall calculate the counterparty exposure using the positive mark-to-market value of the OTC derivative with that counterparty. The Fund may net its derivative positions with the same counterparty, provided that the Fund is able to legally enforce netting arrangements with the counterparty. Netting is only permissible with respect to OTC derivative instruments with the same counterparty and not in relation to any other exposures the Fund may have to that counterparty. The Fund may take account of collateral received by the Fund in order to reduce the exposure to the counterparty, provided that the collateral meets with the requirements specified in paragraphs (3), (4), (5), (6), (7), (8), (9) and (10) of Regulation 24 of the Central Bank Regulations; and

(v) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

Collateral received must at all times meet with the requirements set out in the Central Bank Rules.

Collateral passed to an OTC derivative counterparty by or on behalf of a Fund must be taken into account in calculating exposure of the Fund to counterparty risk as referred to in Regulation 70(1)(c) of the UCITS Regulations. Collateral passed may be taken into account on a net basis only if the Fund is able to legally enforce netting arrangements with this counterparty.

The policy that will be applied to collateral arising from OTC derivative transactions or efficient portfolio management techniques relating to the Funds is to adhere to the requirements set out in this section. This sets out the permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, the re-investment policy prescribed by the Central Bank pursuant to the UCITS Regulations. The categories of collateral which may be received by the Funds include cash and non-cash assets such as equities, debt securities and money market instruments. From time to time and subject to the requirements set out in this section, the policy on levels of collateral required and haircuts may be adjusted, at the discretion of the Investment Manager and/or its delegates, where this is determined to be appropriate in the context of the specific counterparty, the characteristics of the asset received as collateral, market conditions or other circumstances. The haircuts applied (if any) by the Investment Manager and/or its delegates are adapted for each class of assets received as collateral, taking into account the characteristics of the assets such as the credit standing and/or the price volatility, as well as the outcome of any stress tests performed in accordance with the requirements in this section. Each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets should be justified on the basis of this policy.

If cash collateral received by a Fund is re-invested, the Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Fund. For further details see the section entitled "Risk Factors".

Direct and indirect operational costs and fees arising from the efficient portfolio management techniques of stock lending, repurchase and reverse repurchase arrangements may be deducted from the revenue delivered to the Funds (e.g., as a result of revenue sharing arrangements). These costs and fees should not include hidden revenue. All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Fund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers, securities lending agents or other financial institutions or intermediaries and may be parties related to the Depositary. The revenues arising from such efficient portfolio management techniques for the relevant reporting period, together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques, will be disclosed in the annual and half-yearly reports of the Funds.

Calculation of issuer concentration risk and counterparty exposure risk

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

arising from OTC FDI transactions and efficient portfolio management techniques must be combined when calculating the OTC counterparty limit as referred to in Regulation 70(1)(c) of the UCITS Regulations. A Fund must calculate exposure arising from initial margin posted to and variation margin receivable from a broker relating to exchange-traded or OTC derivatives, which is not protected by client money rules or other similar arrangements to protect the Fund against the insolvency of the broker, and that exposure cannot exceed the OTC counterparty limit referred to in Regulation 70(1)(c) of the UCITS Regulations.

The calculation of issuer concentration limits as referred to in Regulation 70 of the UCITS Regulations must take account of any net exposure to a counterparty generated through a stocklending or repurchase agreement. Net exposure refers to the amount receivable by a Fund less any collateral provided by the Fund. Exposures created through the reinvestment of collateral must also be taken into account in the issuer concentration calculations. When calculating exposures for the purposes of Regulation 70 of the UCITS Regulations, a Fund must establish whether its exposure is to an OTC counterparty, a broker or a clearing house.

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

A transferable security or money market instrument embedding FDI shall be understood as a reference to financial instruments which fulfil the criteria for transferable securities or money market instruments set out in the UCITS Regulations and which contain a component which fulfils the following criteria:

(i) by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, and therefore vary in a way similar to a stand-alone derivative;

(ii) its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

(iii) it has a significant impact on the risk profile and pricing of the transferable security or money market instrument.

A transferable security or a money market instrument shall not be regarded as embedding a FDI where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component shall be deemed to be a separate financial instrument.

Securities Financing Transactions Regulation Disclosure

A Fund may enter into the following transactions:

(i) total return swaps as set out in the section entitled “Risks of Utilising Swaps”; and

(ii) repurchase agreements and reverse repurchase agreements as set out in the section entitled “Risks of Repurchase and Reverse Repurchase Agreements”.

Except where otherwise stated in the investment objective and policies of a Fund, each Fund may enter into total return swaps, repurchase contracts and stock lending agreements for efficient portfolio management purposes (i.e., hedging, reducing risks or costs, or increasing capital or income returns) or for investment purposes, and may enter into Securities Financing Transactions for efficient portfolio management purposes only. In this context, efficient portfolio management purposes include: hedging, the reduction of risk, the reduction of cost and the generation of additional capital or income for a Fund with a level of risk that is consistent with the risk profile of the relevant Fund.

If a Fund invests in total return swaps or Securities Financing Transactions, the relevant asset or index may be comprised of equity or debt securities, money market instruments or other eligible investments which are consistent with the investment objective and policies of the relevant Fund. Subject to the investment restrictions laid down by the Central Bank as set out in Schedule I, and also any investment restrictions set out in the relevant Fund Supplement, a Fund can invest up to 85 per cent of its Net Asset Value

in total return swaps and Securities Financing Transactions. It is anticipated that a Fund will generally invest in the range of 0 per cent to 85 per cent of its Net Asset Value in total return swaps and Securities Financing Transactions.

A Fund shall only enter into total return swaps and Securities Financing Transactions with counterparties that satisfy the criteria (including those relating to legal status, country of origin and minimum credit rating) as set out in of Schedule I and adopted by the Investment Manager and/or its delegates.

The categories of collateral which may be received by a Fund is set out in Schedule I and includes cash and non-cash assets such as equities, debt securities and money market instruments. Collateral received by a Fund will be valued in accordance with the valuation methodology set out under the section entitled "Determination of Net Asset Value". Collateral received by a Fund will be marked-to-market daily and daily variation margins will be used.

Where a Fund receives collateral as a result of entering into total return swaps or Securities Financing Transactions, there is a risk that the collateral held by a Fund may decline in value or become illiquid. In addition, there can also be no assurance that the liquidation of any collateral provided to a Fund to secure a counterparty's obligations under a total return swap or Securities Financing Transaction would satisfy the counterparty's obligations in the event of a default by the counterparty. Where a Fund provides collateral as a result of entering into total return swaps or Securities Financing Transactions, it is exposed to the risk that the counterparty will be unable or unwilling to honour its obligations to return the collateral provided.

For a summary of certain other risks applicable to total return swaps and Securities Financing Transactions, see the sections entitled "Risks of Utilising Swaps" and "Risks of Repurchase and Reverse Repurchase Agreements".

A Fund may provide certain of its assets as collateral to counterparties in connection with total return swaps and Securities Financing Transactions. If a Fund has over-collateralised (i.e., provided excess collateral to the counterparty) in respect of such transactions, it may be an unsecured creditor in respect of such excess collateral in the event of the counterparty's insolvency. If the Depositary or its sub-custodian or a third party holds collateral on behalf of a Fund, the relevant Fund may be an unsecured creditor in the event of the insolvency of such entity.

There are legal risks involved in entering into total return swaps or Securities Financing Transactions which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Subject to the restrictions laid down by the Central Bank as set out in Schedule I, a Fund may re-invest cash collateral that it receives. If cash collateral received by a Fund is re-invested, a Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and a Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the relevant Fund.

Direct and indirect operational costs and fees arising from total return swaps or Securities Financing Transactions may be deducted from the revenue delivered to the relevant Fund (e.g., as a result of revenue sharing arrangements). These costs and fees do not and should not include hidden revenue. All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Fund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers, securities lending agents or other financial institutions or intermediaries and may be related parties to the Investment Manager or the Depositary.

EUROPEAN BENCHMARKS REGULATION

In respect of the Fund's use of benchmarks within the meaning of the Benchmarks Regulations, the ICAV can confirm that the benchmark administrator for each benchmark used by the Fund is included in the register maintained by ESMA under the Benchmarks Regulation. Generally, a benchmark is only deemed to be used by the fund within the meaning of the Benchmarks Regulation if it measures the performance of the fund with the purpose of tracking the return of the Benchmark (which the Fund does not do), or for purposes of defining the asset allocation of the fund.

A plan has been adopted by the Manager to address the contingency of a benchmark, which is being used within the meaning of the Benchmarks Regulation, changing materially or ceasing to be provided in accordance with the Benchmarks Regulation.

INVESTMENTS IN SECURITISATIONS

A Fund shall not invest in a Securitisation Position unless, where required by the Securitisation Regulation, the Originator, Sponsor or Original Lender retains on an ongoing basis a material net economic interest of not less than 5% in accordance with the Securitisation Regulation. Where a Fund is exposed to a Securitisation that no longer meets the requirements provided for in the

Securitisation Regulation, the Manager or relevant Investment Manager shall, in the best interest of the investors in the relevant Fund, act and take corrective action, if appropriate.

RISK FACTORS

Investors' attention is drawn to the following risk factors. This does not purport to be an exhaustive list of the risk factors relating to investment in the Funds. The following includes disclosure regarding the risks of investing in certain types of securities. A Fund may have direct exposure to such securities (and their attendant risks) if it invests directly in them, or indirect exposure if it invests in Eligible Collective Investment Schemes that invest in such securities. In either case, such risks could result in a decrease in the value of the Fund's investments in such securities or Eligible Collective Investment Schemes. Upon request, the ICAV will provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

INVESTMENT RISK: There can be no assurance that the Funds will achieve their investment objectives. The value of Shares may rise or fall, as the capital value of the securities in which a Fund invests may fluctuate. The investment income of the Funds is based on the income earned on the investments it holds, less expenses incurred. Therefore, the Funds' investment income may be expected to fluctuate in response to changes in such expenses or income. In view of the fact that a commission of up to 5 per cent of the subscription monies may be payable on subscriptions for Shares of each of the Class A Share Classes and of up to 2.5 per cent of the subscription monies of each of the Class E Share Classes and that a dilution adjustment may be applied to all Share Classes of all Funds, the difference at any one time between the subscription and redemption price of Shares means that an investment in such Shares should be viewed as a medium- to long-term investment.

RISK OF SECURITIES OF OTHER INVESTMENT COMPANIES AND EXCHANGE-TRADED FUNDS: Investing in securities issued by other investment companies or exchange-traded funds ("ETFs") involves risks similar to those of investing directly in the securities and other assets held by the investment companies or ETFs. In addition, a Fund would bear, along with other shareholders, its *pro rata* portion of the expenses of the other investment companies or ETFs, including management and/or other fees. These fees would be in addition to the management fees and other expenses which a Fund bears directly in connection with its own operations. Investing in hedge funds and other privately offered funds involves the additional risk of potentially significant volatility. Like any security that trades on an exchange, the prices of ETFs and closed-end funds are subject to supply and demand and therefore may not trade at their underlying net asset value. Investments in funds that are not registered with regulatory authorities may be riskier than investments in regulated funds, because they are subject to less regulation and regulatory oversight.

UMBRELLA STRUCTURE AND CROSS-LIABILITY RISK: The ICAV is an umbrella fund with segregated liability between Funds and under Irish law the ICAV generally will not be liable as a whole to third parties and there generally will not be the potential for cross liability between the Funds. A Fund Supplement has been issued in respect of each Fund. Each Fund will be responsible for paying its fees and expenses regardless of the level of its profitability. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the ICAV in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

INTEREST RATE RISK: There is a risk that the value of a fixed income security will fall when interest rates rise. In general, the longer the maturity and the lower the credit quality of a fixed income security, the more likely its value will decline.

RISK OF US WITHHOLDING TAX: Pursuant to FATCA, the ICAV (or each Fund) will be required to comply (or be deemed compliant) with extensive new reporting and withholding requirements designed to inform the US Department of the Treasury of US-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the ICAV (or each Fund) to US withholding taxes on certain US-sourced income and (effective 1 January 2017) gross proceeds. Pursuant to an intergovernmental agreement between the United States and Ireland, the ICAV (or each Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US Taxpayer information directly to the Irish government. Shareholders may be requested to provide additional information to the ICAV to enable the ICAV (or each Fund) to satisfy these obligations. Failure to provide requested information or (if applicable) satisfy its own FATCA obligations may subject a Shareholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder's interest in its Shares. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the ICAV (or each Fund). See "Foreign Account Tax Compliance Act" under "Taxation – US Tax Considerations" below.

CUSTODY AND SETTLEMENT RISKS: As a Fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risks in circumstances where by the Depositary will have no liability. Such markets include, among others, Indonesia, Korea and India, and such risks include: (i) a non-true delivery versus payment settlement; (ii) a physical market, and as a consequence the circulation of forged securities; (iii) poor information in regards to corporate actions; (iv) registration process that impacts the availability of the securities; (v) lack of appropriate legal/fiscal infrastructure advices; and (vi) lack of compensation/risk fund with the relevant Central Depository. Furthermore, even when a Fund settles trades with counterparties on a delivery-versus-payment basis, it may still be exposed to credit risk to parties with whom it trades.

A Fund may invest in securities which are listed or traded in markets in Central and Eastern Europe (including Russia). Certain markets in Central and Eastern Europe present specific risks in relation to corporate governance, investor protection and the settlement and safekeeping of securities. These risks result from the fact that physical securities may not exist in certain countries (such as Russia); as a consequence, the ownership of securities is evidenced only on the issuer's register of shareholders. Each issuer is responsible for the appointment of its own registrar. In the case of Russia, this results in a broad geographic distribution of several thousand registrars across Russia. Russia's Federal Commission for Securities and Capital Markets (the "Commission") has defined the responsibilities for registrar activities, including what constitutes evidence of ownership and transfer procedures. However, difficulties in enforcing the Commission's regulations mean that the potential for loss or error still remains and there is no guarantee that the registrars will act according to the applicable laws and regulations. Widely accepted industry practices are still in the process of being established. When registration occurs, the registrar produces an extract of the register of shareholders as at that particular point in time. Ownership of shares is evidenced by the records of the registrar, but not by the possession of an extract of the register of shareholders. The extract is only evidence that registration has taken place. It is not negotiable and has no intrinsic value. In addition, a registrar will typically not accept an extract as evidence of ownership of shares and is not obligated to notify the Depositary, or its local agents in Russia, if or when it amends the register of shareholders. As a consequence of this Russian securities are not on physical deposit with the Depositary or its local agents in Russia. Therefore, neither the Depositary nor its local agents in Russia can be considered as performing a physical safekeeping or custody function in the traditional sense. The registrars are neither agents of, nor responsible to, the Depositary or its local agents in Russia. Investments in securities listed or traded in Russia will only be made in securities that are listed or traded on the Open Joint Stock Company Moscow Exchange (MICEX-RTS). The Depositary's liability does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar. In the event of such losses the relevant Fund will have to pursue its rights directly against the issuer and/or its appointed registrar. The aforesaid risks in relation to safekeeping of securities in Russia may exist, in a similar manner, in other Central and Eastern European countries in which a Fund may invest.

FAIR VALUE PRICING RISKS: Details of the method of calculation of the Net Asset Value per Share of a Fund are set out in the section entitled "Determination of Net Asset Value". Normally assets listed or traded on a Regulated Market or certain over-the-counter markets for which market quotations are readily available shall be valued at the latest available mid price as at the Valuation Point on the Dealing Day. However, the Administrator may use a systematic fair valuation model provided by an independent third party to value equity securities and/or fixed income securities traded on such markets in order to adjust for stale pricing which may occur between the close of foreign exchanges and the Valuation Point on the relevant Dealing Day. If a security is valued using fair value pricing, a Fund's value for that security is likely to be different than the latest available mid price for that security.

RISK OF TERMINATION OF THE FUNDS: In the event of the termination of any Fund, the Fund would have to distribute to the Shareholders their pro rata interest in the assets of the Fund. It is possible that at the time of such sale or distribution, certain investments held by the Fund may be worth less than the initial cost of such investments, resulting in a substantial loss to the Shareholders. Moreover, any organisational expenses with regard to the Shares and Funds that had not yet become fully amortised would be debited against the applicable Fund's capital at that time.

MARKET RISK: The financial crisis that began in 2008 has caused a significant decline in the value and liquidity of many securities of issuers worldwide. Governmental and non-governmental issuers (notably in Europe) have defaulted on, or been forced to restructure, their debts, and many other issuers have faced difficulties obtaining credit. These market conditions may continue, worsen or spread, including in the US, Europe and beyond. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world. In response to the crisis, certain governments and central banks have taken steps to support financial markets. The withdrawal of this support, failure of efforts in response to the crisis, or investor perception that these efforts are not succeeding could negatively affect financial markets generally as well as the value and liquidity of certain securities. Whether or not a Fund invests in securities of issuers located in or with significant exposure to countries experiencing economic and financial difficulties, the value and liquidity of the Fund's investments may be negatively affected. In addition, legislation recently enacted is changing many aspects

of financial regulation. The impact of the legislation on the markets, and the practical implications for market participants, may not be fully known for some time.

CURRENCY RISK: Each Fund that invests in securities and other investments denominated in currencies other than the Fund's Base Currency may be exposed to currency exchange risk. For example, changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a Fund's investments to diminish or increase. Currency exchange rates may fluctuate over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can be affected unpredictably by intervention (or the failure to intervene) by governments or central banks, or by currency controls or political developments.

If the currency in which a Fund's portfolio investment is denominated appreciates against the Fund's Base Currency, the Base Currency value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security expressed in the Base Currency of the Fund. The Fund Supplement for each Fund provides more information on the extent which the Fund, if at all, will engage in foreign currency transactions in order to hedge against currency fluctuations between its underlying investments and its Base Currency.

DISTRIBUTIONS FROM CAPITAL: The Distributing Plus Share Classes may declare and pay distributions out of capital. Investors in these Share Classes should be aware that payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or of capital gains attributable to that original investment, and such distributions will result in a corresponding immediate decrease in the Net Asset Value per Share of the Share Class. The payment of distributions out of capital will accordingly lead to capital erosion and may be achieved by forgoing the potential for future capital growth. This cycle may continue until all capital is depleted. Distributions out of capital may have different tax implications to distributions of income. Investors are recommended to seek advice in this regard.

CHARGING FEES AND EXPENSES TO CAPITAL: The Distributing Plus (e) Share Classes offered by certain of the Funds may charge certain fees and expenses to capital rather than income. Charging all or part of the fees and expenses to capital will result in income being increased for distribution; however, the capital that these Distributing Plus (e) Share Classes have available for investment in the future, and capital growth, may be reduced. Shareholders should note that there is an increased risk that on the redemption of Shares of Distributing Plus (e) Share Classes, Shareholders may not receive back the full amount invested. For investors in Distributing Plus (e) Share Classes, this may result in the erosion of investors' capital investment notwithstanding the performance of the relevant Fund, or capital gains attributable to that original investment, which will likely diminish the value of future returns. The increased dividend payout as a result of charging fees and expenses to capital effectively amounts to a return or withdrawal of an investor's original capital investment or of capital gains attributable to that original investment. The higher level of dividend payout under this charging mechanism will result in a corresponding immediate decrease in the Net Asset Value of the Share Classes on the ex-dividend date. Shareholders should note that to the extent expenses are charged to capital, some or all of the distributions made by the Distributing Plus (e) Share Classes should be considered to be a form of capital reimbursement.

EMERGING MARKET RISK: Certain Funds may invest in securities of companies domiciled in or conducting their principal business activities in Emerging Market Countries. Investing in Emerging Market Countries poses certain risks, some of which are set out below.

Economic & Political Factors: Investments in securities of issuers located in Emerging Market Countries involve special considerations and risks, including the risks associated with high rates of inflation and interest with respect to the various economies, the limited liquidity and relatively small market capitalisation of the securities markets in Emerging Market Countries, relatively higher price volatility, large amounts of external debt and political, economic and social uncertainties, including the possible imposition of exchange controls or other foreign governmental laws or restrictions which may affect investment opportunities. In addition, with respect to certain Emerging Market Countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments that could affect investments in those countries. Moreover, the economy in individual Emerging Market Countries may differ favorably or unfavorably from the economies of developed nations in such respects as growth of gross national product, rates of inflation, capital investment, resources, self-sufficiency and the balance of payments position. Certain investments in Emerging Market Countries may also be subject to foreign withholding taxes. These and other factors may affect the value of a Fund's shares.

The economies of some Emerging Market Countries have experienced considerable difficulties in the past. Although in certain cases there have been significant improvements in recent years, many such economies continue to experience significant problems, including high inflation and interest rates. Inflation and rapid fluctuations in interest rates have had and may continue to have very negative effects on the economies and securities markets of certain Emerging Market Countries. The development of certain emerging market economies and securities markets will require continued economic and fiscal discipline, which has been lacking

at times in the past, as well as stable political and social conditions. Recovery may also be influenced by international economic conditions, particularly those in the US and by world prices for oil and other commodities. There is no assurance that economic initiatives will be successful. Certain of the risks associated with international investments and investing in smaller capital markets are heightened for investments in Emerging Market Countries. For example, some of the currencies of Emerging Market Countries have experienced steady devaluations relative to the US Dollar, and major adjustments have been made in certain of such currencies periodically. In addition, governments of certain Emerging Market Countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In certain cases, the government owns or controls many companies, including the largest in the country. Accordingly, government actions in the future could have a significant effect on economic conditions in such countries, which could affect private sector companies and the value of securities in a Fund's portfolio.

Market Liquidity & Volatility: The securities markets in Emerging Market Countries are substantially smaller, less liquid and more volatile than the major securities markets in the United States and Europe. A limited number of issuers in most, if not all, securities markets in Emerging Market Countries may represent a disproportionately large percentage of market capitalisation and trading volume. Such markets may, in certain cases, be characterised by relatively few market makers, participants in the market being mostly institutional investors including insurance companies, banks, other financial institutions and investment companies. The combination of price volatility and the less liquid nature of securities markets in Emerging Market Countries may, in certain cases, affect a Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Fund.

Information Standards: In addition to their smaller size, lesser liquidity and greater volatility, securities markets in Emerging Market Countries are less developed than the securities markets in the US and Europe with respect to disclosure, reporting and regulatory standards. There is less publicly available information about the issuers of securities in these markets than is regularly published by issuers in the United States and in Europe. Further, corporate laws regarding fiduciary responsibility and protection of stockholders may be considerably less developed than those in the United States and Europe. Emerging market issuers may not be subject to the same accounting, auditing and financial reporting standards as US and European companies. Inflation accounting rules in some Emerging Market Countries require, for companies that keep accounting records in the local currency for both tax and accounting purposes, that certain assets and liabilities be restated on the company's balance sheet in order to reflect the high rates of inflation to which those companies are subject. Inflation accounting may indirectly generate losses or profits for certain companies in Emerging Market Countries. Thus, statements and reported earnings may differ from those of companies in other countries, including the United States.

Custodial Risks: As a Fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the ICAV which are traded in such markets and which have been entrusted to sub-custodians may be exposed to risk in circumstances whereby the Depositary would have no liability. While the Depositary generally has a sub-custodial network in certain Emerging Market Countries and the Funds generally do not invest in securities issued or corporations located in Emerging Market Countries until they are satisfied that with their sub-custodial arrangements in place in respect of such countries, there is no guarantee that any arrangements made, or agreements entered into, between the Depositary and any sub-custodian will be upheld by a court of any Emerging Market Country or that any judgment obtained by the relevant custodian, a Fund against any such sub-custodian in a court of any competent jurisdiction will be enforced by a court of any Emerging Market Country.

BREXIT RISKS: In June 2016, the people of the United Kingdom voted by referendum for the United Kingdom to leave the EU. The result has led to political and economic instability, volatility in United Kingdom and European financial markets, and a weakening of the Pound Sterling. It may also lead to weakening in consumer, corporate and financial confidence in the United Kingdom and European markets as the United Kingdom negotiates its exit from the EU (referred to as "Brexit") and its post-Brexit relationship with the EU. This may negatively affect the value and liquidity of Funds with significant exposure to United Kingdom and/or European issuers. The negotiation of the United Kingdom's exit may take a long time, which is likely to lead to continued uncertainty and higher volatility in the United Kingdom and EU, including the volatility of currency exchange rates. This may make it more difficult and/or expensive for the Funds to execute hedging transactions.

Depending on the outcome of the Brexit negotiations between the United Kingdom and the EU, following the effective date of Brexit, the Funds may no longer be permitted to maintain registration for public sale of Shares in the United Kingdom, which could mean that the Funds will no longer be available for investment by certain United Kingdom investors.

EUROZONE RISKS – RECENT EVENTS: A number of countries in Europe have experienced severe economic and financial difficulties. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in Europe and elsewhere have experienced extreme volatility and declines in asset values

and liquidity. These difficulties may continue, worsen or spread within and outside Europe. Responses to the financial problems by European governments, central banks and others, including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world. In addition, one or more countries may abandon the euro and/or withdraw from the European Union. The impact of these actions, especially if they occur in a disorderly fashion, is not clear but could be significant and far-reaching. Whether or not a Fund invests in securities of issuers located in Europe or with significant exposure to European issuers or countries, these events could negatively affect the value and liquidity of the Fund's investments.

DEBT SECURITY RISK: Certain Funds may invest in debt securities. The following is a summary of the principal types of debt securities and similar investments in which Funds may invest and techniques they may pursue in seeking to achieve their investment objectives. It is not intended to be an exhaustive list, but only a list of the principal types of debt securities that may be purchased by the Funds and their associated risks.

Credit Risk: Certain Funds may invest in various types of debt securities, including, but not limited to, fixed or floating rate debt securities, debt securities issued or guaranteed by corporations or governments or governmental agencies or instrumentalities thereof, central banks or commercial banks, notes (including structured notes and freely transferable promissory notes), debentures, commercial paper, "Brady" bonds, Eurobonds, and convertible securities. Fixed rate debt securities are securities, which carry a fixed rate of interest, which does not fluctuate with general market conditions. Floating rate debt securities are securities that carry a variable interest rate, which is initially tied to an external index such as US Treasury Bill rates and that possess a floating or variable interest rate adjustment formula. The terms of the variable or floating rate securities that a Fund may purchase provide that interest rates are adjustable at intervals ranging from daily up to six months, and the adjustments are based upon current market levels, the prime rate of a bank or other appropriate interest rate adjustment index as provided in the respective securities. Some of these securities are payable on a daily basis or on not more than seven days' notice. Others such as securities with quarterly or semi-annual interest rate adjustments may be redeemed on designated days on not more than thirty days' notice.

By investing in debt securities, the Funds will be subject to a number of risks, including credit risks, market and interest rate risks. Credit risk is the risk that the issuer or obligor will not make timely payments of principal and interest. The prices of debt securities fluctuate in response to perceptions of the issuer's creditworthiness. This is broadly gauged by the credit ratings of the securities in which a Fund invests. However, ratings are only the opinions of the agencies issuing them and are not absolute guarantees as to quality. Market risks is the risk that the debt securities markets may become volatile and less liquid, and the market value of an investment may move up or down, sometimes quickly or unpredictably. Interest rate risk is the risk that the value of a debt security will fall when interest rates rise. The price of debt securities tend to vary inversely with market interest rates. The value of such securities is likely to decline in times of rising interest rates. Conversely, when rates fall, the value of these investments is likely to rise. The longer the time to maturity the greater are such variations.

Risk of Investing in Government Securities: Certain Funds may invest in government securities. Government-issued debt securities are sensitive to changes in macro policy and associated interest rate trends, political and economic instability, social unrest and potentially default. Not all government debt securities are backed by the full faith and credit of the relevant government. Some are backed only by the credit of the issuing agency, instrumentality or sponsored entity, although they may be implicitly guaranteed by the relevant government. There is a chance of default on all government securities particularly those not backed by the full faith and credit of the relevant government.

Risk of Investing in High Yield Securities: Certain Funds may invest in high yield securities sometimes referred to as "junk bonds". High yield securities are medium or lower rated securities and unrated securities of comparable quality. Generally, medium or lower rated securities and unrated securities of comparable quality offer a higher current yield than is offered by higher rated securities but also (i) will likely have some quality and protective characteristics that, in the judgment of the rating organisations, are outweighed by large uncertainties or major risk exposures to adverse conditions and (ii) are predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation. The market values of certain of these securities also tend to be more sensitive to individual corporate developments and changes in economic conditions than higher quality bonds. In addition, medium and lower rated securities and comparable unrated securities generally present a higher degree of credit risk. 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, the market value of securities in lower rated categories is more volatile than that of higher quality securities, and the markets in which medium and lower rated or unrated securities are traded are more limited than those in which higher rated securities are traded. The existence of limited markets may make it more difficult for a Fund to obtain accurate market quotations for purposes of valuing its portfolio and calculating its Net Asset Value. Moreover, the lack of a liquid trading market may restrict

the availability of securities for a Fund to purchase and may also have the effect of limiting the ability of a Fund to sell securities at their fair value either to meet redemption requests or to respond to changes in the economy or the financial markets.

To the extent a Fund invests in medium or low-rated securities and unrated securities of comparable quality, the Fund may realise a higher current yield than the yield offered by higher-rated securities, but investment in such securities involves greater volatility of price and risk of loss of income and principal, including the probability of default by or bankruptcy of the issuers of such securities. Low-rated and comparable unrated securities (collectively referred to as "low-rated" securities) likely have quality and protective characteristics that, in the judgment of a rating organisation, are outweighed by large uncertainties or major risk exposures to adverse conditions, and are predominantly speculative with respect to an issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation.

Although the prices of low-rated securities are generally less sensitive to interest rate changes than are higher-rated securities, the prices of low-rated securities may be more sensitive to adverse economic changes and developments regarding the individual issuer. When economic conditions appear to be deteriorating, medium or low-rated securities may decline in value due to heightened concern over credit quality, regardless of the prevailing interest rates. Investors should carefully consider the relative risks of investing in high yield securities and understand that such securities are not generally meant for short-term investing. Adverse economic developments can disrupt the market for low-rated securities, and severely affect the ability of issuers, especially highly leveraged issuers, to service their debt obligations or to repay their obligations upon maturity, which may lead to a higher incidence of default on such securities. Low-rated securities are especially affected by adverse changes in the industries in which the issuers are engaged and by changes in the financial condition of the issuers.

Highly leveraged issuers may also experience financial stress during periods of rising interest rates. In addition, the secondary market for low-rated securities, which is concentrated in relatively few market makers, may not be as liquid as the secondary market for more highly rated securities. As a result, a Fund could find it more difficult to sell these securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Therefore, prices realised upon the sale of such low-rated securities, under these circumstances, may be less than the prices used in calculating the Fund's Net Asset Value.

Low-rated securities also present risks based on payment expectations. If an issuer calls an obligation for redemption, the Fund may have to replace the security with a lower yielding security, resulting in a decreased return for investors. If a Fund or Fund experiences unexpected net redemptions, it may be forced to sell its higher-rated securities, resulting in a decline in the overall credit quality of the Fund's investment portfolio and increasing the exposure of the Fund to the risks of low-rated securities.

Changes in economic conditions or developments regarding individual issuers of medium or low-rated securities are more likely to cause price volatility and weaken the capacity of such securities to make principal and interest payments than is the case for higher grade debt securities. Investment in such lower rated debt securities may limit a Fund's ability to sell such securities at fair value. Judgment plays a greater role in pricing such securities than in the case of securities having more active markets. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the values and liquidity of lower rated debt securities, especially in a thinly traded market.

Lower rated debt obligations also present risks based on payment expectations. If an issuer calls the obligation for redemption, a Fund may have to replace the security with a lower yielding security, resulting in a decreased return for investors. Also, as the principal value of bonds moves inversely with movements in interest rates, in the event of rising interest rates the value of the securities held by a Fund may decline proportionately more than a portfolio consisting of higher rated securities. If a Fund experiences unexpected net redemptions, it may be forced to sell its higher rated bonds, resulting in a decline in the overall credit quality of the securities held by the Fund and increasing the exposure of the Fund to the risks of lower rated securities.

The ratings of NRSROs represent the opinions of those agencies. Such ratings are relative and subjective, and are not absolute standards of quality. Unrated debt securities are not necessarily of lower quality than rated securities, but they may not be attractive to as many buyers. The NRSROs may change, without prior notice, their ratings on particular debt securities held by a Fund, and downgrades in ratings are likely to adversely affect the price of the relevant debt securities. Investment Grade securities may be subject to the risk of being downgraded to below Investment Grade. As discussed above, such low-rated securities would generally be considered to have a higher credit risk and a greater possibility of default than more highly rated securities. If the issuer defaults, or such securities cannot be realised, or perform badly, the Fund may suffer substantial losses. In addition, the market for securities which are rated below Investment Grade and/or have a lower credit rating generally is of lower liquidity and less active than that for higher rated securities and a Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by factors such as adverse publicity and investor perception.

Risks of Zero Coupon Bonds: Certain Funds may invest in zero coupon bonds, which are bonds that pay no interest in cash to their holder during their life, although interest is accrued during that period. Its value to an investor consists of the difference between its face value at the time of maturity and the price for which it was acquired, which is generally an amount significantly

less than its face value (sometimes referred to as a "deep discount" price). Because zero coupon bonds usually trade at a deep discount, they will be subject to greater fluctuations in market value in response to changing interest rates than debt obligations of comparable maturities which make periodic distributions of interest. On the other hand, because zero coupon securities have no periodic interest payments to be reinvested prior to maturity, zero coupon securities eliminate reinvestment risk and lock in a rate of return to maturity.

Risks of Index-Linked Securities: Certain Funds may invest in index-linked (or "Indexed") securities. Index-linked securities are securities whose prices are indexed to the prices of securities indices, currencies, or other financial statistics. Indexed securities typically are debt securities or deposits whose value at maturity and/or coupon rate is determined by reference to a specific instrument or statistic. The performance of indexed securities fluctuates (either directly or inversely, depending upon the instrument) with the performance of the index, security or currency. At the same time, indexed securities are subject to the credit risks associated with the issuer of the security, and their value may substantially decline if the issuer's creditworthiness deteriorates. Recent issuers of indexed securities have included banks, corporations and certain US government agencies. The US Treasury recently began issuing securities whose principal value is indexed to the Consumer Price Index (also known as "Treasury Inflation-Indexed Securities").

Risks of Inflation-Protected Securities: Certain Funds may invest in inflation-protected securities. Inflation-protected securities are special types of indexed securities that are tied to indices that are calculated based on the rates of inflation for prior periods. The principal or interest components of inflation-protected securities are adjusted periodically according to the general movements of inflation in the country of issue. US Treasury Inflation Protected Securities ("US TIPS") are freely transferable inflation-indexed debt securities issued by the US Department of Treasury that are structured to provide protection against inflation. The US Treasury Department currently uses the Consumer Price Index for Urban Consumers, non-seasonally adjusted, as its inflation measure. Inflation-indexed bonds issued by a non-US government are generally adjusted to reflect a comparable inflation index calculated by that government. "Real return" equals total return less the estimated cost of inflation, which is typically measured by the change in an official inflation measure.

The value of inflation-protected securities, including US TIPS, generally fluctuates in response to changes in real interest rates. Real interest rates are tied to the relationship between nominal interest rates and the rate of inflation. If nominal interest rates increase at a faster rate than inflation, real interest rates might rise, leading to a decrease in value of inflation-protected securities. Conversely, if inflation rises at a faster rate than nominal interest rates, real interest rates might decline, leading to an increase in value of inflation-protected securities.

If a Fund purchases inflation-protected securities in the secondary market whose principal values have been adjusted upward due to inflation since issuance, the Fund may experience a loss if there is a subsequent period of deflation. Additionally, if the Fund purchases inflation-protected securities in the secondary market whose price has been adjusted upward due to real interest rates increasing, the Fund may experience a loss if real interest rates subsequently increase. If inflation is lower than expected during the period the Fund holds an inflation-protected securities, the Fund may earn less on the security than on a conventional bond. If the Fund sells US TIPS in the secondary market prior to maturity however, the Fund may experience a loss.

If real interest rates rise (i.e., if interest rates rise for reasons other than inflation (for example, due to changes in currency exchange rates)), the value of the inflation-protected securities in the Fund's portfolio will decline. Moreover, because the principal amount of inflation-protected securities would be adjusted downward during a period of deflation, the Fund will be subject to deflation risk with respect to its investments in these securities. There can be no assurance that such indices will accurately measure the real rate of inflation.

Additionally, the market for inflation-protected securities may be less developed or liquid, and more volatile, than certain other securities markets. Although the US Treasury is contemplating issuing additional inflation-protected securities, there is no guarantee that it will do so. There are a limited number of inflation-protected securities that are currently available for the Fund to purchase, thus making the market less liquid and more volatile than the US Treasury and agency markets.

The US Treasury currently issues US TIPS in only ten-year maturities, although it is possible that US TIPS with other maturities will be issued in the future. Previously, US TIPS have been issued with maturities of five, ten or thirty years. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed even during a period of deflation. However as with inflation-protected securities generally, because the principal amount of US TIPS would be adjusted downward during a period of deflation, the Fund will be subject to deflation risk with respect to its investments in these securities. In addition, the current market value of the bonds is not guaranteed, and will fluctuate. If the Fund purchases US TIPS in the secondary market whose principal values have been adjusted upward due to inflation since issuance, the Fund may experience a loss if there is a subsequent period of deflation. If inflation is lower than expected during the period the Fund holds a US TIPS, the Fund may earn less on the security than on a conventional bond.

RISKS OF SECURITIES OF SUPRANATIONAL ORGANISATIONS: Certain Funds may invest in debt securities issued by supranational organisations. Supranational organisations are entities designated or supported by governments or governmental entities to promote economic development, and include, among others, the Asian Development Bank, the European Community, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, the World Bank and the European Bank for Reconstruction and Development. These organisations have no taxing authority and are dependent upon their members for payments of interest and principal. Moreover, the lending activities of such supranational entities are limited to a percentage of their total capital (including "callable capital") contributed by members at an entity's call, reserves and net income.

RISKS OF LOAN PARTICIPATIONS AND ASSIGNMENTS: Certain Funds may invest in fixed and floating rate loans arranged through private negotiations between a corporation or other type of entity and one or more financial institutions ("Lender"). Such investments are expected to be in the form of participations in, or assignment of, the loans, which may or may not be securitised ("Participations"). The Participations shall be liquid and, if unsecuritised, provide for interest rate adjustments at least every 397 days. They are subject to the risk of default by the underlying borrower and in certain circumstances to the credit risk of the Lender if the Participation only provides for the Fund having a contractual relationship with the Lender, not the borrower. In connection with purchasing Participations, the Funds may have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan nor any rights of set-off against the borrower. Thus, the Funds may not directly benefit from any collateral supporting the loan in which they have purchased Participations.

Securitised loan participations typically will result in a Fund having a contractual relationship only with the lender, not with the borrower. A Fund will have the right to receive payments of principal, interest and any fees to which it is entitled only from the Lender selling the participation and only upon receipt by the Lender of the payments from the borrower. In connection with purchasing participations, a Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, nor any rights of set-off against the borrower, and a Fund may not directly benefit from any collateral supporting the loan in which it has purchased the participation. As a result, a Fund will assume the credit risk of both the borrower and the lender that is selling the participation. In the event of the insolvency of the lender selling a participation, a Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower.

A Fund may have difficulty disposing of securitised and unsecuritised loan participations or loans. The liquidity of such instruments is limited, and they may be sold only to a limited number of institutional investors. This could have an adverse impact on the value of such securities and on a Fund's ability to dispose of particular participations when necessary to meet its liquidity needs or in response to a specific economic event, such as a deterioration in the creditworthiness of the borrower, and also may make it more difficult to assign a value to the participations or loans for the purposes of valuing a Fund's portfolio and calculating its Net Asset Value.

RISKS OF MORTGAGE-BACKED SECURITIES: Certain Funds may invest in mortgaged-backed securities, including collateralised mortgage obligations ("CMOs"), which are a type of bond secured by an underlying pool of mortgages or mortgage pass-through certificates that are structured to direct payments on underlying collateral to different series or classes of the obligations. Such investments may include, but are not limited to, one or more of the following classes of CMOs:

Adjustable Rate Bonds (ARMS): Interest rates on these classes of CMOs may increase or decrease at one or more dates in the future according to the documentation governing their issuance.

Floating Rate Bonds (Floaters): Interest rates on these classes of CMOs vary directly or inversely (although not necessarily proportionately, and may contain a degree of leverage) to an interest rate index. The interest rate is usually capped to limit the extent to which the issuer is required to over-collateralise the CMOs in the series with mortgage-related securities in order to ensure that there is sufficient cash flow to service all the classes of CMOs in that series.

Planned Amortisation Bonds or Underlying Amortisation Bonds: These classes of CMOs receive payments of principal according to a planned schedule to the extent that prepayments on the underlying mortgage-related securities occur within a broad time period ("Protection Period"). The principal is reduced only in specified amounts at specified times resulting in greater predictability of payment for the Planned Amortisation Bonds or Underlying Amortisation Bonds. If prepayments on the underlying mortgage-related securities occur at a rate greater or less than that provided for by the Protection Period, then the excess or deficiency of cash flows generated is absorbed by the other classes of CMOs in the particular series until the principal amount of each of the other classes has been paid in full, resulting in less predictability for those other classes. The principal reduction schedule of the Planned Amortisation Bonds or Underlying Amortisation Bonds may be determined according to an interest rate index. If the index rises or falls, then more or less, respectively, of the payments on the underlying mortgage-related securities will be applied to amortise the Planned Amortisation Bonds or Underlying Amortisation Bonds.

Mortgage-backed securities provide capital for mortgage loans to residential homeowners, including securities that represent interests in pools of mortgage loans made by lenders such as savings and loan institutions, mortgage banks, commercial banks and others. Pools of mortgage loans are assembled for sale to investors (such as a Fund) by various governmental, government-related and private organisations, such as dealers. The market value of mortgage-backed securities will fluctuate as a result of changes in interest rates and mortgage loans.

Mortgage-backed securities provide a monthly payment consisting of interest and principal payments. Additional payments may be made out of unscheduled repayments of principal resulting from the sale of the underlying property, refinancing or foreclosure, net of fees or costs that may be incurred. Prepayments of principal on mortgage-backed securities may tend to increase due to refinancing of mortgages as interest rates decline. Prepayments may be passed through to the registered holder with the regular monthly payments of principal and interest, and have the effect of reducing future payments. Some mortgage-backed securities (such as securities issued by GNMA) are described as "modified pass through" because they entitle the holder to receive all interest and principal payments owed on the mortgage pool, net of certain fees, regardless of whether the mortgagor actually makes the payment.

In the event of prepayments, a Fund may experience a loss (if the price at which the respective security was acquired by the fund was at a premium over par, which represents the price at which the security will be redeemed upon repayment) or a gain (if the price at which the respective security was acquired by the Fund was at a discount from par). To the extent that a Fund purchases mortgage-backed securities at a premium, mortgage foreclosures and prepayments of principal by mortgagors (which may be made at any time without penalty) may result in some loss of the Fund's principal investment to the extent of the premium paid. Prepayments may occur with greater frequency in periods of declining mortgage rates because, among other reasons, it may be possible for mortgagors to refinance their outstanding mortgages at lower interest rates. When market interest rates increase, the market values of mortgage-backed securities decline. At the same time, however, mortgage refinancing slows, which lengthens the effective maturities of these securities. As a result, the negative effect of the rate increase on the market value of mortgage-backed securities is usually more pronounced than it is for other types of fixed-income securities.

Mortgage pools created by private organisations generally offer a higher rate of interest than governmental and government-related pools because there are no direct or indirect guarantees of payments in the former pools. Timely payment of interest and principal in private organisation pools, however, may be supported by various forms of private insurance or guarantees, including individual loan, title, pool and hazard insurance. There can be no assurance that the private insurers can meet their securities under the policies. The Funds' yields may be affected by reinvestment of prepayments at higher or lower rates than the original investment. In addition, like those of other debt securities, the values of mortgage-related securities, including government and government-related mortgage pools, generally will fluctuate in response to market interest rates.

Risks of Stripped Securities: Certain Funds may invest in STRIPS, which is the acronym for Separate Trading of Registered Interest and Principal of Securities. STRIPS allow investors to hold and trade, as separate securities, the individual interest and principal components of fixed-principal notes or bonds or inflation-linked securities issued by the US Treasury. STRIPS are not issued by the US Treasury, however, but rather can be purchased through financial institutions. STRIPS are zero-coupon securities. For example, a US Treasury note with 10 years remaining to maturity consists of a single principal payment, due at maturity, and 20 interest payments, one due every six months over a 10-year duration. When this note is converted to STRIPS form, each of the 20 interest payments and the principal payment becomes a separate security.

Stripped securities are created by separating bonds into their principal and interest components and selling each piece separately (commonly referred to as IOs and POs). Stripped securities are more volatile than other fixed income securities in their response to change in market interest rates. The value of some stripped securities moves in the same direction as interest rates, further increasing their volatility. The following are examples of stripped securities.

Principal Only Bonds: This class of stripped CMO has the right to all principal payments from the underlying mortgage-related securities. Principal Only Bonds sell at a deep discount. The return on a Principal Only Bond increases the faster prepayments are received at par. The return on a Principal Only Bond decreases if the rate of prepayment is slower than anticipated.

Interest Only Bonds: This class of CMOs has the right to receive only payments of interest from the pool of underlying mortgage-related securities. Interest Only Bonds have only a notional principal amount and are entitled to no payments of principal. Interest Only Bonds sell at a substantial premium and therefore the return on an Interest Only Bond increases as the rate of prepayment decreases because the notional amount upon which interest accrues remains larger for a longer period of time.

The yield to maturity on an Interest Only or Principal Only class of stripped mortgage-backed securities is extremely sensitive not only to changes in prevailing interest rates but also to the rate of principal payments (including prepayments) on the underlying assets. A rapid rate of principal prepayments may have a measurably adverse effect on the Funds' yields to maturity to the extent

it invests in Interest Only Bonds. If the assets underlying the Interest Only Bond experience greater than anticipated prepayments of principal, the Funds may fail to recoup fully their initial investments in these securities. Conversely, Principal Only Bonds tend to increase in value if prepayments are greater than anticipated and decline if prepayments are slower than anticipated. The secondary market for stripped mortgage-backed securities may be more volatile and less liquid than that for other mortgage-backed securities, potentially limiting the Funds' ability to buy or sell those securities at any particular time.

RISKS OF ASSET-BACKED SECURITIES: Certain Funds may invest in asset-backed securities, which are securities that directly or indirectly represent a participation in, or are secured by and payable from, assets such as motor vehicle installment loan contracts, leases on various types of real and personal property and receivables from revolving credit (credit card) agreements. Such assets are securitised through the use of trusts or special purpose corporations. A pool of assets representing the obligations often of a number of different parties collateralises asset-backed securities.

A Fund may invest in collateralised debt obligations ("CDOs"), which include collateralised bond obligations ("CBOs") and collateralised loan obligations ("CLOs"). CDOs, CBOs and CLOs are asset-backed securities. A CBO is a trust or other special purpose vehicle backed by a pool of fixed income securities. A CLO is an obligation of a trust typically collateralised by a pool of loans, which may include domestic and foreign senior secured and unsecured loans, and subordinate corporate loans, including loans that may be rated below investment-grade, or equivalent unrated loans.

The principal of asset-backed securities may be prepaid at any time. As a result, if such securities were purchased at a premium, a prepayment rate that is faster than expected will reduce yield to maturity, while a prepayment rate that is slower than expected will have the opposite effect. Conversely, if the securities are purchased at a discount, prepayments faster than expected will increase yield to maturity and prepayments slower than expected will decrease it. Accelerated prepayments also reduce the certainty of the yield because a Fund must reinvest the assets at the then-current rates. Accelerated prepayments on securities purchased at a premium also impose a risk of loss of principal because the premium may not have been fully amortised at the time the principal is repaid in full.

The risks of an investment in asset-backed securities, CDOs, CBOs and CLOs largely depend on the type of underlying collateral securities and the tranche in which a Fund invests. CDOs, CBOs and CLOs are also subject to the typical risks associated with debt instruments, including interest rate risk, default risk, prepayment risk, credit risk, liquidity risk, market risk, structural risk, and legal risk. A Fund may be invested in securities which occupy the lower-rated tranches of an issuer and are subordinated to the more senior tranches in an issuer's capital structure in terms of priority for principal, interest and other payments. Such securities will therefore be subject to greater credit risk than the more senior securities of that issuer.

RISKS OF FORWARD ROLL TRANSACTIONS: A Fund may enter into forward roll transactions with respect to mortgage-backed securities issued by GNMA, FNMA and FHLMC. In a forward roll transaction, the Fund sells a mortgage security to a financial institution, such as a bank or broker-dealer, and simultaneously agrees to repurchase a similar security from the institution at a later date at an agreed upon price. The mortgage securities repurchased will bear the same interest rate as those sold, but generally will be collateralised by different pools of mortgages with different prepayment histories than those sold. During the period between the sale and repurchase, the Fund will not be entitled to receive interest and principal payments on the securities sold. Proceeds of the sale will be invested in short-term instruments, particularly repurchase agreements, and the income from these instruments, together with any additional fee income received on the sale, will generate income for the relevant Fund exceeding the yield on the securities sold. Forward roll transactions involve the risk that the market value of the securities sold by a Fund may decline below the repurchase price of those securities. A Fund may not enter into forward roll transactions with respect to securities, which it does not own.

A Fund may enter into a forward roll transaction only in accordance with normal market practice and provided that consideration obtained under the transaction is in the form of cash. A Fund may only enter into a forward roll transaction with counterparties, which are rated A-2 or P-2 or better by S&P or Moody's or given an equivalent rating by any other NRSRO. Until settlement of a forward roll transaction, the repurchase price for the underlying security must at all times be in the custody of the Depositary.

RISKS OF NON-PUBLICLY TRADED AND RULE 144A SECURITIES: Certain Funds may invest in Rule 144A securities, which are securities that are not registered under the 1933 Act, but that can be sold to certain institutional buyers in accordance with Rule 144A under the 1933 Act. Non-publicly traded and Rule 144A Securities may involve a high degree of business and financial risk and may result in substantial losses. These securities may be less liquid than publicly traded securities, and a Fund may take longer to liquidate these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised from these sales could be less than those originally paid by a Fund. Further, companies whose securities are not publicly traded may not be subject to the disclosure and other investor protection requirements that would be applicable if their securities were publicly traded. A Fund's investment in illiquid securities is subject to the risk that should the Fund desire to sell any of these securities when a ready buyer is not available at a price that is deemed to be representative of their value, the Net Asset Value of the Fund could be adversely affected.

WHEN-ISSUED, DELAYED DELIVERY AND FORWARD COMMITMENT SECURITIES: Certain Funds 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 Fund 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. Due to fluctuations in the value of securities purchased or sold on a when-issued or delayed-delivery basis, the yields obtained on such securities may be higher or lower than the yields available in the market on the dates when the securities are actually delivered to the buyers. If a Fund 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 Fund may incur a gain or loss. There is a risk that the securities may not be delivered and that the Fund may incur a loss.

Each Fund may invest in equity and related investments securities. The following is a summary of the principal types of equity securities and equity-related investments in which the Funds may invest and techniques they may pursue in seeking to achieve their investment objectives. The following is not intended to be an exhaustive list, but only a list of the principal types of equity and equity-related securities that may be purchased by the Funds and their associated risks.

EQUITY RISK: Certain Funds may invest in equity securities. Investments in equity securities offer the potential for substantial capital appreciation. However, such investments also involve risks, including issuer, industry, market and general economic related risks. Although the Fund will attempt to reduce these risks by utilizing various techniques described herein, adverse developments or perceived adverse developments in one or more of these areas could cause a substantial decline in the value of equity securities owned by a Fund.

EQUITY-RELATED SECURITIES AND STRUCTURED NOTES: Equity-related securities may include warrants for the acquisition of stock of the same or of a different issuer, corporate fixed income securities that have conversion or exchange rights permitting the holder to convert or exchange the securities at a stated price within a specified period of time to a specified number of shares of common stock, notes or certificates whose value is linked to the performance of an equity security of an issuer other than the issuer of the participation, participations that are based on revenues, sales or profits of an issuer (i.e., fixed income securities, the interest on which increases upon the occurrence of a certain event (such as an increase in the price of oil)) and common stock offered as a unit with corporate fixed income securities.

Certain Funds may invest in structured notes, which are over-the-counter debt instruments where the interest rate and/or principal are indexed to the performance of a financial instrument (e.g., short-term rates in Japan). Sometimes the two are inversely related (i.e., as the index goes up, the coupon rate goes down). Inverse floaters are an example of this inverse relationship. In cases where the principal is indexed, the Fund will be exposed to the risk of a loss of all or a portion of the principal.

PREFERRED SHARES: Certain Funds may invest in preferred shares. Preferred shares may pay dividends at a specific rate and generally have preference over common stock in the payment of dividends in a liquidation of assets but rank after debt securities. Unlike interest payments on debt securities, dividends on preferred shares are generally payable at the discretion of the board of directors of the issuer. The market prices of preferred shares are subject to changes in interest rates and are more sensitive to changes in the issuer's creditworthiness than are the prices of debt securities.

RISKS OF EQUITY-RELATED SECURITIES AND WARRANTS: Certain Funds may invest in equity-related securities ("ERS"). ERS are generally subject to the same risks as the equity securities or baskets of equity securities to which they relate. Upon the maturity of the ERS, the Fund generally receives a return of principal based on the capital appreciation of the underlying securities. If the underlying securities decline in value, the ERS may return a lower amount at maturity. The trading price of an ERS also depends on the value of the underlying securities. ERS involve further risks associated with purchases and sales of notes, including the exchange rate fluctuations and a decline in the credit quality of the ERS issuer. ERS may be secured by collateral. If an issuer defaults, the Fund would look to any underlying collateral to recover its losses. Ratings of issuers of ERS refer only to the issuers' creditworthiness and the related collateral. They provide no indication of the potential risks of the underlying securities.

Warrants and rights, which provide rights to buy securities, can provide a greater potential for profit or loss than an equivalent investment in the underlying security. Prices of warrants and rights do not necessarily move in tandem with the prices of the underlying securities and may be volatile. They have no voting rights, pay no dividends and offer no rights with respect to the assets of the issuer other than a purchase option. If a warrant or a right held by a Fund is not exercised by the date of its expiration, the Fund would lose the entire purchase price of the warrant.

RISKS OF MICRO, SMALL AND MID-SIZED COMPANY STOCKS: Certain Funds may invest in equity securities of micro-sized, small and mid-sized companies. Investment in such securities involves special risks. Among other things, the prices of securities of micro, small and mid-sized companies generally are more volatile than those of larger companies; the securities

of smaller companies generally are less liquid; and smaller companies generally are more likely to be adversely affected by poor economic or market conditions. The prices of micro-sized companies generally are even more volatile and their markets are even less liquid relative to both small and larger companies. Investments in securities of companies with smaller market capitalisations are generally considered to offer greater opportunity for appreciation but also may involve greater risks than customarily are associated with more established companies. The securities of smaller companies may be subject to more abrupt fluctuations in market price than larger, more established companies. Smaller companies may have limited product lines, markets or financial resources, or they may be dependent upon a limited management group. In addition to exhibiting greater volatility, smaller company stocks may, to a degree, fluctuate independently of larger company stocks (i.e., small and/or micro company stocks may decline in price as the prices of large company stock rise or vice versa).

RISKS OF REITS: Certain Funds may invest in real estate investment trusts ("REITs"). Investments in REITs and other issuers that invest, deal or otherwise engage in transactions in or hold real estate or interests therein expose a Fund to risks similar to investing directly in real estate. For example, real estate values may fluctuate as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, changes in neighbourhood values, changes in how appealing properties are to tenants and increases in interest rates. As well as changes in the value of their underlying properties, the value of REITs may also be affected by defaults by borrowers or tenants.

Furthermore, REITs are dependent on specialised management skills. Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties. REITs depend generally on their ability to generate cash flows to make distributions to shareholders or unitholders, and may be subject to defaults by borrowers and to self-liquidations. In addition, the performance of a REIT may be adversely affected if it fails to qualify for tax-free pass-through of income under US tax law or if it fails to maintain exemption from registration under the 1940 Act.

RISKS OF ROYALTY TRUSTS: Certain Funds may invest in royalty trusts. Royalty trusts are investment vehicles that typically own rights or interests in a property that produces oil or natural gas, and typically rely on an outside company to extract the oil or gas. Royalty trusts typically have no physical operations and no management or employees. Royalty trusts generally pay out to unit holders the majority of the cash flow received from the production and sale of underlying oil or natural gas reserves. The amount of distributions paid on royalty income trust units will vary based on production levels, commodity prices and certain expenses. Royalty trusts are exposed to many of the same risks as energy and natural resources companies, such as commodity pricing risk, supply and demand risk and depletion and exploration risk. Royalty trusts are, in some respects, similar to certain master limited partnerships ("MLPs") and include risks similar to those MLPs.

RISKS OF CONVERTIBLE SECURITIES: Certain Funds may invest in convertible securities in order to gain exposure to a particular issuer. Convertible securities are bonds, debentures, notes, preferred stock or other securities, which may be converted into or exchanged for a prescribed amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities ordinarily provide a stream of income, which generate higher yields than those of common stocks of the same or similar issuers but are lower than the yield on non-convertible debt. Convertible securities are usually subordinate or are comparable to non-convertible securities but rank senior to common stock or shares in a company's capital structure. The value of a convertible security is a function of (1) its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege and (2) its worth, at market value, if converted into the underlying common stock. Convertible securities are typically issued by smaller capitalised companies whose stock prices may be volatile. The price of a convertible security often reflects such variations in the price of the underlying common stock in a way that non-convertible debt does not. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument.

RISKS OF DEPOSITARY RECEIPTS: Certain Funds may invest in depository receipts. Depository receipts include sponsored and unsponsored depository receipts that are or become available, including American Depository Receipts ("ADRs"), European Depository Receipts ("EDRs") and Global Depository Receipts ("GDRs") and other depository receipts. Depository receipts are typically issued by a financial institution ("depository") and evidence ownership interests in a security or a pool of securities ("underlying securities") that have been deposited with the depository. The depository for ADRs is typically a US financial institution and the underlying securities are issued by a non-US issuer. ADRs are publicly traded on exchanges or over-the-counter in the United States and are issued through "sponsored" or "unsponsored" arrangements. In a sponsored ADR arrangement, the non-US issuer assumes the obligation to pay some or all of the depository's transaction fees, whereas under an unsponsored arrangement, the non-US issuer assumes no obligation and the depository's transaction fees are paid by the ADR holders. In addition, less information is available in the United States about an unsponsored ADR than about a sponsored ADR, and the financial information about a company may not be as reliable for an unsponsored ADR as it is for a sponsored ADR. In the case of GDRs, the depository can be a non-US or a US financial institution and the underlying securities are issued by a non-US issuer. GDRs allow companies in Europe, Asia, the United States and Latin America to offer shares in many markets around

the world, thus allowing them to raise capital in these markets, as opposed to just in their home market. The advantage of GDRs is that shares do not have to be bought through the issuing company's home exchange, which may be difficult and expensive, but can be bought on all major stock exchanges. In addition, the share price and all dividends are converted to the shareholder's home currency. As for other depository receipts, the depository may be a non-US or a US entity, and the underlying securities may have a non-US or a US issuer. For purposes of a Fund's investment policies, investments in depository receipts will be deemed to be investments in the underlying securities. Thus, a depository receipt representing ownership of common stock will be treated as common stock. Depository receipts purchased by a Fund may not necessarily be denominated in the same currency as the underlying securities into which they may be converted, in which case the Fund may be exposed to relative currency fluctuations.

DERIVATIVES RISKS: To the extent permitted by the investment policy of a Fund, each Fund may invest in various types of FDIs. The following is a summary of the principal types of FDIs in which the Funds may invest and techniques they may pursue in seeking to achieve their investment objectives. It is not intended to be an exhaustive list of the types of FDIs that the Funds may utilise, but a list of the principal types of FDIs and their associated risks.

FDI, in general, involve special risks and costs and may result in losses to a Fund. Some Funds may hold short positions on securities exclusively through FDI, and the risks inherent in the investment strategies of such Funds are not typically encountered in more traditional "long only" funds. The successful use of FDI requires sophisticated management, and a Fund will depend on the ability of its portfolio manager to analyse and manage FDI transactions. The prices of FDI may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular FDI and an asset or liability of a Fund may prove not to be what the portfolio manager expected. Some FDI are "leveraged" and therefore may magnify or otherwise increase investment losses to the Fund, creating conceptually the risk of unlimited loss.

Other risks arise from the potential inability to terminate or sell FDI positions. A liquid secondary market may not always exist for a Fund's FDI positions at any time. In fact, many over-the-counter instruments will not be liquid and may not be able to be "closed out" when desired. Over-the-counter instruments such as swap transactions also involve the risk that the other party will not meet its obligations to the Fund. The participants in "over-the-counter" markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets, and there is no clearing corporation which guarantees the payment of required amounts. This exposes the Fund to risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. FDI contracts may also involve legal risk which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

RISKS OF FORWARD CURRENCY EXCHANGE CONTRACTS: Certain Funds using FDI may employ techniques and instruments that are intended to provide protection against exchange risks in the context of the management of its assets and liabilities (i.e., currency hedging) by gaining an exposure to one or more foreign currencies or otherwise altering the currency exposure characteristics of securities held by a Fund (i.e., active currency positions) and may also employ such techniques and instruments for the purpose of attempting to enhance the Fund's return.

A forward currency exchange contract, which involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract, reduces the Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of a Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. A non-deliverable forward currency exchange contract (a "non-deliverable forward") is a cash-settled contract on a thinly traded or non-convertible currency. The latter currency is specified against a freely convertible, major currency, and the contract is for a fixed amount of the non-convertible currency, on a specified due date, and at an agreed forward rate. At maturity, the daily reference rate is compared with the agreed forward rate, and the difference must be paid in the convertible currency on the value date.

Certain Funds may into forward currency exchange contracts, both deliverable and non-deliverable, to hedge against exchange risk, increase exposure to a currency, shift exposure to currency fluctuations from one currency to another, or enhance return. Certain Funds may also enter into options on forward currency exchange contracts, both deliverable and non-deliverable, which in exchange for a premium gives the Fund the option, but not the obligation, to enter into such a contract at some time before a specified date.

Suitable hedging transactions may not be available in all circumstances and there can be no assurance that the Funds will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for certain Funds to benefit from favourable fluctuations in relevant foreign currencies. Certain Funds may use one currency (or a basket of currencies) to hedge against adverse changes in the value of another currency (or a basket of currencies) when exchange rates between the two currencies are positively correlated.

RISKS OF UTILISING OPTIONS: Certain Funds may purchase exchange-traded option contracts. A call option on a security 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. The writer (seller) of the call option, who receives the premium, has the obligation, upon exercise of the option, to deliver the underlying securities against payment of the exercise price. 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. The writer of the put, who receives the premium, has the obligation to buy the underlying securities, upon exercise, at the exercise price.

A 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 generally are established through negotiation with the other party to the option contract. While this type of arrangement allows a Fund great flexibility to tailor the option to its needs, OTC options generally involve greater risk than exchange-traded options, which are guaranteed by clearing organisations of the exchanges where they are traded.

The purchase of call options can serve as a long hedge, and the purchase of put options can serve as a short hedge. Writing put or call options can enable a Fund to enhance yield by reason of the premiums paid by the purchasers of such options. Writing call options can serve as a limited short hedge, because declines in the value of the hedged investment would be offset to the extent of the premium received for writing the option.

A Fund may effectively terminate its right or obligation under an option by entering into a closing transaction. For example, the Fund may terminate its obligation under a call or put option that it had written by purchasing an identical call or put option – this is known as a closing purchase transaction. Conversely, the Fund may terminate a position in a put or call option it had purchased by writing an identical put or call option – this is known as a closing sale transaction. Closing transactions permit the Fund to realise profits or limit losses on an option position prior to its exercise or expiration. There can be no assurance that it will be possible for a Fund to enter into any closing transaction.

A type of put is an "optional delivery standby commitment," which is entered into by parties selling debt securities to a Fund. An optional delivery standby commitment gives the Fund the right to sell the security back to the seller on specified terms. This right is provided as an inducement to purchase the security.

A Fund may purchase and write covered straddles on securities, currencies or bond indices. A long straddle is a combination of a call and a put option purchased on the same security, index or currency where the exercise price of the put is less than or equal to the exercise price of the call. The Fund would enter into a long straddle when its portfolio manager believes that it is likely that interest rates or currency exchange rates will be more volatile during the term of the options than the option pricing implies. A short straddle is a combination of a call and a put written on the same security, index or currency where the exercise price of the put is less than or equal to the exercise price of the call. In a covered short straddle, the same issue of security or currency is considered cover for both the put and the call that the Fund has written. The Fund would enter into a short straddle when its portfolio manager believes that it is unlikely that interest rates or currency exchange rates will be volatile during the term of the option as the option pricing implies. In such cases, the Fund will segregate cash and/or appropriate liquid securities equivalent in value to the amount, if any, by which the put is "in the money", that is, the amount by which the exercise price of the put exceeds the current market value of the underlying security.

Puts and calls on indices are similar to puts and calls on securities (described above) or futures contracts (described below), except that all settlements are in cash and gain or loss depends on changes to the index in question rather than on price movements in individual securities or futures contracts. When a Fund writes a call on an index, it receives a premium and agrees that, prior to the expiration date, the purchase of the call, upon exercise of the call, will receive from the Fund an amount of cash if the closing level of the index upon which the call is based is greater than the exercise price of the call. The amount of cash is equal to the difference between the closing price of the index and the exercise price of the call times a specified multiple ("multiplier"), which determines the total cash value for each point of such difference. When a Fund buys a put on an index, it pays a premium and has the right, prior to the expiration date, to require the seller of the put, upon the Fund's exercise of the put, to deliver to the Fund an amount of cash if the closing level of the index upon which the put is based is less than the exercise price of the put, which amount of cash is determined by the multiplier, as described above for calls. When the Fund writes a put on an index, it receives a premium and the purchaser of the put has the right, prior to the expiration date, to require the Fund to deliver to it an amount of cash equal to the difference between the closing level of the index and exercise price times the multiplier if the closing level is less than the exercise price.

Because option premiums paid or received by a Fund will be small in relation to the market value of the investment underlying the options, trading in options could cause the Fund's Net Asset Value to be subject to more frequent and wider fluctuations than would be the case if the Fund did not utilise options.

Upon the exercise of a put option written by a Fund, the Fund may suffer a loss equal to the difference between the price at which the Fund is required to purchase the underlying asset and its market value at the time of the option exercise, less the premium received for writing the option. Upon the exercise of a call option written by a Fund, the Fund may suffer a loss equal to the excess of the market value of the asset at the time of the option's exercise over the price at which the Fund is obliged to sell the asset, less the premium received for writing the option.

The value of an option position will reflect, among other things, the current market value of the underlying investment, the time remaining until expiration, the relationship of the exercise price to the market price of the underlying investment, the historical price volatility of the underlying investment and general market conditions. Options purchased by a Fund that expire unexercised have no value, and the Fund will realise a loss in the amount of the premium paid plus any transaction costs.

No assurance can be given that a Fund will be able to effect closing transactions at a time when they wish to do so. If a Fund cannot enter into a closing transaction, the Fund may be required to hold assets that it might otherwise have sold, in which case it would continue to be at market risk on such assets and could have higher transaction costs, including brokerage commissions. In addition, options that are not exchange traded will subject a Fund to risks relating to its counterparty, such as the counterparty's bankruptcy, insolvency, or refusal to honour its contractual obligations.

Options on indices may, depending on the circumstances, involve greater risk than options on securities. A Fund can offset some of the risk of writing a call index option by holding a diversified portfolio of securities similar to those on which the underlying index is based. However, the Fund cannot, as a practical matter, acquire and hold a portfolio containing exactly the same securities as underlie the index and, as a result, bears a risk that the value of the securities held will vary from the value of the index.

RISKS OF UTILISING FUTURES AND OPTIONS ON FUTURES: Certain Funds may enter into certain types of futures contracts or options on futures contracts. 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. The purchase or sale of a futures contract differs from the purchase or sale of a security or option in that no price or premium is paid or received. Instead, an amount of cash, US Government Securities or other liquid assets generally not exceeding 5 per cent of the face amount of the futures contract must be deposited with the broker. This amount is known as initial margin. Subsequent payments to and from the broker, known as variation margin, are made on a daily basis as the price of the underlying futures contract fluctuates making the long and short positions in the futures contract more or less valuable, a process known as "marking to market". In most cases futures contracts are closed out before the settlement date without the making or taking of delivery. Closing out a futures contract sale is effected by purchasing a futures contract for the same aggregate amount of the specific type of financial instrument and the same delivery date. If the price of the initial sale of the futures contract exceeds the price of the offsetting purchase, the seller is paid the difference and realises a gain. Conversely, if the price of the offsetting purchase exceeds the price of the initial sale, the seller realises a loss. Similarly, the closing out of a futures contract purchase is effected by the purchaser entering into a futures contract sale. If the offsetting sale price exceeds the purchase price, the purchaser realises a gain, and if the purchase price exceeds the offsetting sale price, a loss will be realised.

Futures strategies can be used to change the duration of a Fund's portfolio. If the Fund's portfolio manager wishes to shorten the duration of the Fund's portfolio, the Fund may sell a debt futures contract or a call option thereon, or purchase a put option on that futures contract. If the portfolio manager wishes to lengthen the duration of the Fund's portfolio, the Fund may buy a debt futures contract or call option thereon, or sell a put option thereon.

Futures contracts may also be used for other purposes, such as to simulate full investment in underlying securities while retaining a cash balance for efficient portfolio management purposes, as a substitute for direct investment in a security, to facilitate trading, to reduce transaction costs, or to seek higher investment returns when a futures contract or option is priced more attractively than the underlying security or index.

If a Fund were unable to liquidate a futures contract or an option on a futures position due to the absence of a liquid market, the imposition of price limits or otherwise, it could incur substantial losses. The Fund would continue to be subject to market risk with respect to the position. In addition, except in the case of purchased options, the Fund would continue to be required to make daily variation margin payments and might be required to maintain the position being hedged by the future or option or to maintain cash or securities in a segregated account.

If an index future is used for hedging purposes, the risk of imperfect correlation between movements in the price of index futures and movements in the price of the securities that are the subject of the hedge increase as the composition of the Fund's portfolio diverges from the securities included in the applicable index. The price of the index futures may move more than or less than the price of the securities being hedged. To compensate for the imperfect correlation of movements in the price of the securities being hedged and movements in the price of the index futures, the Fund may buy or sell index futures in a greater currency amount than

the currency amount of the securities being hedged if the historical volatility of the prices of such securities being hedged is more than the historical volatility of the prices of the securities included in the index. It is also possible that, where the Fund has sold index futures contracts to hedge against a decline in the market, the market may advance and the value of the securities held in the Fund may decline. If this occurs, the Fund will lose money on the futures contract and also experience a decline in the value of its portfolio securities.

Where index futures are purchased to hedge against a possible increase in the price of securities before the Fund is able to invest in them in an orderly fashion, it is possible that the market may decline instead. If the portfolio manager of the relevant Fund then decides not to invest in the securities at that time because of concern about possible further market decline or for other reasons, the Fund will realise a loss on the futures contract that is not offset by a reduction in the price of the securities it had anticipated purchasing.

RISKS OF UTILISING SWAPS: Certain Funds may enter into transactions in swaps (including credit default swaps, interest rate swaps (including non-deliverable), total return swaps, swaptions, currency swaps (including non-deliverable), contracts for differences and spread locks), options on swaps, caps, floors and collars. An interest rate swap involves the exchange by a Fund with another party of their respective commitments to pay or receive cash flows (e.g., an exchange of floating rate payments for fixed-rate payments). The purchase of a cap entitles the purchaser, to the extent that a specified index exceeds a predetermined value, to receive payments on a notional principal amount from the party selling the cap. The purchase of a floor entitles the purchaser, to the extent that a specified index falls below a predetermined value, to receive payments on a notional principal amount from the party selling the floor. A collar combines elements of buying a cap and selling a floor. A collar is created by purchasing a cap or floor and selling the other. The premium due for the cap (or floor as appropriate) is partially offset by the premium received for the floor (or cap as appropriate), making the collar an effective way to hedge risk at low cost. Spread locks are contracts that guarantee the ability to enter into an interest rate swap at a predetermined rate above some benchmark rate. A non-deliverable swap is one in which the payments to be exchanged are in different currencies, one of which is a thinly traded or non-convertible currency, and the other is a freely convertible, major currency. At each payment date, the payment due in the non-convertible currency is exchanged into the major currency at a daily reference rate, and net settlement is made in the major currency.

Certain Funds may also enter into credit default swap agreements. The Funds may be either the buyer or seller in a credit default swap transaction. 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. If a Fund is a buyer and no event of default occurs, the Fund will lose its investment and recover nothing. On the other hand, if the Fund is a buyer and an event of default does occur, the Fund (i.e., the buyer) will receive the full notional value of the reference obligation that may have little or no value. Conversely, if the Fund is a seller and an event of default occurs, the Fund (i.e., the seller) must pay the buyer the full notional value, or "par value", of the reference obligation in exchange for the reference obligation. As a seller, a Fund receives a fixed rate of income throughout the term of the contract, which typically is between six months and three years, provided that there is no default event. If an event of default occurs, the seller must pay the buyer the full notional value of the reference obligation.

Total return swaps are agreements whereby the Fund agrees to pay a stream of payments based on an agreed interest rate in exchange for payments representing the total economic performance, over the life of the swap, of the asset or assets underlying the swap. Through the swap the Fund may take a long or short position in the underlying asset(s), which may constitute a single security or a basket of securities. Exposure through the swap closely replicates the economics of physical shorting (in the case of short positions) or physical ownership (in the case of long positions), but in the latter case without the voting or beneficial ownership rights of direct physical ownership. If a Fund invests in total return swaps or other FDI with the same characteristics, the underlying asset or index may be comprised of equity or debt securities, Money Market Instruments or other eligible investments which are consistent with the investment objective and policies of the Fund. The counterparties to such transactions are typically banks, investment firms, broker-dealers, collective investment schemes or other financial institutions or intermediaries. The counterparties to total return swaps entered into by a Fund will not assume any discretion over the composition or management of the Fund's investment portfolio or over the underlying of the FDIs, and the counterparty's approval is not required in relation to any portfolio transactions by the Fund.

Swap agreements, including caps, floors and collars, can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the overall volatility of a Fund's investments and its share price and yield because, and to the extent, these agreements affect the Fund's exposure to long- or short-term interest rates, foreign currency values, mortgage-backed securities values, corporate borrowing rates or other factors such as security prices or inflation rates. Swap agreements will tend to shift an Fund's investment exposure from one type of investment to another. For example, if a Fund agrees to exchange payments in US Dollars for payments in the currency of another country, the swap agreement would tend to decrease the Fund's exposure to US interest rates and

increase its exposure to the other country's currency and interest rates. Caps and floors have an effect similar to buying or writing options.

Payments under a swap contract may be made at the conclusion of the contract or periodically during its term. If there is a default by the counterparty to a swap contract, a Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to swap contracts.

In addition, because swap contracts are individually negotiated and ordinarily non-transferable, there also may be circumstances in which it would be impossible for a Fund to close out its obligations under the swap contract. Under such circumstances, a Fund might be able to negotiate another swap contract with a different counterparty to offset the risk associated with the first swap contract. Unless a Fund is able to negotiate such an offsetting swap contract, however, it could be subject to continued adverse developments, the Fund's portfolio manager has determined that it would be prudent to close out or offset the first swap contract.

The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary portfolio securities transactions. If the Fund's portfolio manager is incorrect in its expectations of market values or interest rates the investment performance of a Fund would be less favourable than it would have been if this efficient portfolio management technique were not used.

RISKS OF REPURCHASE AND REVERSE REPURCHASE AGREEMENTS: Certain Funds may enter into repurchase agreements. Repurchase agreements are transactions in which a Fund purchases securities from a bank or recognised securities dealer and simultaneously commits to resell the securities to the bank or dealer at an agreed-upon date and price reflecting a market rate of interest unrelated to the coupon rate of maturity of the purchased securities. If the seller of a repurchase agreement fails to fulfill its commitment to repurchase the security in accordance with the terms of the agreement, the relevant Fund 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 Fund and order that the securities be sold to pay off the seller's debts. There may be both delays in liquidating the underlying securities and losses during the period while the Fund seeks to enforce its rights, including possible sub-normal level of income and lack of access to income during the period and expenses in enforcing its rights.

A reverse repurchase agreement involves the sale of securities with an agreement to repurchase the securities at an agreed upon price, date and interest payment. Reverse repurchase agreements create the risk that the market value of the securities sold by a Fund may decline below the price at which the Fund 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 Fund'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.

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

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

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

  (a) reduction of risk;
  (b) reduction of cost;
  (c) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in Regulation 71 of the UCITS Regulations;

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

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

Repurchase/reverse repurchase agreements ("repo contracts") and stocklending agreements may only be effected in accordance with normal market practice.

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

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

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

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

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

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

(b) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in sub-paragraph (a) this shall result in a new credit assessment being conducted of the issuer by the Fund without delay;

(iv) **Correlation:** Collateral received should be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Fund to expect that the collateral would not display a high correlation with the performance of the counterparty.

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

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

(b) It is intended that a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. The Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30 per cent of the Fund's Net Asset Value. The Member States, local authorities, third countries, or public international bodies or issuing or guaranteeing securities which the Fund is able to accept as collateral for more than 20 per cent of its Net Asset Value shall be drawn from the following list:

OECD Governments (provided the relevant issues are investment grade), the Government of China, the government of Brazil (provided the relevant issues are investment grade), the government of India (provided the relevant issues are investment grade), the government of Singapore (provided the relevant issues are investment grade), European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter-American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Straight A Funding LLC and Tennessee Valley Authority; and

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

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

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

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

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

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

(ii) high-quality government bonds;

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

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

Invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or with any entity that is related or connected to the counterparty.

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

a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
c) reporting frequency and limit/loss tolerance threshold/s; and
d) mitigation actions to reduce loss including haircut policy and gap risk protection.

The haircut policies to be applied by the Investment Manager are adapted for each class of assets received as collateral. The haircut policies will take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with requirements of the Central Bank. The haircut policies are documented and each decision to apply a specific haircut to a certain class of assets should be justified on the basis of the relevant policy.

Where a counterparty to a repurchase or a securities lending agreement which has been entered into by a Fund: (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the ICAV in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in sub-paragraph (a) this shall result in a new credit assessment being conducted of the counterparty by the Fund without delay.

A Fund should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the repurchase agreement should be used for the calculation of the net asset value of the Fund.

A Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall any securities subject to the reverse repurchase agreement or to terminate the reverse repurchase agreement into which it has entered.

Repo contracts and stocklending agreements do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively of the UCITS Regulations.

It is intended that no Fund will enter into a stocklending transaction which would cause, at the time of the loan, more than 20 per cent of the Fund's Net Asset Value (including the value of the loans' collateral) being outstanding on loan. Up to 25 per cent of any Fund's income from stocklending may be paid as a fee to the ICAV's stocklending agent.

It is intended that no Fund will enter into a repo contract which would cause, at the time of entering into the contract, more than 25 per cent of the Fund's Net Asset Value to be subject to repo contracts (including repurchase and reverse repurchase agreements). All income from repo contracts will accrue to the relevant Fund.

RISKS OF SECURITIES LENDING AGREEMENTS: Certain Funds may enter into securities lending agreements that will expose the Fund to credit risk presented by the counterparty to any securities lending contract, similar to repurchase and reverse repurchase agreements. The risks associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially.

EUROPEAN MARKET INFRASTRUCTURE REGULATION ("EMIR"): A Fund entering into OTC derivative contracts must comply with EMIR requirements including mandatory clearing, bilateral risk management and reporting. These obligations may result in additional costs for the Fund and sanctions by the Central Bank in the event of non-compliance.

SECURITISATION REGULATION: On 17 January 2018, the new Securitisation Regulation came into force and applies across the EU from 1 January 2019. The Securitisation Regulation replaces the existing sector-specific approach to securitisation regulation with a new set of rules that apply to EU-regulated institutional investors investing in Securitisations. Fund management companies such as the Manager, and accordingly the Funds, are within scope of the Securitisation Regulation. The definition of "Securitisation" is intended to capture any transaction or scheme where the credit risk associated with an exposure or a pool of exposures is tranched. Essentially, the definition includes any investment with tranches or classes where payments in the transaction or scheme are dependent on the performance of the exposure or of the pool of exposures and the participation in losses differs between the tranches during the life of the transaction or scheme.

Fund management companies such as the Manager must ensure that the originator, sponsor or original lender of a Securitisation retains at least a 5% net economic interest in the Securitisation. These rules will mean that the Manager or the relevant Investment Manager will need to conduct due diligence before a Fund invests in a Securitisation Position and continue to perform due diligence during the period the investment continues in a Securitisation. Where a Fund is exposed to a Securitisation Position which does not meet the requirements of the Securitisation Regulation, the Manager or the relevant Investment Manager is required to, in the best interests of the investors in the relevant Fund, act and take corrective action, if appropriate.

The Securitisation Regulation applies to Securitisations the securities of which are issued on or after 1 January 2019 or which create new Securitisation Positions on or after that date. An effect of the Securitisation Regulation is that certain Securitisations which were eligible for purchase by the Funds are no longer eligible.

ESG RISKS: Where a Fund follows an environmental, social and governance ("ESG") investment strategy, this may limit the number of investment opportunities available to the Fund and, as a result, the Fund may underperform funds that are not subject to such criteria. For example, a Fund's ESG investment strategy may cause it to: (1) forgo opportunities to purchase certain securities it might otherwise be advantageous to buy; or (2) sell certain securities it might otherwise be disadvantageous to sell. The Investment Manager determines whether issuers meet ESG criteria based on the Investment Manager's assessment, which includes a subjective component and will be made based on the information available to the Investment Manager. Investors may not agree with such assessments.

DILUTION ADJUSTMENTS: A dilution adjustment may be applied to the Net Asset Value per Share of a Fund on a Dealing Day (i) if net subscriptions or redemptions exceed certain pre-determined percentage thresholds relating to a Fund's Net Asset Value (where such percentage thresholds have been pre-determined for each Fund from time to time by the Directors or by a committee nominated by the Directors); or (ii) in any other cases where there are net subscriptions or redemptions in the Fund and the Directors or their delegate reasonably believes that imposing a dilution adjustment is in the best interests of existing Shareholders.

Where a dilution adjustment is applied, it will increase the Net Asset Value per Share of a Fund when there are net inflows and decrease the Net Asset Value per Share of a Fund when there are net outflows. The Net Asset Value per Share, as adjusted by any dilution adjustment, will be applicable to all transactions in Shares or the relevant Fund on the relevant Dealing Day. Therefore, for an investor who subscribes to a Fund on a Dealing Day when the dilution adjustment increases the Net Asset Value per Share, the cost per Share to the investor will be greater than it would have been absent the dilution adjustment. For an investor who redeems a certain number of Shares from a Fund on a Dealing Day when the dilution adjustment decreases the Net Asset Value per Share, the amount received by the investor in redemption proceeds for the Shares redeemed will be less than it would have been absent the dilution adjustment.

CYBER SECURITY RISKS: With the increased use of technologies such as the internet and other electronic media and technology to conduct business, the ICAV, each Fund and the ICAV's service providers and their respective operations are susceptible to operational, information security and related risks including cyber security attacks or incidents. In general, cyber

incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorised access to digital systems, networks or devices (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users). In addition to intentional cyber-events, unintentional cyber-events can occur, such as, for example, the inadvertent release of confidential information. Cyber security failures or breaches by affecting the ICAV, a Fund and/or the ICAV's service providers, and the issuers of securities in which the Funds invest, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, shutting down, disabling, slowing or otherwise disrupting operations, business process or website access functionality, interference with a Fund's ability to calculate its NAV, impediments to trading, the inability of Fund shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, the loss of proprietary information, suffer data corruption. Among other potentially harmful effects, cyber-events also may result in theft, unauthorised monitoring and failures in the physical infrastructure or operating systems that support the ICAV and the ICAV's service providers. Similar adverse consequences could result from cyber security attacks, failures or breaches affecting issuers of securities in which the Funds invest, counterparties with which the Funds engage in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for Fund shareholders) and other parties. In addition, substantial costs may be incurred in order to try to prevent any cyber incidents in the future.

RISKS ASSOCIATED WITH UMBRELLA CASH ACCOUNTS: The Umbrella Cash Account will operate in respect of the ICAV rather than a relevant Fund and the segregation of Investor Monies from the liabilities of Funds other than the relevant Fund to which the Investor Monies relate is dependent upon, among other things, the correct recording of the assets and liabilities attributable to individual Funds by or on behalf of the ICAV.

In the event of an insolvency of the Fund, there is no guarantee that the Fund will have sufficient monies to pay unsecured creditors (including the investors entitled to Investor Monies) in full.

Monies attributable to other Funds within the ICAV will also be held in the Umbrella Cash Accounts. In the event of the insolvency of a Fund (an "Insolvent Fund") the recovery of any amounts to which another Fund (the "Beneficiary Fund") is entitled, but which may have transferred in error to the Insolvent Fund as a result of the operation of the Umbrella Cash Account, will be subject to applicable law and the operational procedures for the Umbrella Cash Account. There may be delays in effecting, and/or disputes as to the recovery of, such amounts, and the Insolvent Fund may have insufficient funds to repay amounts due to the Beneficiary Fund.

In the event that an investor fails to provide the subscription monies within the timeframe stipulated in the Prospectus, the investor may be required to indemnify the Fund against the liabilities that may be incurred by it. The ICAV may cancel any Shares that have been issued to the investor and charge the investor interest and other expenses incurred by the relevant Fund. In the event that the ICAV is unable to recoup such amounts from the defaulting investor, the relevant Fund may incur losses or expenses in anticipation of receiving such amounts, for which the relevant Fund, and consequently its Shareholders, may be liable.

It is not expected that any interest will be paid on the amounts held in the Umbrella Cash Account. Any interest earned on the monies in the Umbrella Cash Account will be for the benefit of the relevant Fund and will be allocated to the Fund on a periodic basis for the benefit of the Shareholders at the time of the allocation.

BUYING, SELLING, SWITCHING AND CONVERTING SHARES

TYPES OF SHARES

The Funds offer a wide variety of Share Classes. The Share Classes are characterised by their letter type, currency denomination and whether or not they distribute dividends, and if so, at what frequency and from what sources. The creation of further Share Classes must be effected in accordance with the requirements of the Central Bank.

The Share Classes differ principally in terms of their sales charges, fees, rates of expenses, distribution policy, and currency denomination. Investors are thus able to choose a Share Class that best suits their investment needs, considering the amount of investment and anticipated holding period.

Letter types:

The following letter types of Share Classes are available:

A	E	F	R	S	X	Premier

The letter types are distinguished by their investment minimums, whether they charge sales charges, and other eligibility requirements. See the section entitled "Fees and Expenses" for more information. The table headed "Share Class" in each Fund Supplement indicates which Share Class letter types are offered for each Fund.

Share class types:

The following Share Classes are available:

Share Class	**Eligibility**
Class A	Class A Shares are available to all investors. Commission/rebate payments may be made by Distributors to Dealers or other investors who have an agreement with a Distributor with respect to such Shares.
Class E	Class E Shares are available to all investors who are clients of Dealers appointed by a Distributor with respect to such Shares. Commission payments may be made by Distributors to Dealers or other investors who have an agreement with a Distributor with respect to such Shares.
Class F	Class F Shares are available to Professional Investors and investors with a discretionary investment agreement with a Dealer appointed by the Distributor with respect to such Shares. Commission/rebate payments may be made by Distributors to Dealers or other investors who have an agreement with the Distributor with respect to such Shares.
Class R	Class R Shares are available to Distributors, dealers or other intermediaries who have qualifying terms of business arrangements with a Distributor or dealer, or at the discretion of a Distributor or dealer.
Class X	Class X Shares are available to Dealers, portfolio managers or platforms which, according to regulatory requirements or based on fee arrangements with their clients, are not allowed to accept and retain trail commissions; and institutional investors (for investors in the European Union, this means "Eligible Counterparties" as defined under MiFID II) investing for their own account.
S Class	S Class Shares are available to institutional investors at the discretion of the Directors or Distributors.
Premier Class	For investors based in the European Union, Premier Class Shares are available to "Eligible Counterparties" as defined under MIFID II; for investors based outside the European Union, Premier Share Classes are available to institutional investors.

These different Share Classes differ principally in terms of their sales charges, fees, rates of expenses, distribution policy, and currency denomination. Investors are thus able to choose a Share Class that best suits their investment needs, considering the amount of investment and anticipated holding period.

Share Class Restrictions

Certain Share Class restrictions apply as detailed in the relevant Fund Supplement.

Currency denomination:

For each Fund, Share Classes are available in the currencies detailed in the relevant Fund Supplement.

For each letter type offered, each Fund offers Share Classes in its Base Currency, and Share Classes in each of the other currencies above. There will be no hedging against movements in exchange rates between the currency of the Share Class and the Base Currency of the relevant Fund.

Currency transactions:

For each Fund, with respect to Share Classes denominated in a currency other than the relevant Fund's Base Currency, the relevant Investment Manager will not employ any techniques to hedge these Share Classes' exposure to changes in exchange rates between the Base Currency and the currency of the Share Class. As such, the Net Asset Value per Share and investment performance of such Share Classes may be affected, positively or negatively, by changes in the value of the Base Currency relative to the value

of the currency in which the relevant Share Class is denominated. Currency conversion will take place on subscriptions, redemptions, exchanges and distributions at prevailing exchange rates.

Accumulating Share Classes

With respect to Accumulating Share Classes, it is intended that, in the normal course of business, distributions will not be declared and that any net income and net gains attributable to each Accumulating Share Class will be accumulated daily in the respective Net Asset Value per Share of each respective Share Class. For each Fund, if distributions are declared and paid with respect to Accumulating Share Classes, such distributions may be made from net income and from realised and unrealised capital gains net of realised and unrealised capital losses. Shareholders will be notified in advance of any change in distribution policy for the Accumulating Share Classes and this Prospectus will be updated accordingly.

Each Share Class is designated as a Distributing Share Class or an Accumulating Share Class. Accumulating Share Classes do not distribute net income, net realised capital gains or net unrealised capital gains whereas Distributing Share Classes will pay a distribution outlined below:

DISTRIBUTIONS

Various Distributing Share Classes are available outlined in the table below. Each Fund Supplement indicates which Share Classes are currently available.

Type	Basis of calculation
Distributing	For each Distributing Share Class of each Fund, at the time of each dividend declaration: (1) all, or some portion of, net income, if any, will be declared as a dividend; and (2) all, or some portion, of, realised and unrealised capital gains net of realised and unrealised capital losses may be, but is not required to be, declared as a dividend.
Distributing Plus (e)	For each Distributing Plus (e) Share Class of each Fund: (1) all, or some portion of, net income, if any, will be declared as a dividend at the time of each dividend declaration; and (2) all, or some portion of, realised and unrealised capital gains net of realised and unrealised capital losses may be, but is not required to be, declared as a dividend at the time of each dividend declaration; and (3) certain fees and expenses may be charged to capital rather than income. It should be noted that the declaration of distributions in the Distributing Plus (e) Share Classes, which may charge certain fees and expense to capital rather than income, could result in the erosion of capital for investors in those Distributing Plus (e) Share Classes and increased income to Shareholders will be achieved by forgoing some of the potential for future capital growth. This cycle may continue until all capital is depleted.
Distributing Plus	For each Distributing Plus Share Class of each Fund, at the time of each dividend declaration: (1) all, or some portion of, net income, if any, will be declared as a dividend; and (2) all, or some portion, of, realised and unrealised capital gains net of realised and unrealised capital losses may be, but is not required to be, declared as a dividend; and (3) a portion of capital may be, but is not required to be, declared as a dividend. It should be noted that the declaration of distributions in the Distributing Plus Share Classes, which may distribute capital, could result in the erosion of capital for investors in those Distributing Plus Share Classes and that the distributions will be achieved by forgoing the potential for future capital growth of the investment of the Shareholders of the Distributing Plus Share Classes. The value of future returns may also be diminished. This cycle may continue until all capital is depleted.

Distributing Share Class Designation	Frequency of Dividend Declarations	Frequency of Dividend Payments
Distributing (D)	Daily	Monthly
Distributing (M)	Monthly	Monthly
Distributing (Q)	Quarterly	Quarterly (October, January April, July,)
Distributing (S)	Semi-Annually	Semi-Annually (January, July)
Distributing (A)	Annually	Annually (July)

Shareholders of each Distributing Share Class may elect on the application whether or not to invest distributions in additional Shares. Distributions that are paid will be in the currency in which the Shareholder subscribed for Shares, unless the Shareholder requests otherwise. Payments will be made by wire transfer to a Shareholder‘s account.

The name of each Share Class will indicate its various features. For example:

> "Class A US$ Distributing (D)" indicates that the Share Class is of the A letter type, is denominated in US$, may make distributions to Shareholders, and declares such distributions on a daily basis.
>
> "Class E Euro Distributing (M) Plus (e)" indicates that the Share Class is of the E letter type, is denominated in Euros, may make distributions to Shareholders, and declares such distributions on a monthly basis and may charge fees and expenses to capital.

INITIAL OFFER PERIOD AND INITIAL OFFER PRICE

The Initial Offer Period for each Fund is set out in the relevant Fund Supplement. During the Initial Offer Period for each Fund, the Initial Offer Price per Share for each Share Class shall be Euro 100 for Share Classes denominated in Euro, US$100 for Share Classes denominated in US Dollars, GBP 100 for Share Classes denominated in Pounds Sterling, CHF 100 for Share Classes denominated in Swiss Francs, JPY 10,000 for Share Classes denominated in Japanese Yen, SGD 1 for Share Classes denominated in Singapore Dollars, AUD 100 for Share Classes denominated in Australian Dollars, NOK 100 for Share Classes denominated in Norwegian Kroner, SEK 100 for Share Classes denominated in Swedish Kronor, KRW 10,000 for Share Classes denominated in Korean Won, CAD 100 for Share Classes denominated in Canadian Dollars, CNH 100 for Share Classes denominated in offshore renminbi, HKD 100 for Share Classes denominated in Hong Kong Dollars, NZD 100 for Share Classes denominated in New Zealand Dollars and PLN 100 for Share Classes denominated Polish Zloty. The ICAV may determine not to close the Initial Offer Period of a Share Class until the ICAV or the Investment Manager believes that a sufficient number of Shares have been subscribed for to allow for efficient management of the Share Class, in accordance with the requirements of the Central Bank. Any extension of the Initial Offer Period will be notified to the Central Bank in accordance with the requirements of the Central Bank.

SUBSCRIPTION PRICE

Following the relevant Initial Offer Period, the subscription price per Share for all Share Classes shall be the Net Asset Value per Share plus, in the case of any of the Class A Share Classes, an initial charge of up to 5 per cent, and in the case of any of the Class E Share Classes, an initial charge of up to 2.5 per cent. The initial charge shall be payable to the relevant Distributor or such person as they may direct, including Dealers. For any Fund on any Dealing Day a dilution adjustment may be made, which will be reflected in the Net Asset Value per Share. Please see the "Dilution Adjustment" section below for further information.

MINIMUM SUBSCRIPTION AMOUNTS

The minimum initial and subsequent investment per Shareholder in Shares of the Funds are set out in Schedule VI. Unless otherwise indicated, the minimums indicated apply for each Fund offering the relevant Share Class.

SUBSCRIPTION PROCEDURES

Existing and prospective Shareholders may place orders directly with the Administrator to purchase Shares of the Funds up to the Dealing Deadline. In exceptional circumstances, where the Directors so determine in their absolute discretion, orders to purchase Shares may be accepted after the Dealing Deadline, provided that they are received prior to the Valuation Point on any Dealing Day. Orders received by the Administrator or a Distributor or Dealer, for onward transmission to the Administrator prior to the Dealing Deadline or, in the exceptional circumstances where the Directors so determine in their absolute discretion to accept orders after the Dealing Deadline but prior to the Valuation Point, on a Dealing Day will, if accepted, be dealt with at the subscription price calculated on that Dealing Day. Orders received by the Administrator or a Distributor or Dealer, for onward transmission to the Administrator, after the Valuation Point on a Dealing Day will, if accepted, be dealt with at the subscription price calculated on the next succeeding Dealing Day. Shares of the Funds may be purchased by subscribing for Shares directly with the Administrator, through Euroclear or through a Distributor or Dealer, for onward transmission to the Administrator.

The ICAV may accept subscriptions for the Funds in freely convertible currencies including, but not limited to, Pounds Sterling, Euro or US Dollars.

SUBSCRIPTION THROUGH A DISTRIBUTOR OR DEALER: Distributors and Dealers who enter into agreements with a Distributor in relation to the Funds may make offers of Shares. Orders to subscribe for Shares made through an account maintained at a Distributor or Dealer or bank intermediary of record generally are deemed received in proper form on the date and at the time on which the order is received by the Distributor or Dealer, its agent or the bank intermediary of record (which shall not be later than the Valuation Point) on the relevant Dealing Day for onward transmission to the Administrator and subject to final acceptance by the Administrator. Subscription orders received by a Distributor or Dealer prior to the Dealing Deadline or, in the exceptional

circumstances where the Directors so determine in their absolute discretion to accept orders after the Dealing Deadline but prior to the Valuation Point on a Dealing Day, shall be dealt with at the subscription price calculated on such Dealing Day, provided that certain Distributors or Dealers may impose a deadline for receipt of orders that is earlier than the Dealing Deadline. Orders received by a Distributor or Dealer for onward transmission to the Administrator after the Valuation Point on a Dealing Day shall be dealt with at the subscription price calculated on the next succeeding Dealing Day.

SUBSCRIPTIONS THROUGH THE FUND: Existing and prospective Shareholders may place orders to purchase Shares of the Funds directly with the Administrator. Initial applications may be made to the Administrator up to the Dealing Deadline on any Dealing Day in the relevant location by placing a purchase order by way of a properly completed application form to the Administrator. In exceptional circumstances, where the Directors so determine in their absolute discretion, orders to purchase Shares may be accepted after the Dealing Deadline, provided that they are received prior to the Valuation Point on any Dealing Day. To facilitate prompt investment, an initial subscription may be processed upon receipt of an electronic or faxed instruction and Shares may be issued, in accordance with the Central Bank's requirements regarding electronic dealing. However, the signed original application form must be received promptly. No redemption payment may be made from that holding until the signed original application form has been received by the Administrator and all of the necessary anti-money laundering checks have been completed.

Before subscribing for Shares an investor will be required to complete a declaration as to the investor's tax residency or status in the form prescribed by the Revenue Commissioners.

Applications received by the Administrator prior to the Dealing Deadline or, in the exceptional circumstances where the Directors so determine in their absolute discretion to accept orders after the Dealing Deadline but prior to the Valuation Point on a Dealing Day will, if accepted, be dealt with at the subscription price calculated on that Dealing Day. Applications received by the Administrator after the Valuation Point will, if accepted, be dealt with at the subscription price calculated on the next succeeding Dealing Day.

A Shareholder may purchase additional Shares of the Funds by submitting a subscription instruction by mail, electronic instruction or fax. Such subscription instructions shall contain such information as may be specified by time to time by the Directors or their delegate. Existing Shareholders who wish to subscribe by fax or other electronic means should contact the Administrator or the relevant Distributor for further details.

SUBSCRIPTIONS THROUGH EUROCLEAR: For investors wishing to hold Shares through Euroclear, settlement must be effected through Euroclear. Investors must ensure that they have cleared funds and/or credit arrangements in their Euroclear account sufficient to pay the full subscription monies on the Dealing Day on which they wish to subscribe for Shares.

Euroclear Bank, as operator of the Euroclear System ("Euroclear Operator"), holds securities on behalf of participants of the Euroclear System. Euroclear eligible securities are freely transferable in the Euroclear System. Therefore, the Euroclear Operator does not monitor any ownership or transfer restrictions on behalf of the Fund, but will provide the Administrator with the name and contact address of each person who purchases Shares.

Fractional Shares will not be issued for purchases which are settled through Euroclear.

Investors wishing to hold Shares through Euroclear may obtain the Euroclear Common Code for the Fund and settlement procedures by contacting the Administrator.

ORDER ACCEPTANCE

The ICAV and the Administrator reserve the right to request further details or evidence of identity from an applicant for, or transferee of, Shares.

The ICAV reserves the right to refuse any prospective investor or reject any purchase order for Shares (including exchanges) for any reason or without reason, including but not limited to any order placed by or on behalf of an investor whom the ICAV or the Administrator determines to have engaged in a pattern of short-term or excessive trading in any of the Funds or other funds. Short-term or excessive trading into and out of a Fund may harm performance by disrupting portfolio management strategies and/or by increasing Fund expenses. Where an application for Shares is rejected, the subscription monies shall be returned to the applicant without interest within fourteen calendar days of the date of such application. Any charges incurred will be borne by the applicant.

Each Shareholder must notify the Administrator in writing of any change in the information contained in the application form and furnish the Administrator, Distributor or Dealer with whatever additional documents relating to such change as it may request.

Measures aimed at the prevention of money laundering may require an applicant to provide verification of identity to the Administrator. This obligation arises unless (i) the application is being made through a recognised financial intermediary; or (ii) payment is made through a banking institution, which in either case is in a country with money laundering regulations equivalent to those in Ireland.

The Administrator will notify applicants if proof of identity is required. By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in his country of residence, together with evidence of the applicant's address, such as a utility bill or bank statement. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), bye-laws, memorandum and articles of association (or equivalent), and the names and addresses of all directors and beneficial owners.

Subscriptions may be accepted but no redemption or dividend payments will be made until the Administrator has received and is satisfied with all the information and documentation required to verify the identity of the applicant.

It is further acknowledged that the Administrator shall be held harmless by the applicant against any loss arising as a result of a failure to process the subscription if such information as has been requested by the Administrator has not been provided by the applicant.

The Instrument of Incorporation provides that the ICAV may issue Shares at their Net Asset Value in exchange for securities which a Fund may acquire in accordance with its investment objectives and may hold or sell, dispose of or otherwise convert such securities into cash. No Shares shall be issued until ownership of the securities has been transferred to the Depositary for the account of the relevant Fund. The value of the securities shall be determined by the Administrator on the relevant Dealing Day in accordance with the methodology outlined in the section entitled "Determination of Net Asset Value". The number of Shares to be issued shall not exceed the amount that would be issued for the cash equivalent and the Depositary must be satisfied that there is unlikely to be any material prejudice to the existing Shareholders of the relevant Fund.

DATA PROTECTION NOTICE

Prospective investors should note that by completing the application form they are providing personal information, which may constitute "personal data" within the meaning of the Data Protection Legislation. The following information details how prospective investors' personal data will be used by the ICAV should they become an investor in the ICAV.

The following indicates the purposes for which Investors' personal data may be used by the ICAV and the legal bases for such use:

- to manage and administer the investor's holding in the ICAV and any related accounts on an ongoing basis as required for the performance of the contract between the ICAV and the investor and to comply with legal and regulatory requirements;
- to carry out statistical analysis (including data profiling) and market research in the ICAV's legitimate business interest;
- for any other specific purposes where the investor has given specific consent. Such consent may be subsequently withdrawn by the investor at any time, without affecting the lawfulness of processing based on consent before its withdrawal;
- to comply with legal, taxation and regulatory obligations applicable to the investor and/or the ICAV from time to time, including applicable anti-money laundering and counter terrorist legislation. In particular, in order to comply with the Common Reporting Standard (as implemented in Ireland by Section 891E, Section 891F and Section 891G of the Taxes Consolidation Act 1997 (as amended) and regulations made pursuant to those sections), Shareholders' personal data (including financial information) may be shared with the Irish tax authorities and the Revenue Commissioners. They in turn may exchange information (including personal data and financial information) with foreign tax authorities located outside the European Economic Area). Please consult the AEOI (Automatic Exchange of Information) webpage on www.revenue.ie for further information in this regard; or
- for disclosure or transfer, whether in Ireland or countries outside Ireland, including without limitation the United States, which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory bodies, taxation authorities, auditors, technology providers or to the ICAV 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 as required for the performance of the contract between the ICAV and the investor or as needed in the ICAV's legitimate business interests.

Investors' personal data may be disclosed by the ICAV to its delegates and service providers (including the Manager, Investment Managers, Distributors, Shareholder Servicing Agents, the Administrator and the Depositary), its duly authorized agents and any of its respective related, associated or affiliated companies, professional advisers, regulatory bodies, auditors and technology providers for the same purpose(s).

Investors' personal data may be transferred to countries which may not have the same or equivalent data protection laws as Ireland. If such transfer occurs, the ICAV will ensure that such processing of such personal data is in compliance with Data Protection Legislation and, in particular, that appropriate measures are in place such as entering into Model Contractual Clauses (as published by the European Commission) or ensuring that the recipient is Privacy Shield certified, if appropriate. If investors require more information on the means of transfer of their data or a copy of the relevant safeguards, please contact the Administrator, by email at LeggMasonTA@statestreet.com or by phone at +353 1 242 5568 or by fax at +353 1 438 9582.

Pursuant to the Data Protection Legislation, investors have a number of rights which they may exercise in respect of their personal data, namely:

- the right of access to personal data held by the ICAV;
- the right to amend and rectify any inaccuracies in the personal data held by the ICAV;
- the right to erase the personal data held by the ICAV;
- the right to data portability of the personal data held by the ICAV; and
- the right to request restriction of the processing of the personal data by the ICAV

In addition, investors have the right to object to processing of personal data by the ICAV.

The above rights will be exercisable by investors subject to limitations as provided for in the Data Protection Legislation. Investors may make a request to the ICAV to exercise these rights by contacting the Administrator, by email at LeggMasonTA@statestreet.com, by phone at +353 1 242 5568 or by fax at +353 1 438 9582.

Please note that investors' personal data will be retained by the ICAV for the duration of their investment and otherwise in accordance with the ICAV's legal obligations including but not limited to the ICAV's record retention policy.

The ICAV is a data controller within the meaning of the Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with the Data Protection Legislation. Note that investors have the right to lodge a complaint with the Office of the Data Protection Commissioner.

Additionally, by signing the application form, prospective investors acknowledge and accept that the ICAV and/or the Administrator, for purposes of FATCA compliance, may be required to disclose personal data relating to US Reportable Persons and, in certain cases, their Controlling US Persons and nonparticipating FFIs (as defined in FATCA) to the IRS.

CONTRACT NOTES AND CERTIFICATES

A contract note will be sent to the relevant Shareholder within 24 hours of the calculation of the relevant Net Asset Value confirming ownership of the number of Shares issued to that Shareholder. Such trades will be unsettled and settlement for subscriptions for Shares of each Fund is due in immediately cleared funds within three Business Days after the relevant Dealing Day. The ICAV does not propose to issue share certificates or bearer certificates.

The Administrator shall be responsible for maintaining the ICAV's register of Shareholders in which all issues, conversion and transfers of Shares will be recorded. All Shares issued will be registered and the share register will be conclusive evidence of ownership. Shares may be issued in a single name or in up to four joint names. The register of Shareholders shall be open for inspection at the office of the Administrator during normal business hours.

On acceptance of their initial application, applicants will be allocated a shareholder number and this, together with the Shareholder's personal details, will be proof of identity. This shareholder number should be used for all future dealings by the Shareholder.

Any changes to the Shareholder's personal details or loss of shareholder number must be notified immediately to the Administrator in writing.

REDEMPTION PROCEDURES

Unless otherwise provided in the Fund Supplement, Shareholders may place orders to redeem Shares of the Funds up to the Dealing Deadline on each Dealing Day with the Administrator or with Distributors or Dealers for onward transmission to the Administrator. Redemption orders received by the Administrator by the Dealing Deadline on a Dealing Day shall be dealt with at the applicable Net Asset Value per Share next determined by the Administrator on such Dealing Day. Redemption orders received by the Administrator after the Dealing Deadline on a Dealing Day shall be dealt with at the applicable Net Asset Value per Share determined by the Administrator on the next succeeding Dealing Day. The ICAV will be required to deduct tax on redemption monies at the applicable rate unless it has received from the Shareholder a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident in respect of whom it is necessary to deduct tax.

Redemption orders may be placed by electronic means, by fax or by way of original signed instruction and must include the following information:

(a) account number;
(b) shareholder name;
(c) redemption amount (base currency amount or shares); and
(d) shareholder signature.

In the case of faxed and electronic redemption orders, no redemption proceeds will be paid until the signed original application form has been received from the investor and all of the necessary anti-money laundering checks have been completed. Notwithstanding the foregoing, redemption proceeds may be paid prior to the receipt of the signed original redemption order on the receipt of faxed or electronic instructions only where such payment is made into the account of record specified in the original application form submitted. Any amendments to a Shareholder's registration details and payment instructions can only be effected upon receipt of signed original documents.

Shareholders may redeem all or part of their shareholding, provided that if the request would reduce a shareholding below the minimum initial investment outlined above, such request may be treated as a request to redeem the entire shareholding unless the ICAV or the Administrator otherwise determines. Redemption orders received by the Administrator prior to the Valuation Point on a Dealing Day will, if accepted, be dealt with at the redemption price calculated on that Dealing Day.

The ICAV, at its discretion and with the consent of the redeeming Shareholder, may transfer assets of the ICAV to a Shareholder in satisfaction of the redemption monies payable on the redemption of Shares, provided that, in the case of any redemption request in respect of Shares representing 5 per cent or more of the share capital of the ICAV or a Fund, assets may be transferred solely at the discretion of the ICAV without the consent of the Shareholder. The allocation of such assets shall be subject to the approval of the Depositary. At the request of the Shareholder making such redemption request, such assets may be sold by the ICAV and the proceeds of sale shall be transmitted to the Shareholder.

If redemption requests on any Dealing Day exceed 10 per cent of the Shares in issue in respect of any Fund, the ICAV may defer the excess redemption requests to subsequent Dealing Days and shall redeem such Shares rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares to which the original redemption requests related have been redeemed.

MANDATORY REDEMPTION OF SHARES AND FORFEITURE OF DIVIDEND

If a redemption by a Shareholder causes that Shareholder's holding in the ICAV to fall below the currency equivalent of the initial minimum subscription amount for the relevant Share Class of a Fund, the ICAV may redeem the whole of that Shareholder's holding in such Share Class. Before doing so, the ICAV shall notify the Shareholder in writing and allow the Shareholder thirty days to purchase additional Shares to meet the minimum requirement. The ICAV reserves the right to waive this requirement.

Shareholders are required to notify the Administrator immediately in the event that they become US Persons. Shareholders who become US Persons will be required to dispose of their Shares to non-US Persons on the next Dealing Day thereafter unless the Shares are held pursuant to an exemption which would allow them to hold the Shares and provided that such holding would not have adverse tax consequences for the ICAV. The ICAV reserves the right to redeem or require the transfer of any Shares which are or become owned, directly or indirectly, by a US Person or other person if the holding of the Shares by such other person is unlawful or, in the opinion of the Directors, the holding might result in the ICAV or the Shareholders incurring any liability to taxation or suffering pecuniary or material administrative disadvantage which the ICAV or the Shareholders might not otherwise suffer or incur.

The Instrument of Incorporation provides that any unclaimed dividend shall be forfeited automatically after six years from the date on which it first became payable and on forfeiture will form part of the assets of the ICAV.

UMBRELLA CASH ACCOUNTS

Cash account arrangements have been put in place in respect of the ICAV and the Funds as a consequence of the introduction of new requirements relating to the subscription and/or redemption collection accounts pursuant to the Investor Money Regulations. The following is a description of how such cash accounts arrangements will operate. These cash accounts are not subject to the protections of the Investor Money Regulations and instead will be subject to the guidance issued by the Central Bank from time to time in relation to umbrella cash accounts.

Subscription monies received from, and redemption moneys due to, investors in the Funds and dividend monies due to Shareholders (together, "Investor Monies") will be held in a single Umbrella Cash Account in respect of a particular currency. The assets in the Umbrella Cash Account are assets of the ICAV (for the relevant Fund).

If subscription monies are received by a Fund in advance of the issue of Shares (which occurs on the relevant Dealing Day) then such monies will be held in the Umbrella Cash Account and will be treated as an asset of the relevant Fund. The subscribing investors will be unsecured creditors of the relevant Fund with respect to their subscription monies until the Shares are issued to them on the relevant Dealing Day. The subscribing investors will be exposed to the credit risk of the institution which the Umbrella Cash Account has been opened. Such investors will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights in respect of the subscription monies (including dividend entitlements) until the Shares are issued on the relevant Dealing Day.

Redeeming investors will cease to be Shareholders of the redeemed Shares from the relevant Dealing Day. Redemption and dividend payments will, pending payment to the relevant investors, be held in the Umbrella Cash Account. Redeeming investors and investors entitled to dividend payments held the Umbrella Cash Account will be unsecured creditors of the relevant Fund with respect to those monies. Where the redemption and dividend payments cannot be transferred to the relevant investors, for example, where the investors have failed to supply such information as is required to allow the ICAV to comply with its obligations under applicable anti-money laundering and counter terrorist legislation, the redemption and dividend payments will be retained in the Umbrella Cash Account and investors should address the outstanding issues promptly. Redeeming investors will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including, without limitation, the entitlement to future dividends) in respect of such amounts.

For information on the risks associated with Umbrella Cash Accounts, see "Risks Associated with Umbrella Cash Accounts" in the section "Risk Factors" in this Prospectus.

TRANSFERS OF SHARES

All transfers of Shares shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof. The Directors may decline to register any transfer of Shares if in consequence of such transfer the transferor or transferee would hold less than the minimum initial investment outlined above or would otherwise infringe the restrictions on holding Shares outlined above. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year. The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the registered office of the ICAV or at such other place as the Directors may reasonably require together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferee will be required to complete an application form which includes a declaration that the proposed transferee is not a US Person. The ICAV will be required to account for tax on the value of the Shares transferred at the applicable rate unless it has received from the transferor a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident in respect of whom it is necessary to deduct tax. The ICAV reserves the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising. The ICAV reserves the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's residency or status in the form prescribed by the Revenue Commissioners.

EXCHANGES OF SHARES

Limitations on Exchanges of Share Classes

Subject to certain conditions described below, a Shareholder may exchange Shares of a certain Share Class of a Fund into a Share Class of another Fund on giving notice to the Administrator in such form as the Administrator may require, provided that the two Share Classes share the same letter designation and that the shareholding satisfies the minimum investment criteria. For example, Shareholders holding Class A Shares may exchange such Shares only for Shares of any Class A Share Class of the same or another Fund, but may not exchange such Class A Shares for any Shares of any other Share Class of the same or another Fund. For example, a Shareholder may exchange Class A US$ Distributing (M) Shares of one Fund for Class A US$ Distributing (D) or Class A Euro Accumulating Shares of the same Fund or another Fund. However, a Shareholder may not, for example, exchange Class A US$ Distributing (M) Shares on a Fund for Class E US$ Distributing (M) or Premier Class Euro Distributing (M) Shares of another Fund.

Class E Shares in one Fund may be exchanged for Class E Shares of the same or another Fund, but may not be exchanged for any Shares of any other Share Class of the same or another Fund. Similarly, Class F Shares of a Fund may be exchanged for Class F Shares of the same or another Fund, but may not be exchanged for any Shares of any other Share Class of the same or another Fund.

Notwithstanding the above, the Distributors may permit, in their discretion, exchanges from one Share Class into another Share Class with a different letter designation.

Exchange Procedures

Orders to exchange Shares of one Fund into Shares of another Fund or Shares of a different Share Class of the same Fund that are received by the Administrator or by a Distributor or Dealer for onward transmission to the Administrator by the Dealing Deadline on a Dealing Day will be dealt with on such Dealing Day in accordance with the following formula:

$$NS = \frac{AxBxC}{E}$$

where:

NS	=	*the number of Shares which will be issued in the new fund;*
A	=	*the number of the Shares to be converted;*
B	=	*the redemption price of the Shares to be converted;*
C	=	*the currency conversion factor, if any, as determined by the Directors; and*
E	=	*the issue price of Shares in the new fund on the relevant Dealing Day.*

Certain Distributors or Dealers may impose a deadline for orders that is earlier than the Valuation Point. Orders to exchange Shares received by the Administrator or an authorised Distributor or Dealer for onward transmission to the Administrator after the Valuation Point shall be dealt with on the next succeeding Dealing Day in accordance with the above formula. If NS is not an integral number of Shares the Directors reserve the right to issue fractional Shares in the new Fund or to return the surplus arising to the Shareholder seeking to convert the Shares. It is not the intention of the Directors to charge a switching fee for the exchange of Shares of one Fund for Shares of another Fund or for Shares of a different Share Class of the same Fund.

PUBLICATION OF THE PRICE OF THE SHARES

Except where the determination of the Net Asset Value for a Fund has been suspended, in the circumstances described below, the Net Asset Value per Share of each Share Class of each Fund shall be made available at the registered office of the Administrator on each Dealing Day and shall be published no later than the second Business Day immediately succeeding each Dealing Day. In addition, the Net Asset Value per Share in respect of each Dealing Day shall be published on the following website: http://www.leggmason.co.uk/dailyprices. Such published information shall be kept up to date, shall relate to the Net Asset Value per Share for the Dealing Day and is published for informational purposes only. It is not an invitation to subscribe for, redeem or convert Shares at that Net Asset Value.

DISCLOSURE OF PORTFOLIO INFORMATION

Information on the underlying investments in the Funds such as shares, sector and geographic allocation is available to all Shareholders. Shareholders should contact the Investment Manager to request this information. There will be an appropriate time-lag (i.e. at least one month) between the purchase/sale of the relevant Fund's investments and the time at which the information is made available.

SETTLEMENT PROCEDURES

Unless otherwise agreed with the Administrator, settlement for subscriptions for Shares of each Fund made by direct application by an investor to the Administrator or through a Distributor or Dealer for onward transmission to the Administrator is due in immediately cleared funds within three Business Days after the relevant Dealing Day.

Payment is usually made in currency of the relevant Share Class by telegraphic transfer (quoting the subscription reference number, applicant's name and shareholder number, if available) as per the instructions provided on the Application Form.

Investors are requested to instruct their bankers to advise the Administrator of the remittance of funds, such advice to include the subscription reference number, applicant's name, Shareholder number (if available) and the Fund for identification purposes. Failure to do so will cause delay in the processing of the transaction onto the register.

Settlement for redemptions will normally be made by telegraphic transfer to the bank account of the Shareholder as specified in the application form (at the Shareholder's risk) or as otherwise agreed in writing. Settlement for redemptions of Shares for each Fund will normally be made within three Business Days from receipt by the Administrator of correct redemption documentation and provided the signed original application form has been received from the investor and all of the necessary anti-money laundering checks have been completed.

The Directors in their sole discretion may delay remittance of redemption proceeds for up to fourteen calendar days after the Dealing Day on which the redemption request is effective. The cost of such settlement by telegraphic transfer may be passed on to the Shareholder.

DETERMINATION OF NET ASSET VALUE

The Net Asset Value for each Fund shall be expressed in its respective Base Currency as set out in the relevant Fund Supplement. The Administrator shall determine the Net Asset Value per Share for each Share Class of each Fund on each Dealing Day as at the Valuation Point in accordance with the Instrument of Incorporation and by reference to the latest available mid-price (for bonds and equities) on the relevant market on the Dealing Day. The Net Asset Value per Share in each Fund shall be calculated by dividing the Fund's assets less its liabilities, by the number of Shares in issue in respect of that Fund. Any liabilities of the ICAV which are not attributable to any Fund shall be allocated pro rata amongst all of the Funds. Where a Fund is made up of more than one Share Class, the Net Asset Value of each Share Class shall be determined by calculating the amount of the Net Asset Value of the Fund attributable to that Share Class. The amount of the Net Asset Value of a Fund attributable to a Share Class shall be determined by establishing the number of shares in issue in the Share Class as at the close of business on the Dealing Day immediately preceding the Dealing Day on which the Net Asset Value of the Share Class is being determined or in the case of the first Dealing Day as at the close of the Initial Offer Period and by allocating relevant Share Class expenses to the Share Class and making appropriate adjustments to take account of distributions paid out of the Fund, if applicable, and apportioning the Net Asset Value of the Fund accordingly. The Net Asset Value per Share of a Share Class shall be calculated by dividing the Net Asset Value of the Fund attributable to the Share Class by the number of Shares in issue in that Share Class (calculated and expressed to up to three decimal places of the currency in which the Share Class is denominated) as at the close of business on the Dealing Day immediately preceding the Dealing Day on which the Net Asset Value per Share is being calculated or in the case of the first Dealing Day as of the close of the Initial Offer Period.

In determining the value of the assets of a Fund, each security which is listed or traded on a Regulated Market will be valued on the Regulated Market which is normally the principal market for such security on the basis of the latest available mid-price on the Dealing Day.

In the case of unlisted securities or any assets traded on a Regulated Market, but in respect of which a price or quotation is not available at the time of valuation which would provide a fair valuation, the value of such asset shall be estimated with care and in good faith by a competent person selected by the Directors and approved for that purpose by the Depositary and such value shall be determined on the basis of the probable realisation value of the investment.

Cash and other liquid assets will be valued at their face value with interest accrued (if any) to the close of business on the Dealing Day.

Investments in collective investment schemes shall be valued on the basis of the latest available net asset value for the shares or units in the collective investment scheme as published by the collective investment scheme.

Exchange-traded FDI shall be valued at the relevant settlement price on the applicable exchange. FDI not traded on an exchange shall be valued daily using the counterparty valuation, provided that the valuation will be approved or verified by a competent person who is independent of the counterparty, which may include an independent pricing vendor, appointed by the Directors and approved for that purpose by the Depositary. Such valuation shall be reconciled on at least a weekly basis to the valuation provided by the counterparty to such instrument. Forward foreign exchange contracts shall be valued by reference to the price at which a new forward contract of the same size and maturity could be undertaken as of the close of business on the Dealing Day.

Notwithstanding the foregoing, the Administrator may use a systematic fair valuation model provided by an independent third party approved by the Depositary to value equity securities and/or fixed income securities where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant, including in order to adjust for stale pricing which may occur between the close of foreign exchanges and the Valuation Point on the relevant Dealing Day.

In determining the value of the assets there shall be added to the assets any interest or dividends accrued but not received and any amounts available for distribution but in respect of which no distribution has been made.

Where applicable, values shall be converted into the Fund's respective Base Currency at the exchange rate applicable as of the close of business on the Dealing Day.

Dilution Adjustments

In calculating the Net Asset Value per Share for each Fund on any Dealing Day, the ICAV may, at its discretion, adjust the Net Asset Value per Share for each Share Class by applying a dilution adjustment: (i) if net subscriptions or redemptions exceed certain pre-determined percentage thresholds relating to a Fund's Net Asset Value (where such percentage thresholds have been pre-determined for each Fund from time to time by the Directors or by a committee nominated by the Directors); or (ii) in any

other cases where there are net subscriptions or redemptions in the Fund and the Directors or their delegate reasonably believes that imposing a dilution adjustment is in the best interests of existing Shareholders.

Absent a dilution adjustment, the price at which the subscriptions or redemptions are effected would not reflect the costs of dealing in the underlying investments of the Fund to accommodate large cash inflows or outflows, including dealing spreads, market impact, commissions and transfer taxes. Such costs could have a materially disadvantageous effect on the interests of existing Shareholders in the Fund.

The dilution adjustment amount for each Fund will be calculated on a particular Dealing Day by reference to the estimated costs of dealing in the underlying investments of that Fund, including any dealing spreads, market impact, commissions and transfer taxes and will be applied to each Share Class in an identical manner. Where there are net inflows into a Fund, the dilution adjustment will increase the Net Asset Value per Share. Where there are net outflows from a Fund, the dilution adjustment will decrease the Net Asset Value per Share. The Net Asset Value per Share, as adjusted by any dilution adjustment, will be applicable to all transactions in Shares in the relevant Fund on the relevant Dealing Day. More information about the dilution adjustments can be obtained by Shareholders upon request to any Distributor.

TEMPORARY SUSPENSION OF VALUATION OF THE SHARES AND SALES AND REDEMPTIONS

The ICAV may temporarily suspend the determination of the Net Asset Value and the sale or redemption of Shares in any Fund during:

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

(ii) any period when any emergency exists as a result of which disposal by the ICAV of investments which constitute a substantial portion of the assets of the Fund is not practically feasible or if feasible would be possible only on terms materially disadvantageous to Shareholders;

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

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

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

Any such suspension shall be published by the ICAV in such manner as it may deem appropriate to the persons likely to be affected thereby if, in the opinion of the ICAV, such suspension is likely to continue for a period exceeding fourteen calendar days and any such suspension shall be notified immediately to the Central Bank and in any event within the same Business Day. Where practicable, the ICAV shall take all reasonable steps to bring such suspension to an end as soon as possible. The ICAV may elect to treat the first Business Day on which the conditions giving rise to the suspension have ceased as a substitute Dealing Day.

FEES AND EXPENSES

Each Fund shall pay all of its expenses and its due proportion of any expenses allocated to it. These expenses may include the costs of (i) establishing and maintaining the ICAV, the relevant Fund and any subsidiary company (established for efficient portfolio management purposes only) approved by the Central Bank and registering the ICAV, the relevant Fund and the Shares with any governmental or regulatory authority or with any regulated market, including the Irish Stock Exchange, (ii) management, administration, custodial and related services (which may include networking fees paid to entities, including Dealers, that provide recordkeeping and related services), (iii) preparation, printing and posting of prospectuses, sales literature and reports to Shareholders, the Central Bank and governmental agencies, (iv) taxes, (v) commissions and brokerage fees, (vi) auditing, tax and legal fees, (vii) insurance premiums, (viii) all marketing expenses which may be incurred in the promotion of the Funds; and (ix) other operating expenses. Such other operating expenses include, but are not limited to, fees payable to subsidiaries of Legg Mason or other service providers for the provision of the following services to the ICAV and the Funds: governance support and reporting to the Board; an anti-money laundering reporting officer to the ICAV; insurance services to the Board; and ongoing registration services for jurisdictions where the Funds are publicly offered, including any out of pocket expenses incurred in the provision of such services with the assistance of other parties. Such expenses are in addition to the shareholder servicing, management and performance fees.

The Directors shall be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors provided that the aggregate amount of Directors' remuneration in any one year, including reimbursement for out-of-pocket expenses, shall not exceed US$250,000 per annum.

At the discretion of the Directors, the Distributing Plus (e) Share Classes may charge certain fees and expenses to capital. There is an increased risk that on redemption of this Share Class, Shareholders may not receive back the full amount invested. The reason for charging fees and expenses to capital is to increase the amount of distributable income. It should be noted that the distribution of income from this Share Class may result in the erosion of capital, thus some of the potential for future capital growth will be lost as a consequence of seeking to increase the amount that can be distributed by this Share Class. Although this share class type is permitted to charge certain fees and expenses to capital, they may choose not to do so. The Funds' annual and semi-annual reports will disclose whether such Share Classes have charged fees and expenses to capital and the amount of such fees and expenses.

At the discretion of the Directors, the Distributing Plus Share Classes may distribute from capital. There is an increased risk that on redemption of this Share Class, Shareholders may not receive back the full amount invested. The reason for allowing distributions from capital is to maintain a more consistent rate of distribution. It should be noted that the distribution of capital from this Share Class may result in the erosion of capital, thus some of the potential for future capital growth will be lost as a consequence of seeking to increase the amount that can be distributed by this Share Class. Although these Funds are permitted to distribute from capital, they may choose not to do so. The Funds' annual and semi-annual reports will disclose whether such Share Classes have distributed capital and the amount of such capital.

All expenses relating to the establishment of the ICAV and each Fund will be borne by the Funds. These organisational costs are not expected to exceed €100,000 and will be expensed in full during the first five years of the ICAV's operation. All expenses relating to the establishment of any additional Fund will be borne by such Fund. In addition, the Funds shall pay the following expenses:

MANAGEMENT FEES AND DISTRIBUTION FEES

Management Fee. Pursuant to the Management Agreement between the ICAV and the Manager, the Manager shall be entitled to receive a management fee out of the assets of the relevant Fund for its services as the Manager, which shall accrue on each Dealing Day and be payable monthly in arrears (the "Management Fee"). The ICAV shall also be responsible for the prompt payment or reimbursement to the Manager of any commissions, transfer fees, registration fees, taxes and similar liabilities, costs and out-of-pocket expenses properly payable or incurred by the Manager on behalf of the ICAV. The Manager shall be responsible for paying the fees (excluding the performance fee described below) and out-of-pocket expenses of the Investment Managers of the relevant Funds out of its own Management Fee. More details on the Investment Managers are set out in the Fund Supplements for the relevant Funds.

Distribution Fees. Pursuant to the Distribution Agreement between the ICAV, the Manager and LMIS, LMIS shall be entitled to receive a distribution fee out of the assets of the relevant Fund for its services as a Distributor (the "Distribution Fees"). LMIS has entered into separate distribution agreements with the other Distributors under which the LMIS has delegated certain responsibilities associated with marketing and distributing the Funds to such other Distributors. Under the aforementioned agreements, LMIS shall compensate the other Distributors out of its own Distribution Fees for their services as Distributors.

The Distributors may each appoint one or more Dealers to serve as dealers of the Funds and assist them with marketing and distributing the Funds. Each Distributor, in its own discretion, may pay such Dealers based on gross sales, current assets or other measures and the Distributors shall be responsible for paying these Dealers for marketing and distributing the Funds. The amount of compensation paid by the Distributors may be substantial and may differ between different Dealers. The minimum aggregate sales required for eligibility for such compensation, and the factors in selecting and approving Dealers to which they will be made, are determined from time to time by the Distributors. The receipt of (or prospect of receiving) payments described above may serve as an incentive to a Dealer or its salespersons to favour sales of the Funds' Shares over sales of other funds (or other investments) in which the selling agent does not receive such payments or receives them in a lower amount. These payment arrangements will not, however, change the price at which Shares are issued by the Funds or the amount that a Fund receives to invest on behalf of the Shareholder. A Shareholder may wish to consider such payment arrangements when making an investment in the Funds.

Maximum Management Fees. In the relevant Fund Supplement, the Management Fees and Distribution Fees are referred to collectively as the "Management Fees". The relevant Fund Supplements indicate the maximum Management Fees for each Share Class (expressed as a percentage of the relevant Fund's Net Asset Value attributable to such Class).

PERFORMANCE FEE

For certain Funds, in addition to the Management Fees, a separate performance fee may be charged for one or more Share Classes of such Funds. If applicable, such performance fee shall be specified in the Fund Supplement for the relevant Fund.

SHAREHOLDER SERVICES FEE

Pursuant to the Management Agreement between the ICAV and the Manager, the Manager shall be entitled to receive a shareholder services fee out of the assets of the relevant Fund for its services, which shall accrue on each Dealing Day and be payable monthly in arrears (the "Shareholder Services Fees"). The Manager has also appointed LMIS as shareholder servicing agent under the Shareholder Servicing Agreement. LMIS shall be entitled to receive from the Manager a shareholder services fee from certain of the Share Classes for its services as a Shareholder Servicing Agent. The relevant Fund Supplement shows the aggregate annual amount of shareholder servicing fees paid by each Share Class.

LMIS may in turn appoint sub-shareholder servicing agents and shall compensate these other Shareholder Servicing Agents out of its shareholder services fee for their services as Shareholder Servicing Agents. Each Shareholder Servicing Agent shall be responsible for discharging the fees of any selling agent or shareholder servicing agent that provides shareholder services to certain Shareholders, including selling agents whom the Shareholder Servicing Agent (in its capacity as Distributor) has appointed to market and distribute the Funds.

ADMINISTRATION FEE

The Administrator is entitled to receive from each Fund an administration fee in the amount set out below. The ICAV will pay the Administrator this administration fee for and on behalf of the Funds. The fees and expenses of the Administrator accrue on each Dealing Day and are payable monthly in arrears.

DEPOSITARY FEE

The Depositary is entitled to receive from each Fund a depositary fee in the amount set out below. The ICAV shall pay the Depositary this depositary fee for and on behalf of the Funds. The fees and expenses of the Depositary accrue on each Dealing Day and are payable monthly in arrears.

The combined administration and depositary fee will not exceed 0.20 per cent per annum of the Net Asset Value of each Fund or such other fee as may be agreed in writing between the Administrator, the Depositary and the Funds, provided that any increase in the combined administration and depositary fee shall be notified in advance to Shareholders, giving them an opportunity to redeem their Shares prior to such increase taking effect. The Administrator and Depositary are responsible for certain categories of their out-of-pocket expenses as specified in an agreement with the ICAV. The ICAV will be responsible for reimbursing the Administrator and the Depositary for other out-of-pocket expenses. The ICAV shall also reimburse the Depositary for sub-custodian fees which shall be charged at normal commercial rates.

CURRENCY ADMINISTRATION FEE

For all Unhedged Share Classes denominated in a currency other than the relevant Fund's Base Currency, the Currency Administrator is entitled to receive fees for the conversion of currencies on subscriptions, exchanges and distributions on such Share Classes which shall be at prevailing commercial rates and shall be set forth in the ICAV's accounts. Where the Currency Administrator has been appointed to provide hedging administration services to a Hedged Share Class, the Currency Administrator is entitled to receive fees for such services which shall be at prevailing commercial rates and shall be set forth in the ICAV's accounts. Such fees, and any other fees payable in respect of the hedging of any of the Hedged Share Classes, shall be borne exclusively by the relevant Hedged Share Class.

INITIAL CHARGE AND OTHER FEES OR EXPENSES

Investors in Class A Shares may be required to pay a Distributor or Dealer an initial charge of up to 5 per cent. Investors in Class E Shares may be required to pay a Distributor or Dealer an initial charge of up to 2.5 per cent. Local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscription and redemption monies may be paid. In the event an investor purchases or redeems Shares through a paying agent, rather than directly through the Administrator, an investor bears a credit risk against that intermediate entity with respect to: (a) subscription monies prior to the transmission of such monies to the Depositary; and (b) redemption monies payable by such intermediate entity to the relevant investor. The ICAV may appoint paying agents and local representative agents upon the prior approval of the Central Bank. Under the terms of agreements between the ICAV and each such paying agent or representative agent, the ICAV is obligated to pay the paying agent or local representative agent a fee for its services as paying agent or local representative agent for the ICAV in the particular country, which fee shall be at normal commercial rates for the relevant jurisdiction and shall be set forth in the ICAV's accounts.

MANAGEMENT AND ADMINISTRATION

THE BOARD OF DIRECTORS

The Board of Directors is responsible for managing the business affairs of the ICAV in accordance with the Instrument of Incorporation. The Directors have delegated certain functions to the ICAV's service providers and other parties, which may perform such delegated functions under the supervision and direction of the Directors.

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

JOSEPH CARRIER (US) is the Chief Risk Officer and Chief Audit Executive for Legg Mason. Prior to joining Legg Mason, he was Vice President and Division Head of Investment Operations at T. Rowe Price and Treasurer and Principal Financial Officer of the T. Rowe Price Mutual Funds. Before joining T. Rowe Price, he served as the Industry Chairman for Coopers & Lybrand's Investment Management practice in the United States. He has also served as Assistant Chief Accountant in the Division of Investment Management with the SEC. Mr. Carrier is the Chairman of the Investment Company Institute's Risk Management Committee, a former member of the Investment Companies Expert Panel of the AICPA, and the immediate past chair of the Accounting\Treasurer's Committee of the Investment Company Institute. He was also a member of the AICPA's Investment Companies Committee from 1994-1997 and a contributing author to the Audit and Accounting Guide for Investment Companies.

FIONNUALA DORIS (Irish) is an accounting lecturer in the Department of Economics, Finance and Accounting in Maynooth University, Ireland. Prior to joining Maynooth University, Ms. Doris was Financial Controller and Company Secretary of Temple Bar Properties Ltd, Dublin from 1999 to 2001. She trained with PricewaterhouseCoopers, Dublin from 1993 to 1996 and worked as an Audit Manager in their Asset Management group until 1999 where she specialised in the audit of UCITS funds. Ms. Doris holds a BA (Hons) in Economics from University College Dublin (1992), a Postgraduate Diploma in Accounting from Dublin City University (1993) and is a Fellow of the Institute of Chartered Accountants in Ireland. She is also a director of Legg Mason Investment Funds Limited.

JOSEPH KEANE (Irish) provides consultancy services to the mutual and hedge fund industry and acts as an independent director to fund companies, including Legg Mason Investments (Ireland) Limited. From March 2004 through April 2007, he was Chief Financial Officer of the Vega Hedge Fund Group. In 2002, he founded CFO.IE, and he acted as its Chief Executive Officer through February 2004. He was Head of Operations for SEI Investments, Global Fund Services from 2000 to 2002 and prior to that Managing Director of ABN AMRO Trust Company (Cayman) in the Cayman Islands from 1995 to 2000. He is a Fellow of the Institute of Chartered Accountants in Ireland. Mr. Keane has thirty years' experience in investment funds' management and administration, banking and public accounting.

JOSEPH LAROCQUE (US) provides US tax consultancy services on behalf of Towson Tax and Consulting in Towson, Maryland, USA. He also acts as a director to fund companies. He is the Chairman of the Board and a former Managing Director in charge of Affiliate Strategic Initiatives at Legg Mason. Mr. LaRocque worked for Legg Mason from 2001 until July 2019. He is a Certified Public Accountant and from 1991 to 2001 was employed by PricewaterhouseCoopers in Boston, Massachusetts, Dublin, Ireland and Baltimore, Maryland in several capacities, most recently as a Senior Manager in their global financial services practice.

VICTORIA ROCK (UK) is Head of Alternative Product for Legg Mason. She is responsible for Legg Mason's alternative products and strategies including the US closed-end funds. Prior to joining Legg Mason, Ms. Rock consulted to Coutts and Co, UK Private Bank (2012-2014) in respect of the set-up of a new product unit. She also spent more than 20 years at Citigroup, acting as Managing Director and leading the Global Alternative Product Group, a platform of $40 billion in assets. She holds a degree in History from Manchester College, Oxford.

JASPAL SAGGER (UK) is the Head of Global Product Strategy and Development for Legg Mason Global Asset Management responsible for product-related activities globally. Mr. Sagger joined Legg Mason in February 2014, as Head of International Product Strategy, and assumed the role of Head of International Product in January 2016. Mr. Sagger is also a Director of Legg Mason Investment Funds Limited. Previously, Mr. Sagger was Head of Product, EMEA and Head of Product Strategy at HSBC Global Asset Management, and was a member of the HSBC Asset Management's European Executive Committee. He has a BA (Hons) in Business Studies and a Masters in International Banking and Finance from the London Metropolitan University.

JANE TRUST (US) is a Senior Managing Director at Legg Mason. She acts as the Trustee, President and Chief Executive Officer of Legg Mason-sponsored funds domiciled in the US. She has worked at various roles in the Legg Mason Group for over 25 years, including senior investment roles within Legg Mason Capital Management ("LMCM") and Legg Mason Investment Counsel ("LMIC"). Ms. Trust was an Institutional Portfolio Manager for LMCM, managing accounts on behalf of sovereign wealth funds, pension plans, public funds and mutual funds. At LMIC, Ms. Trust was Head of Investments, supervising a team of equity and fixed income portfolio managers and overseeing the firm's trading desk. Ms. Trust received an AB in Engineering Sciences from Dartmouth College and a Master of Administrative Science in Finance from The Johns Hopkins University. She is a CFA® charterholder.

None of the Directors has had any convictions in relation to indictable offences, been involved in any bankruptcies, individual voluntary arrangements, receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company or partnership voluntary arrangements, any composition or arrangements with its creditors generally or any class of its creditors of any company where they were a director or partner with an executive function, nor has any of the Directors ever been publicly criticised by statutory or regulatory authorities (including recognised professional bodies) nor has any Director ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

The Secretary of the ICAV is Bradwell Limited having its registered office at 10 Earlsfort Terrace, Dublin 2, Ireland.

The Instrument of Incorporation does not stipulate a retirement age for Directors and does not provide for the retirement and re-election of Directors each year. The Instrument of Incorporation provides that a Director may be a party to any transaction or arrangement with the ICAV or in which the ICAV is interested provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may vote in respect of any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5 per cent or more of the issued shares of any class of such company or of the voting rights available to members of such company.

The Instrument of Incorporation provides that the Directors may exercise all the powers of the ICAV to borrow money or to charge its undertaking, property or any part thereof and may delegate these powers to the Investment Managers .

THE MANAGER

The ICAV, pursuant to the Management Agreement, has appointed Legg Mason Investments (Ireland) Limited as the UCITS management company of the ICAV, with responsibility for managing the ICAV and for certain investment management, administration and distribution functions in respect of the ICAV as set out in the UCITS Regulations. The Manager was incorporated as a private limited company on 10 September 1997, was authorised by the Central Bank as an alternative investment funds manager on 22 July 2014, and was authorised by the Central Bank as a UCITS management company on 19 September 2018. The Manager is an indirect wholly-owned subsidiary of Legg Mason.

The directors of the Manager are Joseph Carrier, Anita Connolly, Fionnuala Doris, Justin Eede, Joseph Keane, Penelope Kyle, Joseph LaRocque, Jaspal Sagger and Jane Trust. The biographies for Anita Connolly, Justin Eede and Penelope Kyle are set out below.

ANITA CONNOLLY (Irish) is Head of Finance, Europe and Australia for Legg Mason. She joined Legg Mason in August 2003. She was with Govett Investment Management Limited, London from January 1999 until August 2003 as Head of Open-Ended Funds. Prior to that, Ms. Connolly worked with Legal and General, Sydney, Australia from September 1997 until December 1998. She earned her Bachelor of Business Studies in Finance (Ireland) and is a member of Chartered Institute of Management Accountants.

JUSTIN EEDE (UK) is Head of European and Americas International Distribution for Legg Mason. He joined Legg Mason in June 2001 and is responsible for pan-European and Americas international distribution. Mr. Eede started his career in asset management with GT Global. Following the acquisition of GT by Invesco in 1998, he became a Director of Business Development with responsibility for London and assumed this role at Invesco Perpetual until he joined Legg Mason. He graduated in French and business studies from the University of Southampton in 1996.

PENELOPE KYLE (Irish) is Head of Office and Chief Investment Officer for the Manager. Ms. Kyle has over 20 years' experience as a North American and Global equity portfolio manager for both UCITS funds and institutional segregated accounts. She joined Legg Mason in 2012 as Head of North America at Martin Currie. Previously, Ms. Kyle was at the Kuwait Investment Office, the sovereign wealth fund for the State of Kuwait. Prior to joining the Kuwait Investment Office, Ms. Kyle was Head of North America at Aviva Investors and a Global Equity Portfolio Manager at American Express Asset Management. She started her career at Govett Asset Management in 1993.

The company secretary of the Manager is Bradwell Limited.

The Management Agreement may be terminated by either party on ninety days' notice in writing to the other party at any time or may be terminated immediately with respect to the other party if at any time: (i) the other party shall go into liquidation or be unable to pay its debts or commit any act of bankruptcy under applicable law or if a receiver is appointed over any of the assets of the other party or if some event having an equivalent effect occurs; (ii) the other party ceases to be permitted to perform its duties under any applicable laws or regulations; (iii) the other party shall fail to remedy a material breach of the Management Agreement within thirty (30) days of being requested to do so; or (iv) an examiner, administrator or similar person is appointed to the other party.

The Management Agreement provides that the Manager will be liable to the ICAV for any losses, liabilities, actions, proceedings, claims, costs and expenses sustained by reason of its negligence, fraud, bad faith, wilful default or recklessness in respect of its obligations and duties under the Management Agreement and the ICAV agrees to indemnify the Manager and each of its directors, officers and authorised agents against any loss arising from the breach of the Management Agreement by the ICAV or which may otherwise be suffered or incurred by the Manager in the performance of its duties under the Management Agreement save where such losses arise due to the negligence, fraud, bad faith, wilful default or recklessness of the Manager, its directors, officers or authorised agents.

THE ADMINISTRATOR

The ICAV and the Manager have appointed State Street Fund Services (Ireland) Limited to act as its administrator, registrar and transfer agent, pursuant to the Administration Agreement.

The Administrator is a limited liability company incorporated in Ireland on 23 March 1992 with registered number IE186184 and is ultimately owned by State Street Corporation. The authorised share capital of the Administrator is GBP5,000,000 with an issued and paid up share capital of GBP350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A., and trades on the New York Stock Exchange under the symbol "STT".

Pursuant to the Administration Agreement, the Administrator will provide certain administrative services to the ICAV, including the calculation of the ICAV's Net Asset Value and Net Asset Value per Share, the maintenance of the ICAV's books and records and assistance with the preparation of annual and half-yearly reports of the ICAV.

The Administration Agreement shall continue in force until terminated by either the ICAV or the Administrator on 90 days' notice in writing to the other parties.

The Administration Agreement may be terminated forthwith if at any time (i) any party goes into liquidation or receivership or an examiner is appointed (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party) or is unable to pay its debts as they fall due; (ii) any party commits any material breach of the Administration Agreement and, if such breach is capable of remedy, shall not have remedied that breach within 30 days after the service of written notice requiring it to be remedied; or (iii) any of the representations, warranties or covenants in the Administration Agreement cease to be true or accurate in any material respect. The Administration Agreement may also be terminated by the ICAV or the Manager if the Administrator is no longer permitted to act as an administrator by the Central Bank.

The Administrator shall not be liable for any loss of any nature whatsoever suffered by the ICAV or the Shareholders in connection with the performance of its obligations under the Administration Agreement, except where that loss results directly from negligence, fraud, bad faith, recklessness or wilful default on the part of the Administrator in the performance of its obligations and duties under the Administration Agreement. Notwithstanding any other provision of the Administration Agreement, the Administrator shall not be liable for any indirect, special or consequential loss howsoever arising out of or in connection with the Administration Agreement.

The ICAV has undertaken to indemnify and hold harmless the Administrator out of the assets of the ICAV on its own behalf and on behalf of its permitted delegates, employees and agents against all actions, proceedings and claims and against all reasonable costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Administrator, its permitted delegates, employees or agents in the performance or non-performance of its obligations and duties under the Administration Agreement and from and against all taxes on profits or gains of the ICAV which

may be assessed upon or become payable by the Administrator or its permitted delegates, employees or agents provided that such indemnity shall not be given where the Administrator its delegates, servants or agents is or are guilty of negligence, fraud, bad faith, recklessness or wilful default in the performance or non-performance of its duties under the Administration Agreement.

THE DEPOSITARY

The ICAV and the Manager have appointed State Street Custodial Services (Ireland) Limited as Depositary pursuant to the Depositary Agreement.

The Depositary is a limited liability company incorporated in Ireland on 22 May 1991 with registered number IE174330 and is ultimately owned by State Street Corporation. Its authorised share capital is GBP5,000,000 and its issued and paid up share capital is GBP200,000. The Depositary is regulated by the Central Bank. The Depositary's principal business is the provision of custodial and trustee services for collective investment schemes and other portfolios.

State Street Corporation is a leading worldwide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A. and trades on the New York Stock Exchange under the symbol "STT".

The main duties of the Depositary include the safekeeping of all assets of the ICAV, monitoring of the ICAV's cash flows and general oversight of the ICAV, including (inter alia) ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law (including, but not limited to, the ICAV Act, the Directive, the UCITS Regulations and the Central Bank Regulations)

The Depositary may delegate its safekeeping functions to third parties, subject to certain conditions including (but not limited to) a requirement for the Depositary to ensure that the tasks are not delegated with the intention of avoiding the requirements of the Directive, to be able to demonstrate that there is an objective reason for the delegation, and to exercise all due skill, care and diligence in the selection, appointment and ongoing monitoring of third parties.

The Depositary shall be responsible to the ICAV and the Shareholders for the performance of its duties as described in the Directive, the UCITS Regulations, the Central Bank Regulations and the Depositary Agreement. The Depositary shall exercise due care, skill and diligence in the discharge of its duties to the standard of a suitably qualified UCITS depositary having the experience of providing the Services that the Depositary has agreed to provide under the Agreement. The Depositary will be liable to the ICAV and the Shareholders for any loss suffered by them arising from the Depositary's negligence, willful misconduct, fraud or intentional failure to properly fulfil its obligations pursuant to the Directive, the UCITS Regulations and the Central Bank Regulations or under the terms of the Agreement. In the event of a loss of financial instruments held in custody, determined in accordance with the Directive, the Depositary shall return financial instruments of identical type or the corresponding amount to the ICAV without undue delay. To the extent permitted by applicable law, the Depositary shall not be liable for consequential or indirect or special damages arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations. The Depositary's liability shall not be affected by any delegation of its functions in accordance with the UCITS Regulations.

Subject to the Directive, the UCITS Regulations and the Central Bank Regulations, the ICAV shall hold harmless and indemnify the Depositary out of the ICAV's assets for the account of the relevant Fund against all direct costs, demands and expenses ("Direct Losses") arising from any actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the ICAV's assets) which may be brought against, suffered or incurred by the Depositary by reason of the proper performance of the Depositary's duties under the terms of the Agreement save where any such Direct Losses arise as a result of: (1) the Depositary's negligence, fraud, bad faith, willful default or recklessness in the performance of its duties; or (2) the loss of financial instruments held in custody pursuant to the Agreement.

The Depositary Agreement may be terminated by any party by giving ninety (90) days' written notice to the other parties. It may be terminated forthwith by a party giving notice in writing to the other party if at any time (i) the Depositary shall be unable to pay its debts as they fall due or go into liquidation or receivership or an examiner shall be appointed pursuant to the Directive; (ii) the party notified shall commit any material breach of the provisions of the Agreement and shall not have remedied that within 30 days after the service of written notice requiring it to be remedied; (iii) any of the representations, warranties or covenants contained in the Agreement cease to be true or accurate in any material respect in relation to the party notified; or (iv) the Central Bank replaces the Depositary with another depositary. The Agreement may also be terminated by the ICAV or the Manager if the Depositary is no longer permitted to act as a depositary by the Central Bank. The ICAV and the Manager may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor depositary shall have been appointed in accordance with the Instrument of Incorporation, provided such successor depositary is approved in advance by the Central Bank.

Up-to-date information regarding the duties of the Depositary, any conflicts of interest that may arise and the Depositary's delegation arrangements will be made available to investors from the Depositary on request.

THE SHAREHOLDER SERVICING AGENTS

Pursuant to the Shareholder Servicing Agreement, the Manager has appointed LMIS as the Shareholder Servicing Agent of the ICAV. LMIS is organised under the laws of the State of Delaware, USA and is registered with the SEC as a broker-dealer. The terms relating to the appointment of LMIS as a Shareholder Servicing Agent are set out the Shareholder Servicing Agreement. Under the Shareholder Servicing Agreement, LMIS is responsible for providing various services to the Funds and their Shareholders, including among other things: (1) maintaining adequate personnel and facilities in order to provide the services set forth in the Shareholder Servicing Agreement; (2) responding to Shareholders' inquiries relating to their investment in Shares; (3) assisting Shareholders with processing purchase, exchange and redemption requests, and forwarding such orders to the Funds' Administrator; (4) assisting Shareholders with changing dividend options, account designations, and addresses; (5) making its books and records relating to the Funds available for audit and answering questions with respect to same; (6) consulting with the ICAV regarding legal issues; (7) assisting the Administrator in monitoring and developing compliance procedures for the Funds which will include, among other matters, procedures to assist the Investment Manager in monitoring compliance with the policies described in the Prospectus; (8) preparing and furnishing Shareholders with performance information (including yield and total return information); and (9) providing such other services as the ICAV may reasonably request from time to time, to the extent such services are permissible under applicable law.

Under the Shareholder Servicing Agreement, LMIS will not be liable for any loss suffered by the ICAV, the Manager, the Funds, or a Shareholder except a loss resulting from negligence, wilful misfeasance, bad faith or reckless disregard on the part of the Shareholder Servicing Agent or any of its employees in the performance of its duties and obligations. The Manager agrees to indemnify LMIS and keep it indemnified from and against all claims, costs, expenses (including reasonable attorney's fees), losses, damages, charges, payments and liabilities of any sort or kind incurred by LMIS, except in the case of negligence, wilful misfeasance, bad faith, or reckless disregard of the Shareholder Servicing Agent's duties. The appointment of LMIS as a Shareholder Servicing Agent shall continue in full force and effect unless and until terminated at any time by either party giving ninety days written notice to the other party.

Under the terms of the Shareholding Servicing Agreement, LMIS is authorised to delegate some of its duties and responsibilities as Shareholder Servicing Agent to another party in accordance with the requirements of the Central Bank Rules. Pursuant to separate agreements, LMIS has, in turn, appointed LMI Europe, LM Hong Kong, LM Singapore and such other affiliates of it as set out in the Fund Supplement for the relevant Fund as additional Shareholder Servicing Agents of the Funds. LM Hong Kong is incorporated under the laws of the Hong Kong Special Administrative Region and is licensed and regulated by the Hong Kong Securities and Futures Commission. LM Singapore is organised under the laws of Singapore and is licensed and regulated by the Monetary Authority of Singapore. LMIS is affiliated with each of these additional Shareholder Servicing Agents due to their common control and ownership by Legg Mason.

THE DISTRIBUTORS

Pursuant to the Distribution Agreement, the Manager has appointed LMIS as a Distributor of the Funds. Under the terms of the Distribution Agreement, LMIS is authorised to market, promote, offer and arrange for the sale and redemption of Shares of the ICAV (collectively "distribution services"). In addition, LMIS is authorised at its own costs and expenses to engage one or more distributors for the purpose of assisting it with carrying out its duties and responsibilities, provided the appointments of such other firms are made in accordance with the requirements of the Central Bank Rules. LMIS, in such instances, shall remain responsible to the ICAV for the performance of its obligations under the Distribution Agreement. Accordingly, LMIS has appointed LMI Europe, LM Hong Kong, LM Singapore and such other affiliates of it as set out in the Fund Supplement for the relevant Fund as delegated Distributors of the Funds. LMIS and the other Distributors appointed by it may also enter into sub-distribution or dealer agreements with brokers, securities dealers and other intermediaries of its choice for the marketing, promotion, offer, sale and redemption of the Shares of the ICAV.

Under the terms of the Distribution Agreement, LMIS shall not be liable for any loss of the ICAV, the Funds, or a Shareholder except a loss resulting from negligence, wilful misfeasance, bad faith or reckless disregard on the part of it or any of its officers, directors, employees, or other controlling persons in the performance of LMIS's duties and obligations under the Distribution Agreement. Except in the case of negligence, wilful misfeasance, bad faith, or reckless disregard in the performance of the LMIS's duties under the Distribution Agreement, the ICAV agrees to indemnify LMIS and keep it indemnified from and against all liability, loss, damage or cost (including the cost of investigating or defending against such claims, demands or liabilities and any counsel fees incurred in connection therewith) which the LMIS, its officers, directors or any such controlling person may incur, including any loss, liability, damage or cost arising out of or based upon any untrue statement of a material fact contained in this Prospectus or arising out of or based upon any alleged omission to state a material fact required to be stated in this Prospectus or necessary to make the statement in this Prospectus not misleading, except insofar as such claims, demands, liabilities or expenses arise out of or are based upon any such untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with information furnished in writing by the LMIS to the ICAV for use in this Prospectus.

THE CURRENCY ADMINISTRATOR

State Street Bank Europe Limited has been appointed as non-discretionary currency administrator to the ICAV pursuant to the currency administration agreement between the ICAV and the Currency Administrator. The Currency Administrator is an affiliate of the Depositary and the Administrator and is regulated by the UK Financial Conduct Authority. Pursuant to the currency administration agreement, the Currency Administrator is responsible for effecting foreign exchange ("FX") transactions on behalf of the ICAV or relevant Fund either directly off-market with a third party counterparty or through a regulated exchange or multi-lateral trading facility based upon certain predetermined hedging parameters decided by the Investment Manager in its sole discretion and provided to the Currency Administrator by the Investment Manager from time to time. The purpose of the currency administration service provided by the Currency Administrator is: (i) to hedge the exposure of the relevant Hedged Share Classes to changes in exchange rates between the Base Currency and the currency of such Share Class, within the hedging parameters determined by the Investment Manager; and (ii) to convert currencies on subscriptions, redemptions, exchanges and distributions on all Share Classes denominated in a currency other than the relevant Fund's Base Currency. All FX transactions for this service will be executed for the ICAV or relevant Fund with the Currency Administrator as agent. In executing these FX transactions, the Currency Administrator is not acting as a fiduciary or as an advisor. FX transactions will be executed by the Currency Administrator with third party market counterparties in accordance with the currency administration agreement. The Currency Administrator does not have discretion in relation to their hedging and conversion activities and is not managing the currency exposure of the ICAV or a Fund. Rather, the Currency Administrator is only entering into FX transactions to hedge the respective hedged share classes and convert currencies on subscriptions, redemptions, exchanges and distributions, in accordance with established procedures that have been agreed with the Investment Manager and the ICAV. The Currency Administrator is entitled to a currency administration fee as described in the section entitled "Fees and Expenses", which shall be borne exclusively by the relevant Share Class.

TAXATION

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

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this document. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time of an investment in the ICAV will endure indefinitely.

Dividends and interest and capital gains on securities issued in countries other than Ireland may be subject to taxes including withholding taxes imposed by such countries. The ICAV may not benefit from a reduction in the rate of withholding tax by virtue of the double taxation agreements in operation between Ireland and other countries. Consequently, the ICAV may not be able to reclaim withholding tax suffered by it in particular countries. If this position changes in the future and the application of a lower rate results in a repayment to the ICAV, the Net Asset Value will not be restated and the benefit will be allocated to the existing Shareholders ratably at the time of repayment.

IRISH TAX CONSIDERATIONS

The following is a general summary of the main Irish tax considerations applicable to the ICAV and certain investors in the ICAV who are the beneficial owners of Shares. It does not purport to deal with all of the tax consequences applicable to the ICAV or to all categories of investors, some of whom may be subject to special rules. For instance, it does not address the tax position of Shareholders whose acquisition of Shares would be regarded as a shareholding in a Personal Portfolio Investment Undertaking (PPIU). Accordingly, its applicability will depend on the particular circumstances of each Shareholder. It does not constitute tax advice and Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.

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

Taxation of the ICAV

The Directors have been advised that, under current Irish law and practice, the ICAV qualifies as an investment undertaking for the purposes of Section 739B of the Taxes Consolidation Act, 1997, as amended ("TCA") so long as the ICAV is resident in Ireland. Accordingly, it is generally not chargeable to Irish tax on its income and gains.

Chargeable Event

However, Irish tax can arise on the happening of a "chargeable event" in the ICAV. A chargeable event includes any payments of distributions to Shareholders, any encashment, repurchase, redemption, cancellation or transfer of Shares and any deemed disposal of Shares as described below for Irish tax purposes arising as a result of holding Shares in the ICAV for a period of eight years or more. Where a chargeable event occurs, the ICAV is required to account for the Irish tax thereon.

No Irish tax will arise in respect of a chargeable event where:

(a) the Shareholder is neither resident nor ordinarily resident in Ireland ("Non-Irish Resident") and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect and the ICAV is not in possession of any information which would reasonably suggest that the information contained in the declaration is not, or is no longer, materially correct;

(b) the Shareholder is Non-Irish Resident and has confirmed that to the ICAV and the ICAV is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not been withdrawn; or

(c) the Shareholder is an Exempt Irish Resident as defined below.

A reference to "intermediary" means an intermediary within the meaning of Section 739B(1) of the TCA, being a person who (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or (b) holds units in an investment undertaking on behalf of other persons.

In the absence of a signed and completed declaration or written notice of approval from the Revenue Commissioners, as applicable, being in the possession of the ICAV at the relevant time there is a presumption that the Shareholder is resident or ordinarily resident in Ireland ("Irish Resident") or is not an Exempt Irish Resident and a charge to tax arises.

A chargeable event does not include:-

- any transactions (which might otherwise be a chargeable event) in relation to Shares held in a recognised clearing system as designated by order of the Revenue Commissioners;
- a transfer of Shares between spouses/civil partners and any transfer of Shares between spouses/civil partners or former spouses/civil partners on the occasion of judicial separation, decree of dissolution and/or divorce, as appropriate;
- an exchange by a Shareholder, effected by way of arm's length bargain where no payment is made to the Shareholder, of Shares in the ICAV for other Shares in the ICAV; or
- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the TCA) of the ICAV with another investment undertaking.

If the ICAV becomes liable to account for tax on a chargeable event, the ICAV shall be entitled to deduct from the payment arising on that chargeable event an amount equal to the appropriate tax and/or, where applicable, to repurchase and cancel such number of Shares held by the Shareholder, as is required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the ICAV indemnified against loss arising to the ICAV by reason of the ICAV becoming liable to account for tax on the happening of a chargeable event.

Deemed Disposals

The ICAV may elect not to account for Irish tax in respect of deemed disposals in certain circumstances. Where the total value of Shares in a Fund held by Shareholders who are Irish Resident and, who are not Exempt Irish Residents as defined below, is 10 per cent or more of the Net Asset Value of the Fund, the ICAV will be liable to account for the tax arising on a deemed disposal in respect of Shares in that Fund as set out below. However, where the total value of Shares in the Fund held by such Shareholders is less than 10 per cent of the Net Asset Value of the Fund, the ICAV may, and it is expected that the ICAV will, elect not to account for tax on the deemed disposal. In this instance, the ICAV will notify relevant Shareholders that it has made such an election and those Shareholders will be obliged to account for the tax arising under the self-assessment system themselves. Further details of this are set out below under the heading "Taxation of Irish Resident Shareholders".

Irish Courts Service

Where Shares are held by the Irish Courts Service the ICAV is not required to account for Irish tax on a chargeable event in respect of those Shares. Rather, where money under the control or subject to the order of any Court is applied to acquire Shares in the ICAV, the Courts Service assumes, in respect of the Shares acquired, the responsibilities of the ICAV to, *inter alia*, account for tax in respect of chargeable events and file returns.

Exempt Irish Resident Shareholders

The ICAV will not be required to deduct tax in respect of the following categories of Irish Resident Shareholders, provided the ICAV has in its possession the necessary declarations from those persons (or an intermediary acting on their behalf) and the ICAV is not in possession of any information which would reasonably suggest that the information contained in the declarations is not, or is no longer, materially correct. A Shareholder who comes within any of the categories listed below and who (directly or through an intermediary) has provided the necessary declaration to the ICAV is referred to herein as an "Exempt Irish Resident":

(a) a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the TCA, or a retirement annuity contract or a trust scheme to which Section 784 or Section 785 of the TCA, applies;

(b) a company carrying on life business within the meaning of Section 706 of the TCA;

(c) an investment undertaking within the meaning of Section 739B(1) of the TCA, or an investment limited partnership within the meaning of Section 739J of the TCA;

(d) a special investment scheme within the meaning of Section 737 of the TCA;

(e) a charity being a person referred to in Section 739D(6)(f)(i) of the TCA;

(f) a qualifying management company within the meaning of Section 739B(1) of the TCA;

(g) a unit trust to which Section 731(5)(a) of the TCA applies;

(h) a person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) of the TCA where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;

(i) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the TCA, and the Shares are assets of a PRSA;

(j) a credit union within the meaning of Section 2 of the Credit Union Act, 1997;

(k) the National Asset Management Agency;

(l) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance of Ireland is the sole beneficial owner or Ireland acting through the National Treasury Management Agency;

(m) a company within the charge to corporation tax in accordance with Section 110(2) of the TCA (securitisation companies);

(n) in certain circumstances, a company within the charge to corporation tax in respect of payments made to it by the ICAV; or

(o) any other person who is resident or ordinarily resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the ICAV or jeopardising the tax exemptions associated with the ICAV.

There is no provision for any refund of tax to Shareholders who are Exempt Irish Residents where tax has been deducted in the absence of the necessary declaration. A refund of tax may only be made to corporate Shareholders who are within the charge to Irish corporation tax.

Taxation of Non-Irish Resident Shareholders

Non-Irish Resident Shareholders who (directly or through an intermediary) have made the necessary declaration of non-residence in Ireland, where required, are not liable to Irish tax on the income or gains arising to them from their investment in the ICAV

and no tax will be deducted on distributions from the ICAV or payments by the ICAV in respect of an encashment, repurchase, redemption, cancellation or other disposal of their investment. Such Shareholders are generally not liable to Irish tax in respect of income or gains made from holding or disposing of Shares except where the Shares are attributable to an Irish branch or agency of such Shareholder.

Unless the ICAV is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not been withdrawn, in the event that a non-resident Shareholder (or an intermediary acting on its behalf) fails to make the necessary declaration of non-residence, tax will be deducted as described above on the happening of a chargeable event and notwithstanding that the Shareholder is not resident or ordinarily resident in Ireland any such tax deducted will generally not be refundable.

Where a Non-Irish Resident company holds Shares in the ICAV which are attributable to an Irish branch or agency, it will be liable to Irish corporation tax in respect of income and capital distributions it receives from the ICAV under the self assessment system.

Taxation of Irish Resident Shareholders

Deduction of Tax

Tax will be deducted and remitted to the Revenue Commissioners by the ICAV from any distributions made by the ICAV (other than on a disposal) to an Irish Resident Shareholder who is not an Exempt Irish Resident at the rate of 41 per cent.

Tax will also be deducted by the ICAV and remitted to the Revenue Commissioners from any gain arising on an encashment, repurchase, redemption, cancellation or other disposal of Shares by such a Shareholder at the rate of 41 per cent. Any gain will be computed as the difference between the value of the Shareholder's investment in the ICAV at the date of the chargeable event and the original cost of the investment as calculated under special rules.

Where the Shareholder is an Irish resident company and the ICAV is in possession of a relevant declaration from the Shareholder that it is a company and which includes the company's tax reference number, tax will be deducted by the ICAV from any distributions made by the ICAV to the Shareholder and from any gains arising on an encashment, repurchase, redemption, cancellation or other disposal of shares by the Shareholder at the rate of 25 per cent.

Deemed Disposals

Tax will also be deducted by the ICAV and remitted to the Revenue Commissioners in respect of any deemed disposal where the total value of Shares in a Fund held by Irish Resident Shareholders who are not Exempt Irish Residents is 10 per cent or more of the Net Asset Value of the Fund. A deemed disposal will occur on each and every eighth anniversary of the acquisition of Shares in the Fund by such Shareholders. The deemed gain will be calculated as the difference between the value of the Shares held by the Shareholder on the relevant eighth year anniversary or, as described below where the ICAV so elects, the value of the Shares on the later of the 30 June or 31 December prior to the date of the deemed disposal and the relevant cost of those Shares. The excess arising will be taxable at the rate of 41 per cent (or in the case of Irish resident corporate Shareholders where a relevant declaration has been made, at the rate of 25 per cent). Tax paid on a deemed disposal should be creditable against the tax liability on an actual disposal of those Shares.

Where the ICAV is obliged to account for tax on deemed disposals it is expected that the ICAV will elect to calculate any gain arising for Irish Resident Shareholders who are not Exempt Irish Residents by reference to the Net Asset Value of the relevant Fund on the later of the 30 June or 31 December prior to the date of the deemed disposal, in lieu of the value of the Shares on the relevant eight year anniversary.

The ICAV may elect not to account for tax arising on a deemed disposal where the total value of Shares in the relevant Fund held by Irish Resident Shareholders who are not Exempt Irish Residents is less than 10 per cent of the Net Asset Value of the Fund. In this case, such Shareholders will be obliged to account for the tax arising on the deemed disposal under the self-assessment system themselves. The deemed gain will be calculated as the difference between the value of the Shares held by the Shareholder on the relevant eighth year anniversary and the relevant cost of those Shares. The excess arising will be regarded as an amount taxable under Case IV of Schedule D and will be subject to tax where the Shareholder is a company, at the rate of 25 per cent, and where the Shareholder is not a company, at the rate of 41 per cent. Tax paid on a deemed disposal should be creditable against the tax payable on an actual disposal of those Shares.

Residual Irish Tax Liability

Corporate Shareholders resident in Ireland which receive payments from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D from which tax at the rate of 25 per cent (or 41 per cent if no declaration has been made) has been deducted. Subject to the comments below concerning tax on a currency gain, in general, such Shareholders will not be subject to further Irish tax on payments received in respect of their holding from which tax has been deducted. A corporate Shareholder resident in Ireland which holds the Shares in connection with a trade will be taxable

on any income or gains received from the ICAV as part of that trade with a set-off against corporation tax payable for any tax deducted from those payments by the ICAV. In practice, where tax at a rate higher than 25 per cent has been deducted from payments to a corporate Shareholder resident in Ireland, a credit of the excess tax deducted over the higher corporation tax rate of 25 per cent should be available.

Subject to the comments below concerning tax on a currency gain, in general, non-corporate Irish Resident Shareholders will not be subject to further Irish tax on income arising on the Shares or gains made on disposal of the Shares, where the appropriate tax has been deducted by the ICAV from distributions paid to them.

Where a currency gain is made by a Shareholder on the disposal of Shares, the Shareholder will be liable to capital gains tax in respect of that gain in the year/s of assessment in which the Shares are disposed of.

Any Irish Resident Shareholder who is not an Exempt Irish Resident and who receives a distribution from which tax has not been deducted or who receives a gain on an encashment, repurchase, redemption, cancellation or other disposal from which tax has not been deducted, (for example, because the Shares are held in a recognised clearing system) will be liable to account for income tax or corporation tax as the case may be on the payment or on the amount of the gain under the self-assessment system and in particular, Part 41A of the TCA.

Pursuant to Section 891C of the TCA and the Return of Values (Investment Undertakings) Regulations 2013, the ICAV is obliged to report certain details in relation to Shares held by investors to the Revenue Commissioners on an annual basis. The details to be reported include the name, address and date of birth if on record of, and the investment number associated with and the value of the Shares held by, a Shareholder. In respect of Shares acquired on or after 1 January 2014, the details to be reported also include the tax reference number of the Shareholder (being an Irish tax reference number or VAT registration number, or in the case of an individual, the individual's PPS number) or, in the absence of a tax reference number, a marker indicating that this was not provided. These provisions do not require such details to be reported in respect of Shareholders who are:

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

however, investors should note the section entitled "Automatic Exchange of Information" for information on additional investor information gathering and reporting requirements to which the ICAV is subject.

Overseas Dividends

Dividends (if any) and interest which the ICAV receives with respect to investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of the investments are located. It is not known whether the ICAV will be able to benefit from reduced rates of withholding tax under the provisions of the double tax treaties which Ireland has entered into with various countries.

However, in the event that the ICAV receives any repayment of withholding tax suffered, the Net Asset Value of the relevant Fund will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of such repayment.

Stamp Duty

On the basis that the ICAV qualifies as an investment undertaking within the meaning of Section 739B of the TCA, generally, no stamp duty will be payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the ICAV. However, where any subscription for or redemption of Shares is satisfied by an in-kind or in specie transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or properties.

No Irish stamp duty will be payable by the ICAV on the conveyance or transfer of stock or marketable securities of a company or other body corporate not registered in Ireland, provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property, or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the TCA or a qualifying company within the meaning of Section 110 of the TCA) which is registered in Ireland.

Residence

In general, investors in the ICAV will be either individuals, corporate entities or trusts. Under Irish rules, both individuals and trusts may be resident or ordinarily resident. The concept of ordinary residence does not apply to corporate entities.

Individual Investors

Test of Residence

An individual will be regarded as resident in Ireland for a particular tax year if the individual is present in Ireland: (1) for a period of at least 183 days in any one tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is resident in Ireland for at least 31 days in each tax year. In determining days present in Ireland, an individual is deemed to be present if he / she is present in the country at any time during the day.

If an individual is not resident in Ireland in a particular tax year the individual may, in certain circumstances, elect to be treated as resident.

Test of Ordinary Residence

If an individual has been resident for the three previous tax years then the individual will be deemed "ordinarily resident" from the start of the fourth year. An individual will remain ordinarily resident in Ireland until the individual has been non-resident for three consecutive tax years.

Trust Investors

A trust will generally be regarded as resident in Ireland where all of the trustees are resident in Ireland. Trustees are advised to seek specific tax advice if they are in doubt as to whether the trust is resident in Ireland.

Corporate Investors

A company will be resident in Ireland if its central management and control is in Ireland or (in certain circumstances) if it is incorporated in Ireland. For Ireland to be treated as the location of a company's central management and control this typically means Ireland is the location where all fundamental policy decisions of the company are made.

All companies incorporated in Ireland are resident in Ireland for tax purposes except where:

(i) in the case of a company incorporated before 1 January 2015, the company or a related company carries on a trade in Ireland, and either (a) the company is ultimately controlled by persons resident in a "relevant territory", being a Member State (other than Ireland) or a country with which Ireland has a double taxation agreement in force by virtue of Section 826(1) of the TCA or that is signed and which will come into force once all the ratification procedures set out in Section 826(1) of the TCA have been completed, or (b) the principal class of the shares in the company or a related company is substantially and regularly traded on a recognised stock exchange in a relevant territory; or

(ii) the company is regarded as resident in a country other than Ireland and not resident in Ireland under a double taxation agreement between Ireland and that other country.

A company incorporated in Ireland and coming within either (i) or (ii) above will not be regarded as resident in Ireland unless its central management and control is in Ireland, PROVIDED however, a company coming within (i) above which has its central management and control outside of Ireland will still be regarded as resident in Ireland if (a) it would by virtue of the law of a relevant territory be tax resident in that relevant territory if it were incorporated in that relevant territory but would not otherwise be tax resident in that relevant territory, (b) is managed and controlled in that relevant territory, and (c) would not otherwise by virtue of the law of any territory be regarded as resident in that territory for tax purposes.

The exception from the incorporation rule of tax residence at (i) above in respect of a company incorporated before 1 January 2015 will however cease to apply or be available after 31 December 2020, or, if earlier, from the date, after 31 December 2014, of a change in ownership (direct or indirect) of the company where there is a major change in the nature or conduct of the business of the company within the period beginning on the later of 1 January 2015 or the date which occurs one year before the date of the change in ownership of the company, and ending 5 years after the date of the change in ownership. For these purposes a major change in the nature or conduct of the business of the company includes the commencement by the company of a new trade or a major change arising from the acquisition by the company of property or of an interest in or right over property.

Disposal of Shares and Irish Capital Acquisitions Tax

(a) Persons Domiciled or Ordinarily Resident in Ireland

The disposal of Shares by means of a gift or inheritance made by a disponer domiciled or ordinarily resident in Ireland or received by a beneficiary domiciled or ordinarily resident in Ireland may give rise to a charge to Irish Capital Acquisitions Tax for the beneficiary of such a gift or inheritance with respect to those Shares.

(b) Persons Not Domiciled or Ordinarily Resident in Ireland

On the basis that the ICAV qualifies as an investment undertaking within the meaning of Section 739B of the TCA, the disposal of Shares will not be within the charge to Irish Capital Acquisitions Tax provided that;

· the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date;

- the donor is not domiciled or ordinarily resident in Ireland at the date of the disposition; and
- the beneficiary is not domiciled or ordinarily resident in Ireland at the date of the gift or inheritance.

Application of FATCA under the Irish IGA

The governments of the United States and Ireland have entered into the Irish IGA, which establishes a framework for cooperation and information sharing between the two countries and provides an alternative way for foreign (i.e. non-US) financial entities ("FFIs"), including the ICAV and the Funds, to comply with FATCA without having to enter into an FFI Agreement with the IRS. Pursuant to the Irish IGA, each Fund registers with the IRS as a Model 1 FFI (as defined under the FATCA Regulations) and is assigned a global intermediary identification number ("GIIN"). Under the terms of the Irish IGA, each Fund will identify any US Reportable Accounts held by it and report certain information on such US Reportable Accounts to the Revenue Commissioners, which, in turn, will report such information to the IRS.

Each existing and prospective investor in a Fund is expected to be required to provide the Administrator (or a Distributor or Dealer when Shares are purchased through a Distributor or Dealer) a completed and signed IRS Form W-8, W-9 or other withholding certificate acceptable to the Administrator (or Distributor or Dealer, as appropriate), as well as any other information required by them to determine whether such Shareholder is a holder of a US Reportable Account or qualifies for an exemption under the FATCA Regulations. If Shares are held in a nominee account by a non-FFI nominee for the benefit of their underlying beneficial owner, the underlying beneficial owner is an accountholder under FATCA, and the information provided must pertain to the beneficial owner.

Please note that the term "US Reportable Account" under FATCA applies to a wider range of investors than the term "US Person" under Regulation S of the 1933 Act. Please refer to the Definitions section of this Prospectus for definitions of both of these terms. Investors should consult their legal counsel or tax advisors regarding whether they fall under either of these definitions.

Distributors or Dealers will be required to certify their compliance with FATCA by providing the Funds (i) an appropriate IRS Form W-8, W-9 or other withholding certificate acceptable to the Funds duly executed by an authorised representative of such Dealer; (ii) its GIIN, if applicable, as well as (iii) any other information required by the Funds to confirm such compliance with FATCA. Failure by a Distributor or Dealer to provide such information may lead to closure of their accounts by the Administrator and imposition of FATCA withholding on such accounts.

AUTOMATIC EXCHANGE OF INFORMATION

Ireland has implemented the "Standard for Automatic Exchange of Financial Account Information", also known as the Common Reporting Standard ("CRS"), into Irish law.

The CRS is a single global standard on Automatic Exchange of Information ("AEOI") which was approved by the Council of the Organisation for Economic Cooperation and Development ("OECD") in July 2014. It draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. The CRS sets out details of the financial information to be exchanged, the financial institutions required to report, together with common due diligence standards to be followed by financial institutions.

Under the CRS, participating jurisdictions are required to exchange certain information held by financial institutions regarding their non-resident customers. Over 90 jurisdictions have committed to exchanging information under the CRS and a group of over 40 countries, including Ireland, have committed to the early adoption of the CRS. For these early adopters, the first exchange of information in relation to accounts coming into existence from 1 January 2016 and individual high value accounts in existence at 31 December 2015 is expected take place by the end of September 2017, with information about individual low value accounts in existence at 31 December 2015 and entity accounts is expected to first be exchanged either by the end of September 2017 or September 2018 depending on when financial institutions identify them as reportable accounts.

Shareholders should note that the ICAV is required to disclose the name, address, jurisdiction(s) of tax residence, date and place of birth, account reference number and tax identification number(s) of each reportable person in respect of a reportable account for CRS and information relating to each Shareholder's investment (including but not limited to the value of and any payments in respect of the Shares) to the Revenue Commissioners who may in turn exchange this information with the tax authorities in territories who are participating jurisdictions for the purposes of the CRS. In order to comply with its obligations, the ICAV may require additional information and documentation from Shareholders.

The non-provision of information requested by the ICAV pursuant to CRS may result in mandatory redemption of Shares or other appropriate action taken by the ICAV. Shareholders refusing to provide the requisite information to the ICAV may also be reported to the Revenue Commissioners.

The above description is based in part on regulations, guidance from the OECD and the CRS, all of which are subject to change.

Pursuant to information-sharing arrangements in place between Ireland and/or the EU and certain third countries and/or dependant or associated territories of CRS-participating jurisdictions, to the extent that those countries or territories are not "Reportable Jurisdictions" under the CRS, the Administrator, or such other entity considered to be a paying agent for these purposes, may be obliged to collect certain information (including the tax status, identity and residency of the Shareholders) in order to satisfy the disclosure requirements under those arrangements and to disclose such information to the relevant tax authorities. Those tax authorities may in turn be obliged to provide the information disclosed to the tax authorities of other relevant jurisdictions.

Shareholders will be deemed by their subscription for Shares in a Fund to have authorised the automatic disclosure of such information by the Administrator, or other relevant person to the relevant tax authorities.

Each prospective investor should consult its own tax advisers on the requirements applicable to it under these arrangements.

US FEDERAL INCOME TAX CONSIDERATIONS

As with any investment, the tax consequences of an investment in Shares may be material to an analysis of an investment in the ICAV. Prospective investors in the ICAV should be aware of the tax consequences of such an investment before purchasing Shares. This Prospectus discusses certain US federal income tax consequences only generally and does not purport to deal with all of the US federal income tax consequences applicable to the ICAV or to all categories of investors, some of whom may be subject to special rules. In particular, because US Reportable Persons generally are not expected to subscribe for Shares, the discussion does not address the US federal tax consequences to taxable US Reportable Persons of a subscription for Shares. Such persons should consult their own tax advisors. The following discussion assumes that no US Holder owns or will own directly or indirectly, or will be considered as owning by reason of certain tax law rules of constructive ownership, 10 per cent or more of the total combined voting power of all Shares of the ICAV or any Fund.

The ICAV does not, however, guarantee that will always be the case. Furthermore, the discussion assumes that the ICAV will not hold any interests (other than as a creditor) in any "United States real property holding corporations" as defined in the Code. Each prospective investor is urged to consult his or her tax advisor regarding the specific consequences of an investment in the ICAV under applicable US federal, state, local and foreign income tax laws as well as with respect to any specific gift, estate and inheritance tax issues.

The following discussion assumes for convenience that the ICAV, including each Fund thereof, will be treated as a single entity for US federal income tax purposes. The law in this area is uncertain. Thus, it is possible that the ICAV may adopt an alternative approach, treating each Fund of the ICAV as a separate entity for US federal income tax purposes. There can be no assurance that the IRS would agree with the position taken by the ICAV.

Taxation of the ICAV

The ICAV generally intends to conduct its affairs so that it will not be deemed to be engaged in trade or business in the United States and, therefore, none of its income will be treated as "effectively connected" with a US trade or business carried on by the ICAV. If none of the ICAV's income is effectively connected with a US trade or business carried on by the ICAV, certain categories of income (including dividends and certain types of interest income) derived by the ICAV from US sources will be subject to a US tax of 30 per cent, which tax is generally withheld from such income. Certain other categories of income, generally including most forms of US source interest income (e.g. interest and original issue discount on portfolio debt obligations (which may include United States Government securities, original issue discount obligations having an original maturity of 183 days or less, and certificates of deposit), and capital gains (including those derived from options transactions), will not be subject to this 30 per cent withholding tax. If, on the other hand, the ICAV derives income which is effectively connected with a US trade or business carried on by the ICAV, such income will be subject to US federal income tax at the graduated rates applicable to US domestic corporations, and the ICAV would also be subject to a branch profits tax on earnings removed, or deemed removed, from the United States.

Notwithstanding the foregoing, Funds that directly own units in MLPs domiciled in the United States will be considered under the Code to be engaged in business in the United States because of the ownership of such units. As a consequence, they will be required to file US federal tax returns to report their share of the MLP's income, gain, loss or deduction and pay US federal income tax at regular rates on their share of the MLP's net earnings or gain. Moreover, under rules applicable to US publicly traded partnerships, the MLPs are expected to withhold on a quarterly basis at the highest applicable effective tax rate from effectively connected net income allocable to a non-US unitholder such as the ICAV. In addition, because a non-US corporation that owns MLP units will be treated as engaged in a US trade or business, the ICAV may be subject to the US branch profits tax under Section 884 of the Code at a rate of 30 per cent, in addition to regular US federal income tax, on its share of the MLP's net earnings that are deemed removed from the United States. Additionally, the Funds may be subject to US federal income tax on gain from the sale or disposition of their MLP fund units. The Funds investing in US MLPs may also be subject to special information

reporting requirements under Section 6038C of the Code. State and local income taxed and return filing obligations may also apply.

Pursuant to FATCA, the ICAV (or each Fund) will be subject to US federal withholding taxes (at a 30 per cent rate) on payments of certain amounts made to such entity ("withholdable payments"), unless it complies (or is deemed compliant) with extensive reporting and withholding requirements. Withholdable payments generally include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from US sources, as well as (effective 1 January 2017) gross proceeds from dispositions of securities that could produce US source interest or dividends. Income which is effectively connected with the conduct of a US trade or business is not, however, included in this definition. To avoid the withholding tax, unless deemed compliant, the ICAV (or each Fund thereof) will be required to enter into an agreement with the United States to identify and disclose identifying and financial information about each US Reportable Person (or foreign entity with substantial US ownership) which invests in the ICAV (or Fund), and to withhold tax (at a 30 per cent rate) on withholdable payments and related payments made to any investor which fails to furnish information requested by the ICAV to satisfy its obligations (or those of its Funds) under the agreement. Pursuant to the Irish IGA, the ICAV (or each Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US Reportable Person information directly to the Irish government. Certain categories of US investors, generally including, but not limited to, tax-exempt investors, publicly traded corporations, banks, regulated investment companies, real estate investment trusts, common trust funds, brokers, dealers and middlemen, and state and federal governmental entities, will be exempt from such reporting. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future ICAV (or Fund) operations.

Shareholders will be required to provide certifications as to their US or non-US tax status, together with such additional tax information as the ICAV (or a Fund) or its agents may from time to time request. Failure to furnish requested information or (if applicable) satisfy its own FATCA obligations may subject a Shareholder to liability for any resulting withholding taxes, US tax information reporting and/or mandatory redemption of such Shareholder's Shares.

Taxation of Shareholders

The US tax consequences to Shareholders of distributions from the ICAV and of dispositions of Shares generally depends on the Shareholder's particular circumstances, including whether the Shareholder conducts a trade or business within the United States or is otherwise taxable as a US Reportable Person.

US Reportable Persons may be required to furnish the ICAV with a properly executed IRS Form W-9; all other Shareholders may be required to furnish an appropriate, properly executed IRS Form W-8. Amounts paid to a US Reportable Person as dividends from the ICAV, or as gross proceeds from a redemption of Shares, generally may be reportable to the US Holder and the IRS on an IRS Form 1099 (except as otherwise noted below). Failure to provide an appropriate and properly executed IRS Form W-8 (in the case of Shareholders who are not US Reportable Persons) or IRS Form W-9 (for Shareholders who are US Reportable Persons) when required may subject a Shareholder to backup withholding tax. Backup withholding is not an additional tax. Any amounts withheld may be credited against a Shareholder's US federal income tax liability. Shareholders will be required to provide such additional tax information as the Directors may request from time to time.

US tax-exempt entities, corporations, non-US Reportable Persons and certain other categories of Shareholders generally will not be subject to reporting on IRS Form 1099 or backup withholding, if applicable, provided that such Shareholders furnish the ICAV with an appropriate and properly executed IRS Form W-8 or IRS Form W-9, certifying as to their exempt status.

PASSIVE FOREIGN INVESTMENT COMPANY ("PFIC") RULES – IN GENERAL: The ICAV is expected to be a PFIC within the meaning of Section 1297(a) of the Code. In addition, the ICAV may invest in other entities that are classified as PFICs. Thus, Shareholders may be treated as indirect shareholders of PFICs in which the ICAV invests. US Reportable Persons are urged to consult their own tax advisors with respect to the application of the PFIC rules. The ICAV does not intend to provide US Shareholders with the information necessary to make an effective "qualified electing fund" ("QEF") election. There can be no assurance that a QIF election would be available with respect to any PFIC shares held indirectly through the ICAV.

PFIC CONSEQUENCES; TAX-EXEMPT ORGANISATIONS; UNRELATED BUSINESS TAXABLE INCOME: Certain entities (including qualified pension and profit sharing plans, individual retirement accounts, 401(k) plans and Keogh plans ("Tax-Exempt entities")) generally are exempt from US federal income taxation except to the extent that they have unrelated business taxable income ("UBTI"). UBTI is income from a trade or business regularly carried on by a Tax-Exempt entity which is unrelated to the entity's exempt activities. Various types of income, including dividends, interest and gains from the sale of property other than inventory and property held primarily for sale to customers, are excluded from UBTI, so long as the income is not derived from debt-financed property. Capital gains derived by a Tax-Exempt entity with respect to its Shares should be excluded from UBTI, provided that the Tax-Exempt entity has not incurred acquisition indebtedness in connection with the acquisition of such Shares.

Under current law, the PFIC rules apply to a Tax-Exempt entity that holds Shares only if a dividend from the ICAV would be subject to US federal income taxation in the hands of the Shareholder (as would be the case, for example, if the Shares were debt-financed property in the hands of the Tax-Exempt entity). It should be noted, however, that temporary and proposed regulations appear to treat certain tax-exempt trusts (but not qualified plans) differently than other Tax-Exempt entities by treating the beneficiaries of such trusts as PFIC shareholders and thereby subjecting such persons to the PFIC rules.

OTHER US TAX CONSIDERATIONS: The foregoing discussion assumes, as stated above, that no US Reportable Person owns or will own directly or indirectly, or be considered as owning by application of certain tax law rules of constructive ownership, 10 per cent or more of the total combined voting power of all voting Shares of the ICAV or any Fund (any such US Reportable Person so holding such an interest is referred to herein as a "10 per cent US Shareholder"). If more than 50 per cent of the equity interests in the ICAV were owned by 10 per cent US Shareholders, the ICAV would be a "controlled foreign corporation," in which case a 10 per cent US Shareholder would be required to include in income that amount of the ICAV's earnings to which the Shareholder would have been entitled had the ICAV currently distributed all of its earnings. (Under current law, such income inclusions generally would not be expected to be treated as UBTI, so long as not deemed to be attributable to insurance income earned by the ICAV.) Also, upon the sale or exchange of Shares, all or part of any resulting gain could be treated as ordinary income. Alternatively, if each Fund were treated as a separate entity for US federal income tax purposes, the ten per cent ownership determinations would be made on an individual Fund basis. Similar rules could apply with respect to shares of any other non-US corporations that are held by a Shareholder indirectly through the ICAV.

REPORTING REQUIREMENTS: US Reportable Persons may be subject to additional US tax reporting requirements by reason of their ownership of Shares. For example, special reporting requirements may apply with respect to certain interests in, transfers to, and changes in ownership interest in, the ICAV and certain other foreign entities in which the ICAV may invest. A US Holder also would be subject to additional reporting requirements in the event that it is deemed to be a 10 per cent US Shareholder of a controlled foreign corporation by reason of its investment in the ICAV. Alternatively, the determination of "controlled foreign corporation" and 10 per cent US Shareholder status would be made on an individual Fund basis, if each Fund were to be treated as a separate entity for US federal income tax purposes. US Reportable Persons should consult their own US tax advisors regarding any reporting responsibilities resulting from an investment in the ICAV, including any obligation to file FinCEN Report 114 with the US Department of the Treasury.

US STATE AND LOCAL TAXES: In addition to the US federal income tax consequences described above, Shareholders should consider potential US state and local tax consequences of an investment in the ICAV. US state and local tax laws often differ from the US federal income tax laws. Shareholders and potential investors are urged to consult their own tax advisors with respect to the application of US state and local taxes, based on their particular circumstances.

TAX SHELTER REPORTING: Persons who participate in or act as material advisors with respect to certain "reportable transactions" must disclose required information concerning the transaction to the IRS. In addition, material advisors must maintain lists that identify such reportable transactions and their participants. Significant penalties apply to taxpayers who fail to disclose a reportable transaction. Although the ICAV is not intended to be a vehicle to shelter US federal income tax, and the new regulations provide a number of relevant exceptions, there can be no assurance that the ICAV and certain of its Shareholders and material advisors will not, under any circumstance, be subject to these disclosure and list maintenance requirements.

OTHER TAX CONSIDERATIONS

The ICAV may from time to time purchase investments that will subject the ICAV to exchange controls or withholding taxes in various jurisdictions. In the event that exchange controls or foreign withholding taxes are imposed with respect to any of the ICAV's investments, the effect generally reduces the income received by the ICAV on its investments.

GENERAL

CONFLICTS OF INTEREST AND BEST EXECUTION

The Manager has policies designed to ensure that in all transactions, a reasonable effort is made to avoid conflicts of interest, and when they cannot be avoided, that the Funds and their shareholders are fairly treated. The Manager, the Investment Manager and/or its delegates, the Directors, the Distributors, the Shareholder Servicing Agents, the Depositary and the Administrator may from time to time act as manager, investment manager, investment adviser, director, depositary, administrator, company secretary, securities lending agent, dealer, distributor or shareholder servicing agent in relation to, or be otherwise involved in, other funds established by parties other than the ICAV which have similar investment objectives to those of the ICAV and any Fund. The Investment Manager and/or its delegates and their clients may hold Shares in any Fund. The Investment Manager and/or its delegates and/or associated or group companies of the Investment Manager and/or its delegates may also purchase or sell securities for one or more portfolios (including a Fund) on the same day that it executes an opposite transaction or holds an opposite position in the same or similar security for one or more of the other portfolios that it manages. It is, therefore, possible that any of them

may, in the course of business, have potential conflicts of interests with the ICAV and a Fund. Each will, at all times, have regard in such event to its obligations to the ICAV and the Fund and will ensure that such conflicts are resolved fairly and to minimise any harm to the Fund. In addition, any of the foregoing may deal, as principal or agent, with the ICAV in respect of the assets of a Fund, provided that such dealings are carried out as if negotiated on an arm's length basis and that such dealings are in the best interests of Shareholders. Where a commission (including a rebated commission) is received by the Investment Manager and/or its delegates by virtue of an investment by a Fund in the units or shares of another collective investment scheme, this commission must be paid into that Fund.

"Connected Person" means the Manager and the Depositary, and the delegates or sub-delegates of the Manager or the Depositary (excluding any non-group company sub-custodians appointed by the Depositary), and any associated or group company of the Manager, the Depositary, any delegate or sub-delegate;

The Manager is required to ensure that any transaction between the ICAV and a Connected Person is conducted at arm's length and is in the best interests of Shareholders.

The ICAV may enter into a transaction with a Connected Person if at least one of the conditions in the following paragraphs (a), (b) or (c) is complied with:

(a) the value of the transaction is certified by either: (i) a person who has been approved by the Depositary as being independent and competent; or (ii) a person who has been approved by the Manager as being independent and competent in the case of transactions involving the Depositary;

(b) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of the relevant exchange; or

(c) the transaction is executed on terms which the Depositary is or, in the case of a transaction involving the Depositary, the Manager is, satisfied conformed to the requirement that transactions with Connected Persons be conducted at arm's length and in the best interests of Shareholders.

The Depositary or, in the case of a transaction involving the Depositary, the Manager, shall document how it complied with the requirements of (a), (b) or (c) above. Where transactions are conducted in accordance with (c) above, the Depositary or, in the case of a transaction involving the Depositary, the Manager, shall document its rationale for being satisfied that the transaction conformed to the requirement that transactions with Connected Persons be conducted at arm's length and in the best interests of Shareholders.

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

A conflict of interest may arise where the competent person valuing unlisted securities owned or purchased by the Fund is the Manager, the Investment Manager, or any other related party to the ICAV. For example, because the fees of the Manager , the Investment Manager are calculated on the basis of a percentage of each Fund's average Net Asset Value, such fees increase as the Net Asset Value of each Fund increases. When valuing securities owned or purchased by a Fund, the Fund's Investment Manager (or any other related party to the ICAV) will, at all times, have regard to its obligations to the ICAV and the Fund and will ensure that such conflicts are resolved fairly.

The Manager and the Investment Manager and/or its affiliates and/or delegates may invest, 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 ICAV. Neither the Manager, the Investment Manager nor any of their affiliates or delegates are under any obligation to offer investment opportunities of which any of them becomes aware to the ICAV or to account to the ICAV in respect of (or share with the ICAV or inform the ICAV 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 ICAV and other clients.

The ICAV has policies designed to ensure that its service providers act in the Funds' best interests when executing decisions to deal on behalf of those Funds in the context of managing the Funds' portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the Funds, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, research services provided by the broker to the Manager, the Investment Manager and/or its delegates, or

any other consideration relevant to the execution of the order. Any cash rebates received from a broker or dealer in consideration of Fund brokerage transactions directed to that broker or dealer will not be retained by the Investment Manager or any of their connected persons. The ICAV will not bear the costs of external research obtained by the Investment Managers. Such costs will be borne by the relevant Investment Manager. Information about the Funds' execution policies is available to Shareholders at no charge upon request.

The Manager has entered into a currency administration agreement with the Currency Administrator, which is an affiliate of the Depositary and Administrator, pursuant to which the Currency Administrator has been appointed as the non-discretionary currency administrator of the ICAV. In executing the FX transactions with the ICAV, the Currency Administrator is not acting as a fiduciary or an advisor. FX transactions will typically be executed with third party market counterparties in accordance with the currency administration agreement. The Currency Administrator is entitled to a currency administration fee as described above under "Fees and Expenses", which shall be borne exclusively by the relevant Share Class.

THE SHARE CAPITAL

The ICAV was established with an initial share capital of €2 represented by two Subscriber Shares of no par value. Shareholders of these Subscriber Shares are entitled to attend and vote at all meetings of the ICAV, but are not entitled to participate in the dividends or net assets of any Fund or of the ICAV.

The share capital of the ICAV shall at all times equal the Net Asset Value. The Directors are generally and unconditionally authorised to exercise all the powers of the ICAV to issue shares in the ICAV and are empowered to issue up to five hundred billion Shares of no par value in the ICAV at the Net Asset Value per Share on such terms as they may think fit. There are no rights of pre-emption upon the issue of Shares in the ICAV.

Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder.

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

Each of the Shares entitles the holder to attend and vote at meetings of the ICAV and of the Fund represented by those Shares.

Any resolution to alter the rights of the Shares requires the approval of three quarters of the holders of the Shares represented or present and voting at a general meeting duly convened in accordance with the Instrument of Incorporation.

The Instrument of Incorporation empowers the Directors to issue fractional Shares in the ICAV. Fractional Shares may be issued to the nearest one thousandth of a Share and shall not carry any voting rights at general meetings of the ICAV or of any Fund and the Net Asset Value of any fractional Share shall be the Net Asset Value per Share adjusted in proportion to the fraction.

THE FUNDS AND SEGREGATION OF LIABILITY

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

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

(a) the proceeds from the issue of Shares representing a Fund shall be applied in the books of the ICAV to the Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Instrument of Incorporation;

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

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

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

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

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

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

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

(iii) if any party contracting with the ICAV shall succeed in seizing or attaching by any means, or otherwise levying execution against, any assets of a Fund in respect of a liability which was not incurred on behalf of that Fund, that party shall hold those assets or the direct or indirect proceeds of the sale of such assets on trust for the ICAV and shall keep those assets or proceeds separate and identifiable as such trust property.

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

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

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

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

Separate records shall be maintained in respect of each Fund.

REMUNERATION POLICY OF THE MANAGER

The Manager has adopted a remuneration policy as required by the UCITS Regulations (the "Remuneration Policy"). The Remuneration Policy applies to staff of the Manager who receive a fee for their services to the Manager and directors of the Manager who do not receive remuneration in light of their affiliation with the Legg Mason Group. The Manager ensures that the Investment Manager is subject to regulatory requirements on remuneration that are equally as effective as those applicable under EU directives, regulations and guidelines on remuneration (the "Remuneration Rules") or that it has appropriate contractual arrangements with the Investment Manager to ensure that there is no circumvention of the Remuneration Rules. The Investment Manager will, in turn, ensure that its delegates comply with the Remuneration Rules to the extent applicable. Due to the size and internal organisation of the Manager and the nature, scope and complexity of its activities, a remuneration committee has not been established by the Manager. Further information on the current remuneration policy of the Manager, including a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, is available at http://www.leggmasonglobal.com/remuneration-policies/index.aspx. A paper copy of this information is available free of charge upon request from the Manager.

MINIMUM VIABLE SIZE

Each Fund must achieve a Net Asset Value of at least US$20 million or such other amount as may be determined by the Directors and notified to Shareholders in the fund from time to time (the "Minimum Viable Size") within 24 months of its launch. In the event that a Fund does not reach the Minimum Viable Size within such period, or subsequently drops below such Minimum Viable Size following such period, then upon prior written notice the ICAV may redeem any Shares in issue in the Fund and return the redemption proceeds to Shareholders.

TERMINATION

All of the Shares of a Fund or of the ICAV may be redeemed by the ICAV in the following circumstances:

(i) if a majority of the holders of the shares voting at a general meeting of the Fund or the ICAV approve the redemption of the shares; or

(ii) if so determined by the Directors provided that not less than twenty-one days' written notice has been given to the holders of the Shares of the ICAV or the Fund, as appropriate. Such circumstances would include a determination by the Directors that it would not be in the interests of the Shareholders to continue a Fund or the ICAV if the size of that Fund or the ICAV is such that it is not economically viable.

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

On a winding up or if all of the Shares in any Fund are to be redeemed, the assets available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in proportion to the number of the Shares held in that Fund. The balance of any assets of the ICAV then remaining not comprised in any of the other Funds shall be apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders and shall be distributed among the Shareholders of each Fund pro rata to the number of Shares in that Fund held by them. With the authority of an ordinary resolution of the Shareholders, the ICAV may make distributions in specie to Shareholders. The ICAV may arrange to sell the assets on behalf of the Shareholder. However, the ICAV cannot guarantee that the amount received by the Shareholder will be the amount at which the Shares were valued when the distribution in specie was made. If all of the Shares are to be redeemed and it is proposed to transfer all or part of the assets of the ICAV to another company, the ICAV, with the sanction of a special resolution of Shareholders may exchange the assets of the ICAV for Shares or similar interests in the transferee company for distribution among Shareholders. The Subscriber Shares do not entitle the holders to participate in the dividends or net assets of any Fund.

The assets available for distribution among the Shareholders shall be applied in the following priority:

(i) firstly, in the payment to the Shareholders of each Share Class of each Fund of a sum in the Base Currency in which that Share Class is denominated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange reasonably determined by the liquidator) to the Net Asset Value of the Shares of such Share Class held by such Shareholders respectively as at the date of commencement of the winding up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any Share Class, there are insufficient assets available in the relevant Fund to enable such payment to be made, recourse shall be had to the assets of the ICAV not comprised within any of the Funds;

(ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the amount paid thereon (plus any interest accrued) out of the assets of the ICAV not comprised within any Funds remaining after any recourse thereto under 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 Funds;

(iii) thirdly, in the payment to the Shareholders of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of shares held; and

(iv) fourthly, in the payment to the Shareholders of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the value of each Fund and within each Fund to the value of each Share Class and in proportion to the Net Asset Value per Share.

MEETINGS

All general meetings of the ICAV or of a Fund shall be held in Ireland. The quorum for general meetings shall be two persons present in person or by proxy. Fourteen calendar days' notice (excluding the day of posting and the day of the meeting) shall be given in respect of each general meeting of the ICAV. The notice shall specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. An ordinary resolution is a resolution passed by a plurality of votes cast and a special resolution is a resolution passed by a majority of 75 per cent or more of the votes cast. The Instrument of Incorporation provides that matters may be determined by a meeting of Shareholders on a show of hands (with each Shareholder having one vote) unless a poll is requested by five Shareholders or by Shareholders holding 10 per cent or more of the Shares or unless the Chairman of the meeting requests a poll. Each Share (including the Subscriber Shares) gives the holder one vote in relation to any matters relating to the ICAV, which are submitted to Shareholders for a vote by poll. Results of each general meeting will be available from the Distributors.

REPORTS

In each year the Directors shall cause to be prepared an annual report and audited annual accounts for the ICAV or each Fund. These will be made available to Shareholders within four months of the end of the financial year. In addition, the ICAV shall prepare and make available to Shareholders within two months of the end of the relevant period a half-yearly report which shall include unaudited half yearly accounts for the ICAV or each Fund. The annual and half yearly accounts may be sent to Shareholders by electronic mail or by other electronic means.

Annual accounts shall be made up to the last day of June in each year. Unaudited half-yearly reports shall be made up to the last day of December in each year. Audited annual reports and unaudited half-yearly reports incorporating financial statements will be made available for inspection at the registered offices of the Manager and the ICAV, and paper copies shall be delivered to Shareholders free of charge upon request.

Additional information regarding the Funds may be available upon request on Business Days at the registered office of the ICAV.

COMPLAINTS

Shareholders may file any complaints about the ICAV or a Fund free of charge at the registered office of the ICAV or the Manager. Information regarding the ICAV and the Manager's complaint procedures is available to Shareholders free of charge upon request.

MISCELLANEOUS

(i) There are no service contracts in existence between the ICAV and any of its Directors, nor are any such contracts proposed.

(ii) Mr. Carrier, Ms. Trust, Mr Sagger and Ms Rock are directors and/or executives of certain affiliates of the Manager, the Investment Managers, the Distributors and the Shareholder Servicing Agents. Mr. LaRocque was previously a director and/or executive director of certain of the Investment Managers, Distributors and Shareholder Servicing Agents and their affiliates. Save as disclosed above, none of the Directors has any interest, direct or indirect, in any contract or arrangement subsisting at the date hereof which is significant in relation to the business of the ICAV.

(iii) At the date of this document, neither the Directors nor their spouses nor their infant children nor any connected party have any direct or indirect interest in the share capital of the ICAV or any options in respect of such capital.

(iv) No share or loan capital of the ICAV is under option or is agreed conditionally or unconditionally to be put under option.

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

(vi) The ICAV does not have, nor has it had since its incorporation, any employees or subsidiary companies.

MATERIAL CONTRACTS

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

- The Management Agreement between the ICAV and the Manager, as amended from time to time, pursuant to which the latter was appointed as manager of the ICAV.
- The Investment Management Agreement between the Manager and the relevant Investment Manager, as amended from time to time, pursuant to which the latter was appointed as investment manager of a Fund as detailed in the relevant Fund Supplement.
- The Shareholder Servicing Agreement between the ICAV, the Manager and LMIS, as amended from time to time, pursuant to which the latter was appointed as a Shareholder Servicing Agent to the ICAV.
- The Distribution Agreement between the ICAV, the Manager and LMIS, as amended from time to time, pursuant to which the latter was appointed as a Distributor of the ICAV.
- The Depositary Agreement between the ICAV, the Manager and the Depositary, as amended from time to time, pursuant to which the latter acts as depositary in relation to the ICAV.
- The Administration Agreement between the ICAV, the Manager and the Administrator, as amended from time to time, pursuant to which the latter was appointed administrator to the ICAV.
- Such agreements as the ICAV or the Manager may enter into from to time to time with the prior approval of the Central Bank with paying agents or local representatives in the countries or jurisdictions in which the ICAV intends to offer its Shares for sale.

SUPPLY AND INSPECTION OF DOCUMENTS

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

(a) the certificate of registration and Instrument of Incorporation of the ICAV;
(b) the material contracts referred to above;
(c) the UCITS Regulations and the Central Bank Regulations; and
(d) a list of past and current directorships and partnerships held by each Director over the last five years.

Copies of the Instrument of Incorporation of the ICAV (as amended from time to time) and the latest financial reports of the ICAV, as appropriate, may be obtained, free of charge, upon request at the registered office of the Manager.

SCHEDULE I – Investment Restrictions

A. INVESTMENT RESTRICTIONS APPLICABLE TO THE FUNDS UNDER THE UCITS REGULATIONS

Permitted Investments

1. Investments of each Fund are confined to:

1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.

1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.

1.3 Money market instruments other than those dealt on a regulated market.

1.4 Units of UCITS.

1.5 Units of alternative investment funds.

1.6 Deposits with credit institutions.

1.7 Financial derivative instruments.

Investment Restrictions

2. 2.1 Each Fund may invest no more than 10 per cent of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.

2.2 Recently Issued Transferable Securities

Subject to paragraph (2) a responsible person shall not invest any more than 10 per cent of the net assets of a Fund in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply.

Paragraph (1) does not apply to an investment by a responsible person in US securities known as "Rule 144A securities" provided that:

(a) the relevant securities are issued with an undertaking to register the securities with the SEC within one year of issue; and

(b) the securities are not illiquid securities i.e. they may be realised by the Fund within 7 days at the price, or approximately at the price, at which they are valued by the Fund.

2.3 Each Fund may invest no more than 10 per cent of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5 per cent is less than 40 per cent.

2.4 The limit of 10 per cent (in 2.3) is raised to 25 per cent in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5 per cent of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80 per cent of the net asset value of the Fund.

2.5 The limit of 10 per cent (in 2.3) is raised to 35 per cent if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

2.6 The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40 per cent referred to in 2.3.

2.7 Deposits with any one credit institution, other than 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 and credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand, held as ancillary liquidity, must not exceed 10 per cent of net assets.

This limit may be raised to 20 per cent in the case of deposits made with the depositary.

2.8 The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5 per cent of net assets.

This limit is raised to 10 per cent in the case of credit institutions authorised in the EEA; credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; and credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20 per cent of net assets:
- investments in transferable securities or money market instruments;
- deposits, and/or
- risk exposures arising from OTC derivatives transactions.

2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35 per cent of net assets.

2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20 per cent of net assets may be applied to investment in transferable securities and money market instruments within the same group.

2.12 Each Fund may invest up to 100 per cent of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.

The individual issuers must be listed in the prospectus and may be drawn from the following list:

OECD Governments (provided the relevant issues are investment grade), the Government of China, the government of Brazil (provided the relevant issues are investment grade), the government of India (provided the relevant issues are investment grade), the government of Singapore (provided the relevant issues are investment grade), European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter-American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Straight A Funding LLC and Tennessee Valley Authority.

Each Fund must hold securities from at least six different issues, with securities from any one issue not exceeding 30 per cent of net assets.

Investment in Collective Investment Schemes ("CIS")

3.1 Each Fund may invest in CIS of the open-ended type if the CIS are within the meaning of Regulation 3(2) of the UCITS Regulations and are prohibited from investing more than 10 per cent of net assets in other CIS. A UCITS may not invest more than 20 per cent of net assets in any one CIS.

3.2 Investment in alternative investment funds may not, in aggregate, exceed 30 per cent of net assets of the Fund.

3.3 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Fund's management company or by any other company with which the Fund's management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS.

3.4 Where by virtue of investment in the units of another investment fund, the ICAV, an investment manager or an investment advisor receives a commission on behalf of the Fund (including a rebated commission), the Fund shall ensure that the relevant commission is paid into the property of the Fund.

Index Tracking UCITS

4.1 A Fund may invest up to 20 per cent of net assets in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank Rules and is recognised by the Central Bank.

4.2 The limit in 4.1 may be raised to 35 per cent, and applied to a single issuer, where this is justified by exceptional market conditions.

General Provisions

5.1 An investment company, Irish collective asset management vehicle ("ICAV") or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

5.2 Each Fund may acquire no more than:
(i) 10 per cent of the non-voting shares of any single issuing body;
(ii) 10 per cent of the debt securities of any single issuing body;
(iii) 25 per cent of the units of any single CIS; and
(iv) 10 per cent of the money market instruments of any single issuing body.

NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3 5.1 and 5.2 shall not be applicable to:
(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;
(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
(iv) shares held by a Fund in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed; and

(v) shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.

5.4 A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets.

5.5 The Central Bank may allow recently authorised funds to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

5.6 If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.

5.7 Neither an investment company, ICAV, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:

- transferable securities;
- money market instruments;
- units of investment funds; or
- financial derivative instruments.

5.8 Each Fund may hold ancillary liquid assets.

Financial Derivative Instruments ("FDIs")

6.1 Each Fund which employs the "commitment approach" to measure global exposure must ensure that the Fund's global exposure relating to FDI must not exceed its total net asset value. Where a Fund employs the Value-at-Risk ("VaR") method in measuring global exposure each such Fund must adhere to a limit on the absolute VaR of the Fund of 20 per cent. (or such other percentage set out in the relevant Fund Supplement) of the Fund's net asset value. In applying the VaR method, unless otherwise set out in the relevant Fund Supplement, the following quantitative standards are used:

- the "one-tailed" confidence level is 99 per cent;
- the holding period is 20 days; and
- the historical observation period is longer than one year.

6.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Regulations/Central Bank Rules. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Regulations/Central Bank Rules.)

6.3 Each Fund may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

6.4 Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

B. PERMITTED BORROWINGS UNDER THE UCITS REGULATIONS

A Fund may not borrow money except as follows:-

(a) a Fund may acquire foreign currency by means of a "back-to-back" loan. Foreign currency obtained in this manner is not classified as borrowing for the purposes of Regulation 103(1) of the UCITS Regulations, except to the extent that such foreign currency exceeds the value of a "back-to-back" deposit; and

(b) a Fund may borrow:

(i) up to 10 per cent of its Net Asset Value provided that such borrowing is on a temporary basis; and

(ii) up to 10 per cent of its Net Asset Value provided that the borrowing is to make possible the acquisition of real property required for the purpose of its business; provided that such borrowing referred to in subparagraph b(i) and (ii) may not in total exceed 15 per cent of the borrower's assets.

SCHEDULE II – The Regulated Markets

THE REGULATED MARKETS:

With the exception of permitted investments in unlisted securities, investment will be restricted to only those stock exchanges or markets which meet with the regulatory criteria of the Central Bank (i.e. regulated, operating regularly and open to the public) and which are listed in the Prospectus.

The Regulated Markets shall comprise:- Any stock exchange or regulated market in the European Union, the UK or the EEA except Malta and Lichtenstein; the over-the-counter market in the US conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation; the market conducted by listed money market institutions as described in the Financial Services Authority publication entitled "The Regulation of the Wholesale Cash and OTC Derivatives Markets": "The Grey Paper" (as amended or revised from time to time), the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan; AIM - the Alternative Investment Market in the UK, regulated by the London Stock Exchange; the French Market for Titres de Creance Negotiable (over-the-counter Market in negotiable debt instruments), the over-the-counter market in Canadian Government Bonds regulated by the Investment Dealers Association of Canada, American Stock Exchange, Australian Stock Exchange, Bolsa Mexicana de Valores, Bursa Malaysia Derivatives Berhad, Chicago Board of Trade, Chicago Board of Exchange, Chicago Board Options Exchange, Chicago Mercantile Exchange, Chicago Stock Exchange, Copenhagen Stock Exchange (including FUTOP), European Options Exchange, Eurex Deutschland, Euronext.life, Financiele Termijnmarkt Amsterdam, Finnish Options Market, Hong Kong Futures Exchange, International Capital Market Association, Kansas City Board of Trade, Financial Futures and Options Exchange, Marche a Terme des International de France, Marche des options Negociables de Paris (MONEP), MEFF Renta Fija, MEFF Renta Variable, Montreal Stock Exchange, New York Futures Exchange, New York Mercantile Exchange, New York Stock Exchange, New Zealand Futures and Options Exchange, OMLX The London Securities and Derivatives Exchange Ltd., OM Stockholm AB, Osaka Securities Exchange, Korea Exchange, the Singapore Exchange Derivatives Trading Limited, South Africa Futures Exchange (SAFEX), National Stock Exchange of India, Sydney Futures Exchange, the NASDAQ, Thailand Futures Exchange, NASDAQ OMX Futures Exchange, NASDAQ OMX PHLX, Tokyo Stock Exchange, Toronto Futures Exchange.; and the following exchanges: Burza cenných papírů Praha, a.s., the Prague Stock Exchange, the Budapest Stock Exchange Zrt, the Bratislava Stock Exchange, Gielda Papierów Wartościowych w Warszawie S.A., the Bulgaria Stock Exchange – Sofia AD, Bursa de Valori Bucuresti, the Zagreb Stock Exchange, the Istanbul Stock Exchange, Turkish Derivatives Exchange, the Ljubljana Stock Exchange, the Stock Exchange of Hong Kong, Hong Kong Futures Exchange, the Bombay Stock Exchange, Ltd. National Stock Exchange, the Bursa Malaysia Securities Berhad, the Singapore Exchange Limited CATALIST, the Taiwan Stock Exchange, the GreTai Securities Market, the Taiwan Futures Exchange, the Ho Chi Minh Stock Exchange, the Hanoi Stock Exchange, the Unlisted Public Companies Market (UPCOM), the Stock Exchange of Thailand, the Market for Alternative Investments (Thailand), the Bond Electronic Exchange (Thailand), the Thailand Futures Exchange, the Korea Exchange, the Indonesia Stock Exchange, the Shenzhen Stock Exchange, the Shanghai Stock Exchange, the Colombo Stock Exchange, the Karachi Stock Exchange, the Lahore Stock Exchange, the Islamabad Stock Exchange, the Philippines Stock Exchange, BM&F Bovespa S.A., Bolsa de Comercio de Santiago, Bolsa Electronica de Chile, Bolsa de Valparais, Bolsa de Valores de Colombia, Bolsa de Valores de Caracas, Bolsa de Valores de Lima the Tel Aviv Stock Exchange, the Dhaka Stock Exchange, the Chittagong Stock Exchange Ltd., the Egyptian Stock Exchange, the Amman Stock Exchange, Bourse de Casablanca, JSE Limited, the Stock Exchange of Mauritius, the Open Joint Stock Company Moscow Exchange (MICEX-RTS), NYSE Euronext, ASX Limited, Bendigo Stock Exchange, SFE Corporation Limited, Toronto Stock Exchange, Osaka Securities Exchange, Jasdaq Securities Exchange, Inc., Oslo Bors, SIX Swiss Exchange Limited, Eurex Clearing AG, London Stock Exchange, London International Financial Futures and Options Exchange (LIFFE) and Euronext Paris.

REGULATED MARKETS FOR FINANCIAL DERIVATIVE INSTRUMENTS ("FDI") INVESTMENTS:

Any stock exchange or regulated market in the European Union or the EEA; the over-the-counter market in the US conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation; the market conducted by listed money market institutions as described in the Financial Services Authority publication entitled "The Regulation of the Wholesale Cash and OTC Derivatives Markets": "The Grey Paper" (as amended or revised from time to time), the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan; AIM - the Alternative Investment Market in the UK, regulated by the London Stock Exchange; the French Market for Titres de Creance Negotiable (over-the-counter Market in negotiable debt instruments), the over-the-counter market in Canadian Government Bonds regulated by the Investment Dealers Association of Canada, American Stock Exchange, ASX Limited, Mercado Mexicano de Derivados, Bursa Malaysia Derivatives Berhad, Chicago Board of Trade, Chicago Board of Exchange, Chicago Board Options Exchange, Chicago Mercantile Exchange, Chicago Stock Exchange, Copenhagen Stock Exchange (including FUTOP), European Options Exchange, Eurex Deutschland, Euronext.life, Financiele Termijnmarkt Amsterdam, Finnish Options Market, Hong Kong Futures Exchange, International Capital Market Association, Kansas City Board of Trade, Financial Futures and Options Exchange, Marche a Terme des International de France, Marche des options Negociables de Paris (MONEP), MEFF Renta Fija, MEFF Renta Variable, Montreal Stock Exchange, New York Futures Exchange, New York Mercantile Exchange, New York Stock Exchange, New Zealand Futures and Options Exchange, OMLX The London Securities and Derivatives Exchange Ltd., OM Stockholm AB, Osaka Securities Exchange, Korea Exchange, the South African Futures Exchange, the Singapore Exchange Derivatives Trading Limited, South Africa Futures Exchange (SAFEX), Sydney

Futures Exchange, the NASDAQ, Thailand Futures Exchange, NASDAQ OMX Futures Exchange, NASDAQ OMX PHLX, Tokyo Stock Exchange, Toronto Futures Exchange.

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

SCHEDULE III – Ratings of Securities

DESCRIPTION OF MOODY'S INVESTORS SERVICE, INC. ("MOODY'S") LONG-TERM DEBT RATINGS

Aaa: Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.

Aa: Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A: Obligations rated A are considered upper-medium grade and are subject to low credit risk.

Baa: Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.

Ba: Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk.

B: Obligations rated B are considered speculative and are subject to high credit risk.

Caa: Obligations rated Caa are judged to be of poor standing and are subject to very high credit risk.

Ca: Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

C: Obligations rated C are the lowest rated class of bonds and are typically in default, with little prospect for recovery of principal or interest.

Note: Moody's applies numerical modifiers 1, 2, and 3 in each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

DESCRIPTION OF STANDARD & POOR'S ("S&P") LONG-TERM ISSUE CREDIT RATINGS

AAA: An obligation rated AAA has the highest rating assigned by S&P. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA: An obligation rated AA differs from the highest rated obligations only in small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

A: An obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB: An obligation rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. Obligations rated BB, B, CCC, CC, and C are regarded as having significant speculative characteristics. BB indicates the least degree of speculation and C the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

BB: An obligation rated BB is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

B: An obligation rated B is more vulnerable to nonpayment than obligations rated BB, but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.

CCC: An obligation rated CCC is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.

CC: An obligation rated CC is currently highly vulnerable to nonpayment.

C: A C rating is assigned to obligations that are currently highly vulnerable to nonpayment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default. Among others, the 'C' rating may be assigned to subordinated debt, preferred stock or other obligations on which cash payments have been suspended in accordance with the instrument's terms or when preferred stock is the subject of a distressed exchange offer, whereby some or all of the issue is either repurchased for an amount of cash or replaced by other instruments having a total value that is less than par.

D: An obligation rated 'D' is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action if payments

on an obligation are jeopardised. An obligation's rating is lowered to 'D' upon completion of a distressed exchange offer, whereby some or all of the issue is either repurchased for an amount of cash or replaced by other instruments having a total value that is less than par.

Plus (+) or minus (-): The ratings from AA to CCC may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

N.R.: This indicates that no rating has been requested, that there is insufficient information on which to base a rating, or that S&P does not rate a particular obligation as a matter of policy.

DESCRIPTION OF MOODY'S SHORT-TERM DEBT RATINGS

PRIME-1: Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

PRIME-2: Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

PRIME-3: Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term obligations.

NOT PRIME: Issuers rated Not Prime do not fall within any of the Prime rating categories.

DESCRIPTION OF S&P'S SHORT-TERM ISSUE CREDIT RATINGS

A-1: A short-term obligation rated 'A-1' is rated in the highest category by S&P. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

A-2: A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

A-3: A short-term obligation rated 'A-3' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

B: A short-term obligation rated 'B' is regarded as having significant speculative characteristics. Ratings of 'B-1', 'B-2', and 'B-3' may be assigned to indicate finer distinctions within the 'B' category. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

B-1: A short-term obligation rated 'B-1' is regarded as having significant speculative characteristics, but the obligor has a relatively stronger capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.

B-2: A short-term obligation rated 'B-2' is regarded as having significant speculative characteristics, and the obligor has an average speculative-grade capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.

B-3: A short-term obligation rated 'B-3' is regarded as having significant speculative characteristics, and the obligor has a relatively weaker capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.

C: A short-term obligation rated 'C' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.

D: A short-term obligation rated 'D' is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardised.

DESCRIPTION OF FITCH INTERNATIONAL LONG-TERM CREDIT RATINGS

AAA: Highest credit quality. Denotes the lowest expectation of credit risk. Assigned only in case of exceptionally strong capacity for timely payment of financial commitments. This capacity is highly unlikely to be adnersely affected by foreseeable events.

AA: Very high credit quality. Denotes a very low expectation of credit risk. Indicates very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A: High credit quality. Denotes a low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.

BBB: Good credit quality. Indicates that there is currently a low expectation of credit risk. The capacity for timely payment of financial commitments

is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity. This is the lowest investment-grade category.

BB: Speculative. Indicates that there is a possibility of credit risk developing, particularly as the result of adverse economic change over time; however, business or financial alternatives may be available to allow financial commitments to be met. Securities rated in this category are not investment grade.

B: Highly speculative. Indicates that significant credit risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is contingent upon a sustained, favorable business and economic environment.

CCC, CC, C: High default risk. Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon sustained, favorable business or economic developments. A "CC" rating indicates that default of some kind appears probable. A "C" rating signals imminent default.

D: Indicates an issuer that in Fitch Ratings' opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, or which has otherwise ceased business.

"**+**" or "**-**" may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the "AAA" long-term rating category or to categories below "CCC".

DESCRIPTION OF FITCH INTERNATIONAL SHORT-TERM CREDIT RATINGS

F1: Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.

F2: Good credit quality. A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of higher ratings.

F3: Fair credit quality. The capacity for timely payment of financial commitments is adequate; however, near-term adverse changes could result in a reduction to non-investment grade.

B: Speculative. Minimal capacity for timely payment of financial commitments, plus vulnerability to near-term adverse changes in financial and economic conditions.

C: High default risk. Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon a sustained, favorable business and economic environment.

D: Default. Denotes actual or imminent payment default.

SCHEDULE IV – Definition of "US Person"

1. Pursuant to Regulation S of the 1933 Act, "US Person" means:

   (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 non-US 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.

2. Notwithstanding (1) 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".

3. Notwithstanding (1) 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 non-US law.

4. Notwithstanding (1) 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 settler if the trust is revocable) is a US Person.

5. Notwithstanding (1) 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.

6. Notwithstanding (1) 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.

7. 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".

8. Notwithstanding (1) above, any entity excluded or exempted from the definition of "US Person" in (1) above in reliance on or with reference to interpretations or positions of the SEC or its staff as the definition of such term may be changed from time to time by legislation, rules, regulations or judicial or administrative agency interpretations.

Definition of the term "resident" for purposes of Regulation S

For purposes of the definition of "US Person" in (1) above with respect to natural persons, a natural person shall be resident in the US if such person (i) holds an Alien Registration Card (a "green card") issued by the US Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (i) the individual was present in the US on at least 31 days during such year and (ii) the sum of the number of days on which such individual was present in the US during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 180 days.

SCHEDULE V – Definition of "US Reportable Person"

1. Pursuant to US tax provisions commonly known as the Foreign Account Tax Compliance Act ("FATCA"), "US Reportable Person" means (i) a US Taxpayer who is not an Excluded US Taxpayer or (ii) a US Controlled Foreign Entity.

2. For purposes of the definition of the term "US Taxpayer" in (1) above, US Taxpayer means:

(i) a US citizen or resident alien of the United States (as defined for US federal income tax purposes);
(ii) any entity treated as a partnership or corporation for US federal tax purposes that is created or organised in, or under the laws of, the United States or any state thereof (including the District of Columbia);
(iii) any estate, the income of which is subject to US income taxation regardless of source; and
(iv) any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more US fiduciaries.

An investor who is considered a "non-US Person" under Regulation S and a "Non-United States person" under CFTC Rule 4.7 may nevertheless be considered a "US Taxpayer" depending on the investor's particular circumstances.

3. For purposes of the definition of the term "Excluded US Taxpayer" in (1) above, Excluded US Taxpayer means a US taxpayer who is also: (i) a corporation the stock of which is regularly traded on one or more established securities markets; (ii) any corporation that is a member of the same expanded affiliated group, as defined in Section 1471(e)(2) of the Code, as a corporation described in clause (i); (iii) the United States or any wholly owned agency or instrumentality thereof; (iv) any state of the United States, any US territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (v) any organization exempt from taxation under Section 501(a) or an individual retirement plan as defined in Section 7701(a)(37) of the Code; (vi) any bank as defined in Section 581 of the Code; (vii) any real estate investment trust as defined in Section 856 of the Code; (viii) any regulated investment company as defined in Section 851 of the Code or any entity registered with the Securities Exchange Commission under the 1940 Act; (ix) any common trust fund as defined in Section 584(a) of the Code; (x) any trust that is exempt from tax under Section 664(c) of the Code; (xi) a dealer in securities, commodities, or FDIs (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state thereof; or (xii) a broker as defined in Section 6045(c) of the Code.

4. For purposes of the definition of the term "US Controlled Foreign Entity" in (1) above, US Controlled Foreign Entity means any entity that is not a US Taxpayer and that has one or more "Controlling US Persons" as owners of equity in such entity. For this purpose, a Controlling US Person means an individual who is either a citizen or resident alien of the United States (as defined for US federal income tax purposes) who exercises control over an entity. In the case of a trust, such term means the settler, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions.

SCHEDULE VI – Minimum Subscription Amounts

At the date of this Prospectus, the minimum initial per Shareholder in Shares of the Funds are as follows. Unless otherwise indicated, the minimums indicated apply for each Fund offering the relevant Share Class.

Share Class	Minimum Initial Investment*
US Dollars (US$) Share Class Minimum Investments	
Each Class A Share Class denominated in US$ Each Class E Share Class denominated in US$ Each Class R Share Class denominated in US$	US$1,000
Each Class F Share Class denominated in US$	US$1,000,000
Each Class X Share Class denominated in US$	US$1,000
Each Premier Class Share denominated in US$	US$10,000,000
Each S Class Share denominated in US$	US$50,000,000
Euro (EUR) Share Class Minimum Investments	
Each Class A Share Class denominated in Euro Each Class E Share Class denominated in Euro Each Class R Share Class denominated in Euro	Euro 1,000
Each Class F Share Class denominated in Euro	Euro 1,000,000
Each Class X Share Class denominated in Euro	Euro 1,000
Each Premier Class Share denominated in Euro	Euro 10,000,000
Each S Class Share denominated in Euro	Euro 50,000,000
Pound Sterling (GBP) Share Class Minimum Investments	
Each Class A Share Class denominated in GBP Each Class E Share Class denominated in GBP Each Class R Share Class denominated in GBP	GBP 1,000
Each Class F Share Class denominated in GBP	GBP 1,000,000
Each Class X Share Class denominated in GBP	GBP 1,000
Each Premier Class Share denominated in GBP	GBP 10,000,000
Each S Class Share denominated in GBP	GBP 25,000,000
Japanese Yen (JPY) Share Class Minimum Investments	
Each Class A Share Class denominated in JPY Each Class E Share Class denominated in JPY Each Class R Share Class denominated in JPY	JPY 100,000
Each Class F Share Class denominated in JPY	JPY 500,000,000
Each Class X Share Class denominated in JPY	JPY 100,000
Each Premier Class Sharedenominated in JPY	JPY 1,000,000,000
Each S Class Share denominated in JPY	JPY 5,000,000,000

Share Class	Minimum Initial Investment*
South Korean Won (KRW) Share Class Minimum Investments	
Each Class A Share Class denominated in KRW Each Class E Share Class denominated in KRW Each Class R Share Class denominated in KRW	KRW 1,000,000
Each Class F Share Class denominated in KRW	KRW 5,000,000,000
Each Class X Share Class denominated in KRW	KRW 1,000,000
Each Premier Class Share denominated in KRW	KRW 30,000,000,000
Each S Class Share denominated in KRW	KRW 50,000,000,000
Swiss Francs (CHF) Share Class Minimum Investments	
Each Class A Share Class denominated in CHF Each Class E Share Class denominated in CHF Each Class R Share Class denominated in CHF	CHF 1,000
Each Class F Share Class denominated in CHF	CHF 1,000,000
Each Class X Share Class denominated in CHF	CHF 1,000
Each Premier Class Share denominated in CHF	CHF 10,000,000
Each S Class Shares denominated in CHF	CHF 50,000,000
Singapore Dollars (SGD) Share Class Minimum Investments	
Each Class A Share Class denominated in SGD Each Class E Share Class denominated in SGD Each Class R Share Class denominated in SGD	SGD 1,500
Each Class F Share Class denominated in SGD	SGD 7,500,000
Each Class X Share Class denominated in SGD	SGD 1,500
Each Premier Class Share denominated in SGD	SGD 15,000,000
Each S Class Shares denominated in SGD	SGD 75,000,000
Australian Dollars (AUD) Share Class Minimum Investments	
Each Class A Share Class denominated in AUD Each Class E Share Class denominated in AUD Each Class R Share Class denominated in AUD	AUD 1,000
Each Class F Share Class denominated in AUD	AUD 1,000,000
Each Class X Share Class denominated in AUD	AUD 1,000
Each Premier Class Share denominated in AUD	AUD 10,000,000
Each S Class Shares denominated in AUD	AUD 50,000,000

* For each class, the minimum may be satisfied by an equivalent amount in another authorised currency.

The Directors have authorised the Manager and each Distributor to accept, in its discretion, (i) subscriptions for Shares of any Share Class in currencies other than the currency in which such Share Class is denominated; and (ii) subscriptions in amounts less than the minimum for initial investments, for the relevant Share Class of each Fund.

If a subscription is accepted in a currency other than the currency in which the relevant Share Class is denominated, then the relevant investor may be required to bear any foreign exchange costs associated with converting the subscription currency into the currency of the Share Class or the Base Currency of the Fund, which will be at prevailing exchange rates, as well as any foreign exchange costs associated with converting the currency of the Share Class or the Base Currency of the Fund into the subscription currency prior to paying redemption proceeds.

The ICAV may issue fractional Shares rounded to the nearest one thousandth of a Share. Fractional Shares shall not carry any voting right.

SCHEDULE VII – Sub-Custodians Appointed by the Depositary

The Depositary has appointed State Street Bank and Trust Company with registered office at Copley Place 100, Huntington Avenue, Boston, Massachusetts 02116, USA, with an office at 20 Churchill Place, Canary Wharf, London E14 5HJ, U.K. as its global sub-custodian.

State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network as listed below, as at the date of this agreement. The latest version of this list can be consulted at the Investment Manager Guide on the website www.mystatestreet.com.

Market	Sub-Custodian
Albania	Raiffeisen Bank sh.a.
Australia	The Hongkong and Shanghai Banking Corporation Limited
Austria	Deutsche Bank AG
	UniCredit Bank Austria AG
Bahrain	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Bangladesh	Standard Chartered Bank
Belgium	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Brussels branch)
Benin	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Bermuda	HSBC Bank Bermuda Limited
Federation of Bosnia and Herzegovina	UniCredit Bank d.d.
Botswana	Standard Chartered Bank Botswana Limited
Brazil	Citibank, N.A.
Bulgaria	Citibank Europe plc, Bulgaria Branch
	UniCredit Bulbank AD
Burkina Faso	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Canada	State Street Trust Company Canada
Chile	Itaú CorpBanca S.A.
People's Republic of China	HSBC Bank (China) Company Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
	China Construction Bank Corporation (for A-share market only)
	Standard Chartered Bank (Hong Kong) Limited (for Shanghai – Hong Kong Stock Connect market)
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco BCT S.A.

Croatia	Privredna Banka Zagreb d.d.
	Zagrebacka Banka d.d.
Cyprus	BNP Paribas Securities Services, S.C.A., Greece (operating through its Athens branch)
Czech Republic	Československá obchodní banka, a.s.
	UniCredit Bank Czech Republic and Slovakia, a.s.
Denmark	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Copenhagen branch)
Egypt	HSBC Bank Egypt S.A.E. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Estonia	AS SEB Pank
Finland	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), Finnish branch)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch)
France	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Paris branch)
Republic of Georgia	JSC Bank of Georgia
Germany	State Street Bank International GmbH
	Deutsche Bank AG
Ghana	Standard Chartered Bank Ghana Limited
Greece	BNP Paribas Securities Services, S.C.A.
Guinea-Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Hong Kong	Standard Chartered Bank (Hong Kong) Limited
Hungary	Citibank Europe plc Magyarországi Fióktelepe
	UniCredit Bank Hungary Zrt.
Iceland	Landsbankinn hf.
India	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Indonesia	Deutsche Bank AG
Ireland	State Street Bank and Trust Company, United Kingdom branch
Israel	Bank Hapoalim B.M.
Italy	Deutsche Bank S.p.A.
Ivory Coast	Standard Chartered Bank Côte d'Ivoire S.A.

Japan	Mizuho Bank, Limited
	The Hongkong and Shanghai Banking Corporation Limited
Jordan	Standard Chartered Bank
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya Limited
Republic of Korea	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Kuwait	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Latvia	AS SEB banka
Lithuania	AB SEB bankas
Malawi	Standard Bank Limited
Malaysia	Deutsche Bank (Malaysia) Berhad
	Standard Chartered Bank Malaysia Berhad
Mali	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Mexico	Banco Nacional de México, S.A.
Morocco	Citibank Maghreb
Namibia	Standard Bank Namibia Limited
Netherlands	Deutsche Bank AG
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Niger	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Nigeria	Stanbic IBTC Bank Plc.
Norway	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), filial i Norge)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch)
Oman	HSBC Bank Oman S.A.O.G. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Pakistan	Deutsche Bank AG
Panama	Citibank, N.A.
Peru	Citibank del Perú, S.A.
Philippines	Deutsche Bank AG
Poland	Bank Handlowy w Warszawie S.A.
	Bank Polska Kasa Opieki S.A

Portugal	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Lisbon branch)
Puerto Rico	Citibank N.A.
Qatar	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Romania	Citibank Europe plc, Dublin – Romania Branch
Russia	AO Citibank
Saudi Arabia	HSBC Saudi Arabia Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Senegal	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Serbia	UniCredit Bank Serbia JSC
Singapore	Citibank N.A.
	United Overseas Bank Limited
Slovak Republic	UniCredit Bank Czech Republic and Slovakia, a.s.
Slovenia	UniCredit Banka Slovenija d.d.
South Africa	FirstRand Bank Limited
	Standard Bank of South Africa Limited
Spain	Deutsche Bank S.A.E.
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited
Republic of Srpska	UniCredit Bank d.d.
Swaziland	Standard Bank Swaziland Limited
Sweden	Nordea Bank AB (publ)
	Skandinaviska Enskilda Banken AB (publ)
Switzerland	Credit Suisse (Switzerland) Limited
	UBS Switzerland AG
Taiwan - R.O.C.	Deutsche Bank AG
	Standard Chartered Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Tanzania) Limited
Thailand	Standard Chartered Bank (Thai) Public Company Limited
Togo	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.Ş.
	Deutsche Bank A.Ş.

Uganda	Standard Chartered Bank Uganda Limited
Ukraine	PJSC Citibank
United Arab Emirates **Dubai Financial Market**	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates **Dubai International Financial Center**	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates **Abu Dhabi**	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Kingdom	State Street Bank and Trust Company, United Kingdom branch
Uruguay	Banco Itaú Uruguay S.A.
Vietnam	HSBC Bank (Vietnam) Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Zambia	Standard Chartered Bank Zambia Plc.
Zimbabwe	Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited)

LEGG MASON
GLOBAL ASSET MANAGEMENT

Legg Mason
Alternative Funds ICAV

An Irish collective asset-management vehicle with variable capital having registration number C139549 and established as an umbrella fund with segregated liability between sub-funds

Fund Supplement

for the

EnTrust Global Alternative Income Strategy

(a sub-fund of Legg Mason Alternative Funds ICAV)

Dated 16 March 2020

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

EnTrust Global Alternative Income Strategy

Introduction

This Fund Supplement contains information specific to the EnTrust Global Alternative Income Strategy (the "Fund"), a sub-fund of Legg Mason Alternative Funds ICAV (the "ICAV"). The ICAV is an open-ended umbrella Irish collective asset-management vehicle with segregated liability between sub-funds that is established under the laws of Ireland with variable capital and limited liability. The ICAV is authorised by the Central Bank as a UCITS under the UCITS Regulations.

This Fund Supplement forms part of and should be read in conjunction with the latest Base Prospectus of the ICAV dated 16 March 2020 (the "Base Prospectus"). The Base Prospectus may be revised or supplemented from time to time. **All capitalised terms used in this Fund Supplement and not otherwise defined herein shall have the meanings set forth in the Base Prospectus.**

Key Information for Investors

The following sets out key information concerning the Fund, including information for investors on purchasing, selling and switching Shares of the Fund. Full details on how to purchase, sell, or switch Shares of the Fund are set out in the section of the Base Prospectus entitled *"Buying, Selling, Switching and Converting Shares"*.

Name of the Fund:	EnTrust Global Alternative Income Strategy
Base Currency:	The base currency of the Fund is US Dollars.
Investment Manager:	EnTrust Global Ltd. (the "Investment Manager"). See the section below entitled *"Investment Manager and Sub-Advisers"* for more details.
Distributors and Shareholder Servicing Agents:	Legg Mason Investor Services, LLC, which has delegated distribution functions to additional Distributors: Legg Mason Investments (Europe) Limited, Legg Mason Asset Management Singapore Pte. Limited, Legg Mason Asset Management Hong Kong Limited and the Investment Manager.
Share Classes:	Information concerning the various Share Classes offered by the Fund and the fees associated therewith are set out in the sections below entitled *"Share Classes"* and *"Fees and Expenses"*.
Dealing Deadline:	4.00 p.m. New York (Eastern Time) on the Business Day prior to the relevant Dealing Day.
Valuation Point:	4.00 p.m. New York (Eastern Time) on the relevant Dealing Day.
Settlement:	Unless otherwise agreed with the Administrator, settlement for subscriptions for Shares of the Fund made by direct application by an investor to the Administrator or through an authorised Dealer is due in immediately cleared funds within three Business Days after the relevant Dealing Day. Settlement for redemptions of Shares of the Fund will normally be made within three Business Days of the Dealing Day or if later three Business Days from receipt by the Administrator of correct redemption documentation.
Dealing Day:	Such Business Day or Business Days as the Directors from time to time may determine, provided that, unless otherwise determined and notified in advance to Shareholders, each Business Day shall be a Dealing Day and provided further that there shall be at least two Dealing Days per month which take place at regular intervals.
Business Day:	A day on which the New York Stock Exchange is open for normal business or any other day as the Directors may determine.

Subscriptions, Redemptions and Exchanges:	See the section of the Base Prospectus entitled *"Buying, Selling, Switching and Converting Shares"* for detailed information with regard to placing orders to subscribe, redeem and exchange shares of the Fund.
Initial Offer Period:	The period during which Shares in a Fund are first offered for subscription at the Initial Offer Price as specified in this Fund Supplement or on such other date or dates as the Directors may determine, in accordance with the requirements of the Central Bank.
Initial Offer Price:	During the Initial Offer Period, the Initial Offer Price per Share shall be Euro 100 for Share Classes denominated in Euro, US$100 for Share Classes denominated in US Dollars, GBP 100 for Share Classes denominated in in Pounds Sterling, CHF 100 for Share Classes denominated in Swiss Francs, SGD 1 for Share Classes denominated in Singapore Dollars, JPY 10,000 for Share Classes denominated in Japanese Yen and AUD 100 for Share Classes denominated in Australian Dollars. See the section of the Base Prospectus entitled *"Initial Offer Period and Initial Offer Price"* for detailed information with regard to the Initial Offer Price of Shares of the Fund.
Irish Stock Exchange Listing:	None of the Shares of the Fund are currently listed on the Irish Stock Exchange.

The Fund

Investment Objective

The Fund's investment objective is to seek total return comprised of capital appreciation and income.

Investment Policies and Investment Strategies

The Fund is a multi-manager, multi-strategy fund that seeks to achieve its investment objective by allocating its assets to a select group of discretionary sub-investment advisers ("Sub-Advisers") that employ a variety of investment strategies. In seeking to meet its investment goal, the Fund implements a tactical asset allocation program by investing in a number of alternative investment strategies (each an "Investment Strategy" and collectively the "Investment Strategies") which is overseen by the Fund's Investment Manager. The Investment Manager is responsible for selecting the Investment Strategies in which the Fund invests, identifying and retaining Sub-Advisers with expertise in the selected Investment Strategies, determining the proportion of the Fund's assets to allocate to each Sub-Adviser and Investment Strategy and monitoring the services provided by the Sub-Advisers. The Investment Manager seeks to reduce risk and volatility in the Fund through diversification of the Fund's exposure to multiple Sub-Advisers and Investment Strategies. Based on the Investment Manager's on-going evaluation of the Sub-Advisers and the macroeconomic environment, the Investment Manager may adjust allocations to Investment Strategies and / or Sub-Advisers accordingly or make decisions with respect to the termination or replacement of Sub-Advisers. In certain limited circumstances (as more particularly described below) the Investment Manager may manage a portion of the assets themselves. In pursuing the Investment Strategies, the Fund may invest only in the investment techniques and instruments, including FDIs and currency hedging strategies, and securities that are set out in the section entitled "*Investment Techniques and Instruments*" below. It is anticipated that, under normal market conditions, between 300 per cent and 800 per cent of the assets of the Fund may be comprised of long positions achieved through direct investments and FDI and that between 300 per cent and 800 per cent of the assets of the Fund may be comprised of synthetic short positions achieved through FDI. Under exceptional circumstances, however, up to 1,500 per cent of the assets of the Fund may be comprised of long positions achieved through direct investments and FDI and up to 1,500 per cent of the assets of the Fund may be comprised of synthetic short positions achieved through FDI.

EnTrust Global Alternative Income Strategy

The Investment Strategies employed by the Fund are:

Credit Long-Short Strategies: These strategies primarily involve taking long and synthetic short positions in fixed-income corporate debt securities that are, without limit, both Investment Grade and below Investment Grade, including securities of entities that are experiencing financial distress. Sub-Advisers employing these strategies will take long positions by investing directly in those securities which they believe have the potential to appreciate due to a credit related event (for example, an upgrade in the rating of a security by a NRSRO). On the short side of the portfolio the Sub-Advisers will use credit default swaps and FDIs on financial indices to achieve synthetic short exposure to securities they believe have the potential to depreciate due to a credit related event (for example, a downgrade in the rating of a security by a NRSRO). Sub-Advisers pursuing these Investment Strategies also may invest in a broad range of debt securities and FDIs. As this strategy focuses on credit related securities and FDIs, income generation will be an important aspect in achieving total return for this strategy.

Event Driven Strategies: Event driven strategies are employed by managers that invest in the securities of companies that are involved in a variety of corporate events. Event driven managers may also invest in the securities of companies that are currently experiencing or are expected to experience financial stress or distress. Using these strategies, the Fund seeks to profit from potential mispricing by the market of securities issued by such companies. Such potential mispricing may arise, for example, where, in the manager's opinion, the risks related to a specific corporate transaction or market event are not well understood by the market, resulting in the price of the relevant securities being undervalued or overvalued relative to the current market price of the securities. Such corporate events can include mergers, bankruptcies, financial or operational stress, restructurings, asset sales, recapitalisations, spinoffs, litigation, regulatory and legislative changes as well as other types of corporate events. The success of these event-driven strategies may depend on the anticipated corporate transaction or market event actually taking place and having the anticipated effect on the price of securities issued by such companies. These strategies may invest without limit in debt securities and equity securities issued by such companies and may also employ FDIs to gain both long and synthetic short exposure to such debt and equity securities.

Global Macro Strategies: Global macro managers utilise a broad range of strategies in which the investment process is predicated on movements in underlying macroeconomic variables (such as GDP growth rates, interest rates and currency exchange rates) and the impact these have on equity, fixed income, hard currency and commodity markets. Global macro managers employ a variety of techniques to select investments, including the quantitative analysis of asset prices and market trends using financial models to select and implement trades systematically. Global macro managers may also make qualitative assessments of macroeconomic data (such as GDP growth rates, interest rates and currency exchange rates) to assess the anticipated impact of such macroeconomic data on asset prices and market trends to select investments. Holding periods may be both long- and short-term. Investments may be either long or synthetic short in transferable securities, including equity securities, fixed income debt securities, currencies and FDIs on such equity securities, fixed income debt securities and currencies and on eligible commodity indices.

Relative Value Strategies: Relative value strategies typically seek to exploit differences in valuation through the simultaneous purchase and sale of related financial instruments and can include the following strategies:

- *Credit - Relative Value.* This strategy involves seeking to exploit differences in relative pricing between securities within an issuer's capital structure or between related instruments referencing an issuer or issuers where historical relationships are mispriced and there is reason to believe that they may converge or diverge. This strategy is generally implemented by taking off-setting long and synthetic short positions in similar or related securities when their values, which are historically or mathematically interrelated, are temporarily distorted. This strategy also encompasses Sub-Advisers who invest on a fundamental basis seeking returns from both long and synthetic short positions. Credit relative value strategies invest primarily in corporate debt securities, however they may also invest to a lesser extent in equity securities and in FDIs on equity securities and on financial indices comprised of equity securities to gain exposure to such securities and financial indices.
- *Equity (Market Neutral – Quantitative and/or Fundamental/Qualitative).* These market neutral strategies seek to generate returns by exploiting equity market inefficiencies to create positive returns

in both bull (rising) and bear (declining) markets. In order to implement these strategies, a manager may select a large number of both long and synthetic short positions with little or no net exposure to the market. A quantitative manager using an equity market neutral strategy generally uses model-based quantitative and technical analysis to detect profit opportunities. Normally, a particular type of arbitrage opportunity is formalised into a set of trading rules and back-tested with historical data. In this manner, the manager hopes to discover a persistent and statistically significant method to detect profit opportunities. By contrast, a qualitative manager employing an equity market neutral strategy uses mainly fundamental factors to construct a portfolio of net long or synthetic short equity positions. Fundamental factors used in the analysis include valuation ratios (e.g., price/earnings, price/cash flow, price/earnings before interest and tax, price/book, discounted cash flows, return on equity, operating margins and other indicators). These strategies primarily invest in equity securities and in FDIs on equity securities and may also invest to a lesser extent in debt securities.

- *Fixed Income Relative Value.* This strategy focuses on taking advantage of temporary pricing anomalies in related instruments in interest rate and currency markets (primarily through related FDIs but also through direct trades). Trades are often based on deviations from historical relationships between securities, with the expectation of reversion to that historical relationship over time or a catalyst generating the correction. Trades can be either directional (relating to expected price movements) or conditional (relating to specified trigger events) in nature and are almost always expressed through FDIs. As this strategy focuses on fixed income debt securities and FDIs on such securities, income generation will be an important aspect in achieving total return for this strategy.
- *Convertible Arbitrage.* This strategy typically seeks to take advantage of the convex price relationship (as the value of a bond yield increases, the price of the bond decreases) between a convertible bond and the underlying equity by buying the convertible bond and simultaneously trading a synthetic short position in the underlying equity according to the changing price relationship.
- *Volatility Arbitrage.* This strategy seeks to exploit mispricings identified by a Sub-Adviser between the price of a particular security and the price of an option on the same security with reference to the estimated volatility reflected in the price of the option. Such mispricings are primarily identified using financial models to value options with different strike rates and maturities and the volatility represented by such options. Successful implementation of a volatility arbitrage strategy typically relies on predicting the future volatility in the price of a security. The strategy is often implemented as a "delta neutral" strategy, meaning a strategy that seeks to hedge or neutralise changes in the price of the securities underlying the options. For example, an option on an equity security may be purchased and a separate FDI may be entered into to synthetically sell short an equivalent holding in the same equity security. This strategy primarily invests in FDIs on equity and debt securities and on eligible equity and debt financial indices.

Equity Hedge Strategies: Equity hedge strategies seek to identify equities that are trading under or over their perceived intrinsic value or are deemed to be mispriced based on fundamental, statistical, technical or other factors and to invest in these equity securities either directly or indirectly through the use of FDIs. Certain of these strategies are generally implemented by employing rigorous bottom up fundamental research to properly incorporate all available company specific news and information to determine if the market has under or over-valued the fair value of the stock thereby presenting buying or selling opportunities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, holding period and market capitalisations.

Allocations to each of the Investment Strategies are expected to range from 0 per cent to 50 per cent of the Fund's Net Asset Value, with the exception of Credit Long-Short Strategies where the allocation will be at least 50 per cent and may be up to 100 per cent of the Fund's Net Asset Value. Multiple Sub-Advisers may be used within each Investment Strategy to gain access to a particular investment approach. The Investment Manager's decision to allocate assets among particular Investment Strategies and Sub-Advisers will be based on the Investment Manager's continuous evaluation of prevailing market conditions having regard to both quantitative and qualitative factors, focussing on those Investment Strategies and investment themes that the Investment Manager believes are most likely to produce positive risk-adjusted returns at a particular time or over a particular investment period.

The Investment Manager acts as a "manager of managers" for the Fund and is responsible for identifying, selecting and allocating assets of the Fund to each of the Sub-Advisers, which, in turn, provide day-to-day management of the portion of the Fund's assets allocated to them (each a "Portfolio"). The allocation to each Sub-Adviser is expected to range from 5 per cent to 25 per cent of the Fund's Net Asset Value, but may be as high as 50 per cent. The Investment Manager may adjust allocations from time to time among Investment Strategies and Sub-Advisers, depending on the Investment Manager's continuous evaluation of prevailing market conditions. Each Sub-Adviser maintains its own investment processes and strategies to manage the Fund's assets, acts independently from the other Sub-Advisers and employs its own investment and research methodologies to select investments. A Shareholder will be able to obtain upon request from the Investment Manager the latest investor "factsheet" for the Fund which will set out the allocation of the Fund, as of the most recent month-end, to the different Investment Strategies and asset classes. Such information is published for information purposes only and does not form part of the Base Prospectus or this Fund Supplement.

While the Investment Manager expects to retain at least two Sub-Advisers at all times it may, on a short term temporary basis, for example where assets are being reallocated between existing Sub-Advisers or transitioned to a new Sub-Adviser, choose to directly manage a portion of the assets of the Fund by investing the assets in accordance with the Investment Strategies in the investments described in the section entitled "*Investment Techniques and Instruments*" below.

In certain exceptional circumstances as described in the section of the Base Prospectus entitled "*Investment Objectives and Policies*", when the Investment Manager deems it to be in the best interests of Shareholders, the Fund may not adhere to its investment policies as disclosed above.

Investment Techniques and Instruments

When implementing the various Investment Strategies, the Fund may invest in the investment techniques and instruments, including FDIs and currency hedging strategies, that are set out below. The Fund will seek to diversify its investment exposure through investment in a broad range of assets, including equity securities, equity-related securities (such as depositary receipts, notes and certificates that are tied to the performance of a single equity, a basket of equities or equity indices), debt securities, Money Market Instruments, currencies, other Eligible Collective Investment Schemes, regulated and unregulated closed-end funds that are freely transferable securities listed or traded or Regulated Markets listed in Schedule II of the Base Prospectus and FDIs providing the Fund with exposure to such securities or the Investment Strategies followed by the Fund. Except to the extent permitted by the UCITS Regulations, the securities in which the Fund will invest will be listed or traded on a Regulated Market located anywhere in the world, including, without limit, in Russia and in Emerging Market Countries, as set out in Schedule II of the Base Prospectus.

Equity Securities
The equity securities in which the Fund may invest include, without limitation, common stocks, preferred stocks, warrants, securities convertible into or exchangeable for common stocks, such as convertible bonds and convertible debentures, partnership interests, including master limited partnerships ("MLPs") income trusts, royalty trusts, exchange traded funds ("ETFs"), REITs, private placements, rights, New Issues and Rule 144A securities. The convertible bonds and convertible debentures in which the Fund may invest may contain embedded derivatives and/or leverage. The Fund may be leveraged as a result, subject to the overall leverage limits set forth below.

Debt Securities
The debt securities in which the Fund may invest shall include fixed income and floating rate debt securities issued or guaranteed by national governments, their agencies instrumentalities and political sub-divisions; debt securities issued by supranational organizations such as freely transferable promissory notes, bonds and debentures; and fixed and floating rate corporate debt securities, including freely transferable promissory notes, debentures, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations, bonds, convertible and non-convertible notes; certain types of structured notes such as equity-linked notes and index and participation notes; commercial and residential mortgage-backed securities ("MBS") (including collateralised mortgage obligations

("CMOs") and other asset-backed securities ("ABS") (including those backed by consumer loans)), collateralised debt obligations ("CDOs"), collateralised loan obligations ("CLOs"), collateralised bond obligations ("CBOs"), exchange traded notes ("ETNs"), floating rate securities, credit-linked notes, municipal securities, event-linked instruments (including catastrophe bonds), New Issues and Rule 144A securities. The structured notes and credit-linked notes in which the Fund may invest may contain embedded derivatives and/or leverage. The Fund may be leveraged as a result, subject to the overall leverage limits set forth below. The Fund may invest without limit in debt securities (including high yield securities) that are rated below Investment Grade or are unrated. Debt securities rated below Investment Grade are deemed by rating agencies to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal and may involve major risk of exposure to adverse conditions. See Schedule III of the Base Prospectus for more information on the ratings of the various NRSROs. The Fund may take advantage of the entire range of maturities and durations when purchasing debt securities for the Fund, and may adjust the average duration of the Fund's investments from time to time, depending on their assessment of the relative yields of securities of different maturities and durations and their expectations of future changes in interest rates. Repurchase agreements, reverse repurchase and stock-lending transactions may be utilised for efficient portfolio management purposes in accordance with market practice and the requirements of the Central Bank Rules.

The Fund may invest in fixed and floating rate loans arranged through private negotiations between a corporation or other type of entity and one or more financial institutions ("Lender"). Such investments are expected to be in the form of participations in, or assignment of, the loans, which may or may not be securitised ("Participations"). The Participations shall be liquid and, if unsecuritised, provide for interest rate adjustments at least every 397 days. Such Participations, combined with any other investments that are subject to section 2.1 of Schedule I of the Base Prospectus will not exceed 10 per cent of the Net Asset Value of the Fund in the aggregate. Participations are subject to the risk of default by the underlying borrower and in certain circumstances to the credit risk of the Lender if the Participation only provides for the Fund having a contractual relationship with the Lender, not the borrower. In connection with purchasing Participations, the Funds may have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan nor any rights of set-off against the borrower. Thus, the Fund may not directly benefit from any collateral supporting the loan in which they have purchased Participations. The Fund will purchase such Participations only through recognised, regulated dealers.

Collective Investment Schemes
Up to 10 per cent of the Fund's Net Asset Value may be invested in other Eligible Collective Investment Schemes and such investments will be for the purposes of gaining exposure to the types of instruments described herein or otherwise to pursue the investment objective and policy of the Fund.

FDIs
The Fund may invest extensively in certain types of exchange traded and over-the-counter ("OTC") FDIs whether for investment purposes or for the purposes of efficient portfolio management, as described in the sections of the Base Prospectus entitled "*Investment Techniques and Instruments and Financial Derivative Instruments*" and "*Risk Factors*", including options, futures and options on futures, forward currency exchange contracts, warrants, rights, contracts for differences, swaptions and securities embedding derivatives and/or leverage, such as convertible bonds, structured notes and credit-linked notes and securitised Participations. The Fund may also utilise swaps, including interest rate swaps, total return swaps, credit default swaps, currency swaps, caps, floors, and collars. To the extent that the Fund uses FDIs, and subject to the limit set out below, it will do so to gain exposure to any or all of the debt and equity securities listed above, currencies, financial indices (including fixed income, equity and commodity indices) which meet the eligibility requirements of the Central Bank and the Investment Strategies followed by the Fund, including taking synthetic short positions or taking long positions where direct purchase would not be possible or would be less efficient. Such securities and instruments and the reference assets underlying such FDIs may be located anywhere in the world (including Developed Countries and Emerging Market Countries), may have any market capitalisation and may belong to any industry sector. At any given time, the Fund may be invested in some or all of these asset classes and may take long or synthetic short positions in these asset classes. FDIs, in general, involve special risks and costs and may result in losses to the Fund. For a full description of the characteristics of the FDIs the Fund may invest in and the risks involved, please see the section of the Base Prospectus entitled "*Risk Factors*".

The Fund may also take active long and synthetic short currency positions in a particular currency or currencies through exchange-traded and OTC FDIs (including forward currency exchange contracts or other currency FDIs as set out above), some of which may operate as a hedge of the Fund's currency exposure. Please see the section entitled "*Currency Transactions*" below for further information with respect to the currency techniques and instruments which may be employed by the Fund.

The financial indices to which the Fund may gain exposure through the use of FDI shall comply with the requirements of the Central Bank Rules and, where required, shall be cleared in advance by the Central Bank. Details of these financial indices shall be available upon request from the Investment Manager and, in accordance with the requirements of the Central Bank, the Investment Manager shall disclose where further material information on such indices can be obtained, including details of any re-balancing. Such indices are re-balanced on a periodic basis, no less frequently than annually, but such re-balancing is not expected to have a material effect on the costs incurred by the Fund within this strategy. Should the weighting of any particular index constituent exceed the investment restrictions permitted by the Central Bank, the Investment Manager will adopt as a priority objective the remedying of that situation, taking due account of the interests of Shareholders.

The market risk of the Fund will be measured on a daily basis using the value-at-risk ("VaR") methodology. The absolute VaR of the Fund will not exceed 20 per cent of the Fund's Net Asset Value, based on a 20 Business Day holding period, a historical observation period of at least one year (250 Business Days), unless a shorter observation period is justified by a significant increase in price volatility, and a 99 per cent confidence interval. Investors should note that VaR is a risk measurement tool that makes certain assumptions, which could prove wrong, and has inherent limitations. Funds using VaR may still have substantial losses.

It is anticipated that, under normal market conditions, the Fund may be leveraged by between 300 per cent and 800 per cent of the Fund's Net Asset Value, with potentially all or a significant portion of such exposure being generated by synthetic short positions and depending on the Fund's allocation between the Investment Strategies. Under exceptional circumstances, however, the Fund may be leveraged up to 1,500 per cent of its Net Asset Value, with potentially all or a significant portion of such exposure being generated by synthetic short positions. Such exceptional circumstances may include periods when the Fund invests up to a maximum of 50 per cent in aggregate in Global Macro Strategies and Fixed Income Relative Value Strategies that may employ a higher amount of leverage, or during periods characterised by: (i) lack of liquidity, particularly in securities listed, traded or dealt on a Regulated Market, such that the Investment Manager and/or the Sub-Advisers alternatively seek exposure in derivative markets; (ii) volatility, whereby the Investment Manager and/or the Sub-Advisers seek to hedge or be opportunistic while respecting the investment policies and restrictions applicable to the Fund; (iii) imperfect correlations and unanticipated market conditions. Derivatives can vary in efficiency and those that correspond to short-date maturities or are short-term maturity instruments are generally less efficient than those with longer-dated maturities or which are long-term maturity instruments. When very short-term/dated instruments are used, comparatively higher leverage values will result. The Investment Manager and/or the Sub-Advisers do not expect allocations to extreme short-term/dated instruments to be central to achieving the Fund's objective, but they may be used. The Fund has high leverage limits. If it uses a high amount of leverage, especially the higher amount permitted in exceptional circumstances, it may have greater losses than would have occurred absent the high leverage.

The long/short approach of the Investment Manager and/or the Sub-Advisers enables them to take substantial positions in assets they believe to be overvalued and in assets they believe to be undervalued, as long as market liquidity characteristics are supportive. In addition to considering an asset to be overvalued or undervalued, the Investment Manager and/or the Sub-Advisers also look for the existence of market forces to support mean reversion (i.e. economic behaviour which sets in motion economic forces that re-normalise valuations in the opposite direction, back towards fair value) over a reasonable time frame. The Investment Manager's and/or the Sub-Adviser's strategy is focused on timing and the path along which mean reversion should occur, as the Investment Manager and/or the Sub-Advisers aim to consistently produce positive absolute returns, rather than returns above a particular benchmark and such investments will be for the purposes of gaining exposure to the types of instruments described herein or otherwise to pursue the investment objective and policy of the Fund.

Currency Transactions
The Fund may employ techniques and instruments that are intended to provide protection against exchange risks in the context of the management of its assets and liabilities (i.e., currency hedging) by gaining a long or synthetic short exposure to one or more foreign currencies or otherwise altering the currency exposure characteristics of securities held by a Fund (i.e., active currency positions). The Fund will implement its currency hedging strategy by using spot and forward foreign exchange contracts and currency futures, options and swap contracts. The Fund may also employ such techniques and instruments for investment purposes to enhance the Fund's return by seeking to gain exposure to currencies other than the Base Currency. More information concerning these types of permitted FDI and the limits thereon is set forth above and in the sections of the Base Prospectus entitled "*Investment Techniques and Instruments and Financial Derivative Instruments*" and "*Risk Factors*".

With respect to Share Classes denominated in a currency other than the relevant Fund's Base Currency and that do not include "(Hedged)" in their name, the Investment Manager will not employ any techniques to hedge these Share Classes' exposure to changes in exchange rates between the Base Currency and the currency of the Share Class. As such, the Net Asset Value per Share and investment performance of such Share Classes may be affected, positively or negatively, by changes in the value of the Base Currency relative to the value of the currency in which the relevant Share Class is denominated. Currency conversion will take place on subscriptions, redemptions, exchanges and distributions at prevailing exchange rates.

It is intended, subject to the UCITS Regulations and the requirements of the Central Bank, from time to time to hedge each Hedged Share Class against movements in exchange rates between the currency of the Hedged Share Class, on the one hand, and the Base Currency, on the other hand. Such hedging administration may be carried out by the Investment Manager or the Currency Administrator and will include the use of forward currency exchange transactions. More information regarding the role of the Currency Administrator in relation to currency hedging is set forth in the section of the Base Prospectus entitled "*The Currency Administrator*".

Over-hedged and under-hedged positions, while not intended, may arise due to factors outside the control of the Investment Manager or Currency Administrator. Under no circumstances will such hedge exceed 105 per cent of the Net Asset Value of a particular Hedged Share Class. Hedged positions will be monitored to ensure that hedged positions do not materially exceed or fall below the permitted level. This review will also incorporate procedures to ensure that positions materially in excess of 100 per cent will not be carried forward month-to-month. Otherwise, a Fund will not be leveraged as a result of the transactions entered into for the purposes of hedging.

While the Investment Manager or Currency Administrator will attempt to hedge the risk of changes in value between the currency of the relevant Hedged Share Class, on the one hand, and the Base Currency and/or the currencies that are significant to the Fund's investment strategy, on the other hand, there can be no guarantee that it will be successful in doing so. Hedging transactions will be clearly attributable to a specific Share Class. All costs and gains or losses of such hedged transactions shall be borne exclusively by the relevant Hedged Share Class in a manner whereby such costs and gains or losses shall not impact the Net Asset Value of the Share Classes other than the relevant Hedged Share Class. The use of Share Class hedging strategies may substantially limit Shareholders in the relevant Hedged Share Class from benefiting if the currency of the Hedged Share Class falls against the Base Currency. To the extent that hedging is successful, the performance of the Hedged Share Class (either in absolute terms or relative to its hedged index) is likely to move in line with the performance of the underlying assets.

The Fund is not a complete investment programme, and there can be no assurance it will achieve its objective. **Investors should note that an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should note that the Net Asset Value of the Fund is likely to have a high volatility due to its investment policies or portfolio management techniques.** However, the Investment Manager seeks to reduce risk and volatility in the Fund through diversification of the Fund's exposure to multiple Sub-Advisers and Investment Strategies and also aims to reduce volatility through the use of FDI for investment purposes or for the purposes of efficient portfolio management. Investors' attention is drawn to the sections of the Base Prospectus entitled "*Further Information*

on the Securities in Which the Funds May Invest" and "*Risk Factors"* for further information on the investments in which the Fund may invest and the risks associated therewith.

The Company adheres to a strict cluster munition policy that requires the Investment Manager to exclude investment in companies involved, directly or indirectly, in the production or sale of controversial weapons (anti-personnel mines, biological and chemical weapons, cluster weapons, nuclear weapons, depleted uranium and white phosphorus).

Investment Restrictions

The Fund's investment restrictions are as set out in the Base Prospectus in the section entitled "*Investment Restrictions"* and in Appendix I of the Base Prospectus.

Benchmark

The Fund's benchmark index is the HFRX Global Hedge Fund Index (the "Benchmark"). The Fund is actively managed, and the Investment Manager has discretion in selecting investments within the Fund's objective and investment policies. The Fund uses the Benchmark for performance comparison purposes only. The benchmark components are hedge funds, and so the Fund typically does not invest in assets that are components of the benchmark.

Profile of a Typical Investor

The Fund is suitable for investors seeking capital appreciation over a full market cycle (typically, a three year time horizon) and who are prepared to accept a moderate level of volatility.

Risk Management

The Investment Manager operates a risk management process on behalf of the Fund in relation to the Fund's use of FDIs which allows the Investment Manager to measure, monitor and manage various risks associated with FDIs and which is intended to ensure that the Fund's FDI exposure remains within the limits described below. The risk management process is described in a statement, a copy of which has been filed with the Central Bank, and which will be updated from time to time to include any additional FDIs which a Sub-Adviser or the Investment Manager proposes to employ on behalf of the Fund (the "Risk Management Process"). Until such time as the Risk Management Process has been updated and cleared by the Central Bank, however, neither a Sub-Adviser nor the Investment Manager will use any FDI which is not for the time being included in the Risk Management Process.

Investment Manager and Sub-Advisers

The Investment Manager

Pursuant to the Investment Management Agreement, the Manager has appointed EnTrust Global Ltd with a registered office of 12 St. James's Square, London, W1Y 4LB, England as the Investment Manager to manage the investment and reinvestment of the Fund's assets. Under the Investment Management Agreement, the Investment Manager may delegate its investment management functions to one or more sub-investment managers provided that such delegation is made in accordance with the requirements of the Central Bank. The Investment Manager is authorised and regulated by the United Kingdom's Financial Conduct Authority ("FCA"). The Investment Manager is a separate subsidiary of EnTrustPermal LLC, a holding company formed for the combined businesses of EnTrustCapital ("EnTrust") and The Permal Group. EnTrustPermal Group LLC is owned 65 per cent by Legg Mason, Inc. ("Legg Mason") and 35 per cent by Gregg. S. Hymowitz, the co-founder and managing partner of EnTrust, and entities controlled by him. EnTrustPermal and its subsidiaries (collectively, "EnTrust Global") comprise one of the largest hedge fund businesses in the world with approximately US$26.8 billion in assets under management as of 31 May 2016. The Investment Manager is affiliated with the Manager due to Legg Mason's common control and ownership of each entity.

Under the terms of the Investment Management Agreement, the Investment Manager serves as the "manager of managers" for the Fund and is responsible for: (i) identifying and retaining Sub-Advisers with expertise in the Investment Strategies; (ii) determining the amount of the Fund's assets to allocate to each Investment Strategy and each Sub-Adviser; (iii) allocating Portfolios to the various Sub-Advisers; (iv) rebalancing the Fund's target asset allocations among the Investment Strategies and the Sub-Advisers; (v) monitoring the Sub-Advisers; and (vi) ensuring that the Fund's asset allocations are consistent with the Fund's investment guidelines. The Investment Manager may also manage a portion of the Fund's assets directly. Further details on The Investment Manager's Sub-Adviser selection, monitoring and allocation processes are set out below in the section entitled "*Sub-Adviser Selection Process*".

The terms relating to the appointment of the Investment Manager are set out in the Investment Management Agreement between Manager and the Investment Manager. The Investment Management Agreement provides that the Investment Manager shall be responsible for investing and re-investing the assets of the Funds. The Investment Manager will not be liable for any loss suffered by the Manager, the ICAV or a Shareholder except a loss resulting from gross negligence, wilful misfeasance, bad faith or reckless disregard on the part of the Investment Manager in the performance of its duties and obligations. The Manager agrees to indemnify the Investment Manager and keep it indemnified from and against all actions, proceedings, claims, costs, demands and expenses incurred by the Investment Manager, except in the case of gross negligence, wilful misfeasance, bad faith or reckless disregard of its duties. The appointment of the Investment Manager shall continue in full force and effect unless and until terminated at any time by either party giving ninety days' written notice to the other party. Either Party shall be entitled to terminate the Investment Management Agreement immediately in the event of the insolvency of the other party or the inability of the other party to perform its obligations under applicable law, or in the event that the other party fails to remedy a breach of the Investment Management Agreement within 30 days of service of notice requesting it to do so.

The Sub-Advisers

The Investment Manager, under the Investment Management Agreement, is authorised to engage one or more Sub-Advisers for the purpose of assisting it with carrying out its duties and responsibilities as Investment Manager by exercising investment discretion over a Portfolio, provided the appointment of each Sub-Adviser is in accordance with the requirements of the Central Bank.

The Central Bank has granted permission to the Investment Manager to appoint Sub-Advisers without having to comply with the Central Bank's formal pre-clearance requirements generally applicable to discretionary investment managers/advisers. This permission has been granted subject to various conditions, including the requirement that retrospective approval of each Sub-Adviser must be sought from the Central Bank immediately following its appointment and the appointment of any Sub-Adviser must be terminated immediately where retrospective approval is not granted by the Central Bank.

Certain information concerning the Sub-Advisers will be provided by the Investment Manager, free of charge, upon a Shareholder's request and shall be available at the internet address www.entrustglobal.com. For Sub-Advisers registered with the SEC additional information is available on the Investment Adviser Public Disclosure website at *www.adviserinfo.sec.gov* and for Sub-Advisers based in the United Kingdom on the FCA's website at *http://www.fca.org.uk.* Such information is published for information purposes only and does not form part of the Base Prospectus or this Fund Supplement. Information concerning the Sub-Advisers will also be contained in the latest annual and half-yearly reports of the ICAV or the Fund.

Sub-Adviser Selection Process

The Investment Manager is implementing a multi-manager approach in the management of the Fund. The Investment Manager, pursuant to various sub-adviser agreements, delegates certain investment management responsibilities in relation to Portfolios to Sub-Advisers representing distinct investment styles and expertise in an asset class. Each appointment of a Sub-Adviser is the culmination of EnTrust Global's rigorous manager selection process.

EnTrust Global Alternative Income Strategy

EnTrust Global has a disciplined and repeatable process for identifying and selecting managers, allocating capital to those managers and then monitoring their performance. This process combines a bottom-up and top-down approach that seeks to assemble the optimal mix of Sub-Advisers and Investment Strategies, coupled with ongoing evaluation and analysis.

Sub-Adviser Selection, Due Diligence and Monitoring

EnTrust Global employs a disciplined and rigorous manager selection process developed over many years which seeks to identify and select the best Sub-Advisers, allocating capital only to those Sub-Advisers who have passed a lengthy due diligence review and fit the required allocation criteria from a strategic, performance and volatility perspective. The process combines a bottom-up and top-down approach, bringing together an optimal mix of managers and strategies, coupled with ongoing evaluation and analysis.

Qualitative Due Diligence: EnTrust Global's operational due diligence team conducts numerous interviews with potential Sub-Advisers and their organizations to gain clarity and understanding on all sources of business risk, as well as getting to know the individuals, checking their backgrounds and systems. Reviews are made of legal structures, legal documentation, regulatory filings, financial statements, past press coverage and investor references. A separate IT due diligence team conducts onsite visits, checking systems, disaster recovery programs, technology infrastructure and office security.

Quantitative Due Diligence: Before a new Sub-Adviser is engaged by the Investment Manager, the EnTrust Global investment management team conducts quantitative analysis on a wide range of areas, including monthly return patterns, standard deviations, correlations against existing Sub-Advisers and benchmarks, length and size of drawdowns, downside deviation and performance during periods of stress. This analysis seeks to establish systematic risk factors that explain the Sub-Adviser's returns, with analysis applied to both raw returns and de-smoothed returns. It is then down to the quality of the returns to confirm that the numbers reflect reality and are repeatable. Other areas of focus include assets managed, leverage employed and diversification analysis.

Portfolio Construction and Asset Allocation

Once a Sub-Adviser has passed this due diligence process, it can become part of the Investment Manager's portfolio of Sub-Advisers. The EnTrust Global investment management team looks to assemble a diversified portfolio of approved Sub-Advisers based on underlying strategies, focus and exposures. The result combines this bottom-up Sub-Adviser selection with the EnTrust Global Investment Committee's top-down macroeconomic views which seeks to enhance risk-adjusted returns over time.

Risk Management & Performance Monitoring

Risk management addresses Sub-Adviser-specific and overall portfolio risks. Market risks, including systemic risks that potentially threaten a permanent loss of capital to shareholders in EnTrust Global funds, are monitored by the EnTrust Global risk management team. The EnTrust Global operational due diligence team reviews a Sub-Adviser's financial data and offering documents, changes in personnel and other Sub-Adviser specific criteria to establish an operational risk rating. The EnTrust Global investment management team identifies the idiosyncratic risk a Sub-Adviser offers to a particular Portfolio by applying proprietary risk management tools to measure systematic risk factors. The EnTrust Global Risk Committee, which is independent of the EnTrust Global investment management team, reviews various risks in EnTrust Global's multi-manager portfolios, including market, liquidity, concentration and operational risks.

Risk Profile

Investment in the Fund carries with it a degree of risk. Below are some of the key risks that investors should consider before purchasing Shares of the Fund. Additional risks are described in the section of the Base Prospectus entitled *"Risk Factors"*. These risks are not purported to be exhaustive and potential investors should review the Base Prospectus and this Fund Supplement carefully and consult with their professional

advisers before making an application for Shares. There can be no assurance that the Fund will achieve its investment objective.

Risk Associated with Central Bank Derogation Relating to Sub-Advisers

The Central Bank has granted permission to the Investment Manager to appoint Sub-Advisers without having to comply with the Central Bank's formal preclearance requirements generally applicable to discretionary investment managers/advisers. This permission has been granted subject to a number of conditions as more particularly set out in the section above entitled "*Investment Manager and Sub-Advisers*". One of those conditions is that retrospective approval of each Sub-Adviser must be sought from the Central Bank immediately following their appointment and the appointment of any Sub-Adviser must be terminated immediately where retrospective approval is not granted by the Central Bank. The immediate termination of a Sub-Adviser in such circumstances may have a material adverse effect on the Portfolio to which that Sub-Adviser had been appointed. In particular, losses may be suffered as a result of the Investment Manager being unable to identify a suitable replacement Sub-Adviser or otherwise make arrangements to manage the Portfolio or generally the Investment Strategy for which the previous Sub-Adviser had been selected.

Dependence on the Investment Manager and the Sub-Advisers

The success of the Fund depends upon the ability of the Investment Manager to allocate the Fund's assets to various Investment Strategies and to select the best mix of Sub-Advisers, as well as the ability of the Sub-Advisers to develop and implement Investment Strategies that achieve the Fund's investment objective. For example, a Sub-Adviser's inability to effectively hedge an Investment Strategy that it utilises may cause the assets of the Fund invested with such Sub-Adviser to significantly decline in value and could result in substantial losses to the Fund. Moreover, subjective decisions made by the Investment Manager and/or the Sub-Advisers may cause the Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalised.

Risks Associated with Performance Fees

Performance fees may be payable in relation to the Fund. The Fund is managed by multiple Sub-Advisers, each managing separate Portfolios. A performance fee is payable only on the performance of the Portfolio for which a Sub-Adviser is responsible.

Under these arrangements, it is therefore possible that performance fees in respect of the performance achieved by one or more of those Sub-Advisers may be payable by the Fund to one or more of the Sub-Advisers even though the overall Net Asset Value of the Fund, representing the aggregate performance of all the Sub-Advisers, may not have increased or may have decreased.

There is also a risk that the accrual of performance fees in the Fund may not be entirely equitable between different Shareholders, depending on the timing of a Shareholder's investment in the Fund in relation to the accrual of a performance fee in respect of the performance of the Portfolio for which a particular Sub-Adviser is responsible.

It should be noted that a performance fee is based on net realised and net unrealised gains and losses as at the end of each calculation period. As such, performance fees may be paid on unrealised gains which may subsequently never be realised. Performance fees may create an incentive for the Sub-Advisers to take risks in managing the Fund that they would not otherwise take. The performance fee methodology for certain Share Classes may not require equalisation, which may result in certain Shareholders in such Share Classes paying performance fees relating to periods of time prior to their investment in the Fund. Performance fees may accrue due to widespread increases in value in the market(s) in which the Fund invests, rather than resulting specifically from the performance of the Sub-Adviser in selecting investments for the Fund.

Risks Associated with the Investment Activities of the Investment Manager and Sub-Advisers

Multi-Manager Strategy

In order to diversify among trading methods and markets, the Investment Manager has selected a number of Sub-Advisers, each of which invests independently of the others. Although this diversification is intended to offset losses while maintaining the possibility of capitalising on profitable price movements, there can be no assurance that this strategy will not result in net losses for the Fund.

In addition, some Sub-Advisers may compete with each other from time to time for the same positions in the markets. Conversely, a Sub-Adviser could hold from time to time opposite positions in the same security as held by other Sub-Advisers. Each such position could cause the Fund to incur transactional expenses but might not generate any net recognised gain or loss. There is no assurance that selection of multiple Sub-Advisers will be more successful than selection of a single Sub-Adviser. The Investment Manager may reallocate the Fund's assets among the Sub-Advisers at any time. Any such reallocation could adversely affect the performance of the Fund.

Concentration of Portfolios

Certain of the Sub-Advisers may make investment decisions primarily on the basis of company-specific factors or may concentrate investments in securities of issuers from a particular country or geographic region, which may result in a substantial portion of the Fund's investments consisting of securities of companies doing business in one industry or product field. Such concentrations of assets could increase the potential for volatility and risk of loss, especially in periods of pronounced market volatility. In addition to the potential concentration of the Fund's portfolio of investments, the Fund may invest a relatively high percentage of its assets with a limited number of Sub-Advisers.

Investment Style Risk

The Fund may take significant, long-term positions that the relevant Sub-Adviser believes are undervalued by the market. Companies in which the Fund invests may remain out of favour with the market for extended periods of time. The Fund may continue to hold, and in some cases add to, a declining position so long as the relevant Sub-Adviser continues to view the market as incorrectly valuing the security. As a result, the Fund faces the risk of mis-estimation by a Sub-Adviser in its fundamental analysis regarding the companies in which the Fund invests. The performance of the Fund may not closely correlate to specific market indices over time and may include extended periods of underperformance as compared to the broader market.

Model and Technology Risk

The Sub-Advisers (and, where applicable, the Investment Manager) may use certain investment programs that are fundamentally dependent on proprietary or licensed technology through such Sub-Adviser and/or the Investment Manager's use of, among other things, certain hardware, software, model-based strategies, data-gathering systems, order execution and trade allocation systems and/or risk management systems. These strategies may not be successful on an ongoing basis or could contain errors, omissions, imperfections, or malfunctions. Any such errors, imperfections or limitations in a model could affect the ability of the Sub-Adviser or the Investment Manager to implement the Investment Strategies. Despite testing, monitoring and independent safeguards, these errors may result in, among other things, execution and allocation failures and failures to properly gather and organise data – all of which may have a negative effect on the Fund. Such errors are often extremely difficult to detect and some may go undetected for long periods of time and some may never be detected. The adverse impact caused by these errors can compound over time. The Sub-Adviser or the Investment Manager (and/or the licensor of the models or technology may detect certain errors that it chooses, in its sole discretion, not to address or fix. For example, there may be situations in which the Sub-Adviser or the Investment Manager (or its affiliate) discovers a coding error and determines that it is not constructive to fix it, because, for example, time may be better spent elsewhere or the model is operating within parameters that are acceptable notwithstanding the coding error. By necessity, models make simplifying assumptions that limit their efficacy. Models that appear to explain prior market data can fail to predict future market events. Moreover, an increasing number of market participants may rely on models that are similar to those used by the Sub-Adviser or the Investment Manager (or an affiliate of the Sub-Adviser or the Investment Manager), which may result in a substantial number of market participants taking the same action with respect to an investment. Should one or more of these other market participants begin to divest themselves of one or more portfolio investments, the Fund could suffer losses.

Proprietary Investment Strategy Risk

The Sub-Advisers may use proprietary investment strategies that are based on considerations and factors that are not fully disclosed to the Manager or the Investment Manager. These strategies may involve risks under some market conditions that are not anticipated by the Manager or the Investment Manager. The Sub-Advisers generally use investment strategies that differ from those typically employed by traditional managers of

portfolios of stocks and bonds. The strategies employed by the Sub-Advisers may involve significantly more risk and higher transaction costs than more traditional investment methods.

Reliance on Data Risk

A Sub-Adviser (or, where applicable, the Investment Manager) may use Investment Strategies, such as quantitative strategies, that are highly reliant on the gathering, cleaning, culling, and analysis of large amounts of data from third parties and other external sources. It is not possible or practicable however to factor all relevant, available data into quantitative model forecasts and/or trading decisions. The Sub-Adviser and/or the Investment Manager (and/or affiliated licensors of such data) will use their discretion to determine what data to gather with respect to an investment strategy and what subset of that data the models will take into account to produce forecasts that may have an impact on ultimate trading decisions. Shareholders should be aware that there is no guarantee that a Sub-Adviser and/or the Investment Manager will use any specific data or type of data in generating forecasts or making trading decisions on behalf of the Fund, nor is there any guarantee that the data actually utilised in generating forecasts or making trading decisions on behalf of the Fund will be (i) the most accurate data available or (ii) free from errors.

Differentiation of Investment Strategies

The discussion of the Investment Strategies employed by the Fund is, in certain respects, general in nature. To the extent that an Investment Strategy may be construed as similar to another strategy managed by a Sub-Adviser or the Investment Manager or its affiliate, investors should be aware that the resulting portfolio compositions and performance results across such strategies are not expected or intended to be the same or similar.

Global Macro Strategy Risk

The profitability of any global macro strategy employed by a Sub-Adviser depends primarily on the ability of the Sub-Adviser to predict derivative contract price movements to implement its investment theses regarding macroeconomic trends. Such price movements are influenced by, among other things: changes in interest rates; governmental and economic programmes, policies and events; weather and climate conditions; changing supply and demand relationships; changes in balances of payments and trade; rates of inflation and deflation; currency devaluations and revaluations; and changes in philosophies and emotions of market participants.

Event-Driven Trading Risk

The Fund may seek to profit from the occurrence of specific corporate or other events. A delay in the timing of these events, or the failure of these events to occur at all, may have a significant negative effect on the Fund's performance.

Event-Linked Instrument Risk

Investing in event-linked bonds, also known as "catastrophe bonds," and other event-linked instruments involves unique risks. If a trigger event, such as a hurricane, earthquake, or other physical or weather-related phenomenon, causes losses exceeding a specific amount in the geographic region and time period specified in a bond, the Fund may lose a portion or all of its principal invested in the bond or suffer a reduction in credited interest. Some event-linked bonds have features that delay the return of capital upon the occurrence of a specified event; in these cases, whether or not there is loss of capital or interest, the return on the investment may be significantly lower during the extension period. In addition to specified trigger events, catastrophe bonds may expose the Fund to other risks, such as credit risk, adverse regulatory or jurisdictional interpretations, adverse tax consequences, and foreign exchange risk.

Use of Total Return Swaps to Gain Synthetic Exposure to an Investment Strategy or Instrument

Shareholders should note that a Sub-Adviser (or, where applicable, the Investment Manager) may obtain synthetic exposure to investment strategies through the use of one or more total return swaps. Total return swaps are agreements whereby the Fund agrees to pay a stream of payments based on an agreed interest rate in exchange for payments representing the total economic performance, over the life of the swap, of the asset or assets underlying the swap. Through the swap the Fund may take a long or synthetic short position in the underlying asset(s), which may constitute a single security or a basket of securities. Exposure through the swap closely replicates the economics of physical shorting (in the case of short positions) or physical ownership (in the case of long positions), but in the latter case without the voting or beneficial ownership rights of direct physical ownership. If a Fund invests in total return swaps or other FDI with the same characteristics, the

underlying asset or index may be comprised of equity or debt securities, money market instruments or other eligible investments which are consistent with the investment objective and policies of the Fund. The counterparties to such transactions are typically banks, investment firms, broker-dealers, collective investment schemes or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its effect on investor returns are described in the section of the Base Prospectus entitled "*Risk Factors*". The counterparties to total return swap entered into by a Fund will not assume any discretion over the composition or management of the Fund's investment portfolio or over the underlying of the FDIs, and the counterparty's approval is not required in relation to any portfolio transactions by the Fund.

Risk Management Activities

The Investment Manager employs a risk management process to enable it to accurately measure, monitor and manage the risks of the Fund's investments and Sub-Advisers. These efforts to measure and reduce risk may not be successful. Any hedging activities employed by the Fund designed to reduce risk may also be unsuccessful.

Measurement of Market Risk and Leverage using VaR

The Fund will seek to limit the market risk and leverage created through the use of derivatives by using a sophisticated risk measurement technique known as "value-at-risk" (the "VaR approach"). The Fund will use an "absolute" VaR model where the measurement of VaR is relative to the Net Asset Value of the Fund. A VaR model has certain inherent limitations and it cannot be relied upon to predict or guarantee that the size or frequency of losses incurred by the Fund will be limited to any extent. As the VaR model relies on historical market data as one of its key inputs, if current market conditions differ from those during the historical observation period, the effectiveness of the VaR model in predicting the VaR of a Fund may be materially impaired. Investors may suffer serious financial consequences under abnormal market conditions.

The effectiveness of the VaR model could be impaired in a similar fashion if other assumptions or components comprised in the VaR model prove to be inadequate or incorrect.

Where the Fund uses an absolute VaR model, in accordance with the requirements of the Central Bank, it is subject to an absolute VaR limit of 20 per cent of the Fund's Net Asset Value, based on a 20 Business Day holding period and a 99 per cent confidence interval. However, the Fund may from time to time experience a change in Net Asset Value over a 20 Business Day holding period greater than 20 per cent of Net Asset Value. This would represent a VaR greater than the limit applicable to the Fund and the Fund is required to take steps to address such a situation in accordance with the requirements of the Central Bank.

In addition to using the VaR approach, the Investment Manager will monitor leverage levels on a daily basis to monitor changes due to market movements. In addition, the respective Sub-Advisers shall carry out pre-trade testing to consider the impact that the trade would have on the Fund's overall leverage and to consider the risk/reward levels of the trade.

Share Classes

Share Class Types and Currency Denominations

The Fund offers for investment the following Share Classes: Class A Shares, Class E Shares, Class F Shares, Class R Shares, Class X Shares, Premier Class Shares, and S Class Shares.

Each of these Share Classes are offered in US Dollars (US$), which is the Base Currency of the Fund, as well as in Euro (EUR), Pound sterling (GBP), Singapore Dollars (SGD), Swiss francs (CHF), Japanese yen (JPY), Norwegian Kroner (NOK), Swedish Kronor (SEK), Hong Kong Dollars (HKD), Canadian Dollars (CAD), offshore Chinese renminbi (CNH), New Zealand Dollars (NZD), Korean Won (KRW, Polish Zloty (PLN) and Australian Dollars (AUD), which are offered as hedged and unhedged to the Base Currency (US Dollar).

The Initial Offer Period for each Share Class first offered for subscription shall end at 4.00pm (Irish time) on 20 June 2019 or otherwise as set out in the definition of Initial Offer Period in the section headed "Key Information for Investors" in this Fund Supplement.

Unless indicated by "(Hedged)" in the name of the Share Class, the Fund will not employ any techniques to hedge the Share Class's exposure to charge in exchange rates between the Base Currency of the Fund and the currency of the Share Class. More information concerning the hedging at the Share Class level is set out in the section above entitled *"Investments in FDI and Risk Management"*.

Distributing and Accumulating Share Classes

The Directors intend to declare a dividend in respect of Distributing Share Classes. The letter in parentheses at the end of the name of each Distributing Share Class indicates the frequency of dividend declarations and dividend payments, as detailed in the following table.

Distributing Share Class Designation	Frequency of Dividend Declarations	Frequency of Dividend Payments
(D)	Daily	Monthly
(M)	Monthly	Monthly
(Q)	Quarterly	Quarterly (October, January April, July,)
(S)	Semi-Annually	Semi-Annually (January, July,)
(A)	Annually	Annually (July)

Accumulating Share Classes do not distribute net income, net realised capital gains or net unrealised capital gains, which are accumulated and reinvested in the Fund on behalf of Shareholders.

More information concerning dividend payments and declarations are set out in the section entitled "*Buying, Selling, Switching and Converting Shares*" in the subsection entitled "*Distributions*" in the Base Prospectus.

Schedule I of this Fund Supplement provides a complete list of Share Classes offered by the Fund.

Fees and Expenses

The Fund shall bear its attributable portion of the fees and operating expenses of the ICAV. Any fees and expenses payable out of the assets of the Fund other than those set out below are set out in the Base Prospectus in the section entitled *"Fees and Expenses"*.

		Class A	Class E	Class F	Class X	Premier Class	Class R	S Class
1	Total Management Fees (per annum)[1]	Up to 2.25%	Up to 2.50%	Up to 1.90%	Up to 1.65%	Up to 1.65%	Up to 1.65%	Up to 1.50%
2	Shareholder Services Fee (per annum)	0.15%	0.15%	0.15%	0.15%	N/A	N/A	N/A
3	Administration and Depositary Fee (per annum)	Up to 0.20%	Up to 0.20%	Up to 0.20%	Up to 0.20%	Up to 0.20%	Up to 0.20%	Up to 0.20%
4	**Total Fee (per annum)[2]**	**Up to 2.60%**	**Up to 2.85%**	**Up to 2.25%**	**Up to 2.00%**	**Up to 1.85%**	**Up to 1.85%**	**Up to 1.70%**
5	**Specified Expenses Cap (per annum)[3]**	**3.15%**	**3.40%**	**2.80%**	**2.55%**	**2.40%**	**2.40%**	**2.15%**
6	Initial Charge (Maximum)	5.00%	2.50%	N/A	N/A	N/A	N/A	N/A

[1] The "Total Management Fee" includes the Management Fee, Investment Management Fee and Distribution Fee payable to the Manager, Investment Manager and/or the Distributor, as applicable on each Share Class of the Fund as well as a sub-advisor fee payable pursuant to the terms of the sub-advisory agreements between the Investment Manager and each Sub-Adviser.

[2] The "Total Fee" for each Share Class in row 4 is equal to the sum of rows 1, 2 and 3 above, but does not include the performance fees described below.

[3] Expense Waivers: The Management Agreement provides that the Manager may voluntarily undertake to reduce or waive its management fee or to make other arrangements to reduce the expenses of a Fund to the extent that such expenses exceed such lower expense limitation as the Manager may, by notice to the Shareholders, voluntarily declare to be effective. The Manager has currently undertaken to reimburse the Fund so that "Specified Expenses" (as described below) of each Class in the Fund's financial year do not exceed the percentage of the average daily Net Asset Value of such Class listed above. "Specified Expenses" is defined to include all expenses incurred in the business of the Fund, which include offering costs, administration fees, management fees, investor servicing fees and custody fees. "Specified Expenses" does not include the following: (i) establishment expenses relating to the Fund; (ii) Performance Fees or Additional Performance Fees (as defined below); (iii) distributor fees; (iv) Eligible Collective Investment Scheme fees and expenses; (v) brokerage and trading costs; (vi) interest payments; (vii) taxes; or (viii) extraordinary expenses. The Manager may terminate or modify this arrangement at any time at its sole discretion upon 30 days' notice in writing to the Fund's Shareholders.

Performance Fees

The Investment Manager and each of the Sub-Advisers are entitled to receive performance fees described in detail below. For purposes of calculating such performance fees, the term "Performance Period" means the period beginning on 1 July and ending on 30 June of each year, with the exception of the first Performance Period for a Share Class, which will begin upon the initial issue of Shares in that Share Class and end on the following 30 June and the first Performance Period for a Portfolio, which will begin upon the appointment of such Sub-Adviser to manage said Portfolio and will end on the following 30 June.

Investment Manager Performance Fee: Under the terms of the Investment Management Agreement, the ICAV will pay to the Investment Manager out of the assets of the Fund a performance fee ("Performance Fee") on each Share Class; provided that the Performance Fee on a Share Class is payable only if the Net Asset Value of such Share Class (before any accruals of Performance Fees or Additional Performance Fees, as defined below) has increased by at least 4 per cent at the end of the relevant Performance Period from the Net Asset Value of such Share Class as at the end of the prior Performance Period, or in the case of the first Performance Period, the Initial Offer Price of such Share Class (the "Investment Manager Hurdle Rate"). The Investment Manager Hurdle Rate shall be proportionately reduced for any Performance Period that is less than 365 days. The Performance Fee shall be equal to 15 per cent of the New Net Appreciation (as defined below) of the relevant Share Class during the Performance Period above the Investment Manager Hurdle Rate.

The Performance Fee (if any) will accrue each Dealing Day. The amount accrued on each Dealing Day will be determined by calculating the Performance Fee that would be payable if that day was the last day of the current Performance Period. The Performance Fee will be payable by the Fund to the Investment Manager annually in arrears within 45 calendar days of the end of each Performance Period. The calculation of the Performance Fee shall be based upon unaudited information but will be verified by the Depositary.

Sub-Adviser Performance Fees: Under the terms of the sub-advisory agreements between the Investment Manager and the Sub-Advisers, the Investment Manager shall pay each Sub-Adviser a performance fee (the "Sub-Adviser Performance Fee"); provided that the Sub-Adviser Performance Fee is payable on a Sub-Adviser's Portfolio only if the Net Asset Value of such Portfolio (before any accruals of Sub-Adviser Performance Fees) has increased by at least 4 per cent at end of relevant Performance Period from the Net Asset Value of such Portfolio as at the end of the prior Performance Period (the "Sub-Adviser Hurdle Rate"). The Sub-Adviser Hurdle Rate shall be proportionately reduced for any Performance Period that is less than 365 days. The Sub-Adviser Fee shall be equal to 10 per cent of the New Net Appreciation (as defined below) of the Portfolio allocated to such Sub-Adviser during the Performance Period above the Sub-Adviser Hurdle Rate. The Sub-Adviser is entitled to receive such Sub-Adviser Performance Fee until such time, if ever, that the Sub-Adviser ceases to manage the Portfolio (the "Term of Appointment"). A Sub-Adviser may waive their right to

receive a Sub-Adviser Performance Fee, in which case no Sub-Adviser Performance Fee will be applicable in respect of the Portfolio managed by that Sub-Adviser.

The Sub-Adviser Performance Fee will be calculated and accrued daily during the Term of Appointment and for each Performance Period. Where a Sub-Adviser is entitled to receive a Sub-Adviser Performance Fee in a Performance Period, all or part of that Sub-Adviser Performance Fee, depending upon the arrangements with that Sub-Adviser, will be paid to the Sub-Adviser for that Performance Period. Upon the termination of a Sub-Adviser's appointment, any Sub-Adviser Performance Fees owed will be paid in full. The calculation of any Sub-Adviser Performance Fee must be verified by the Depositary.

Additional Performance Fee: The Investment Manager will pay the Sub-Adviser Performance Fees for a particular Performance Period out of the Performance Fee paid to it for such Performance Period. However, if, as of the end of any Performance Period, the sum of all Sub-Adviser Performance Fees payable to Sub-Advisers in respect of a Performance Period exceeds the Performance Fee payable to the Investment Manager, the Fund will pay an additional amount (the "Additional Performance Fee") to the Investment Manager which shall, in turn, remit the Additional Performance Fee to the relevant Sub-Adviser to cover the shortfall. This may occur where, for example, during a Performance Period one or more Sub-Advisers add value in respect of their Portfolio, while other Sub-Advisers add negative value with respect to their respective Portfolios. Any such Additional Performance Fee paid by the Fund will be deducted from the Investment Manager's Performance Fee before payment to the Investment Manager in subsequent Performance Periods; provided that upon a redemption, the amount of the Additional Performance Fee to be deducted from the Investment Manager's Performance Fee in subsequent Performance Periods shall be decreased by an amount proportionate to the percentage of outstanding Shares redeemed in the relevant Class. For the avoidance of doubt, if the Fund or the Investment Management Agreement is terminated following the payment of an Additional Performance Fee, the Investment Manager shall not be required to reimburse the Fund such Additional Performance Fee.

High-Water Mark/Loss Carry-Forward: The Investment Manager and Sub-Advisers are entitled to receive Performance Fees or Sub-Adviser Fees during a Performance Period only if the Net Asset Value of a particular Share Class or Sub-Adviser Portfolio has appreciated above the previous high-water mark achieved for the relevant Share Class or Portfolio. The term "New Net Appreciation" is used for purposes of calculating the high-water mark and represents the excess, if any, of the positive performance of a Share Class (or Portfolio in the case of the Sub-Adviser Performance Fee) during a Performance Period over any loss carry-forward (as defined below) applicable at the start of such period, adjusted daily for investor redemptions during that period. New Net Appreciation is calculated with reference to the Cumulative Performance Account and, for any Performance Period, shall equal the positive balance (if any) of such account at the end of the period.

For each Performance Period, the opening balance of the "Cumulative Performance Account" for a Share Class or Sub-Adviser Portfolio, as applicable, shall be zero unless, as of the end of the prior Performance Period, the balance of the account was negative, in which case such negative amount (the "loss carry-forward") shall be the opening balance. The opening balance of the Cumulative Performance Account for the first Performance Period of a Share Class or a Portfolio, as applicable, shall be zero. Thereafter, the balance of the account shall be adjusted on each Dealing Day, including the first Dealing Day of the Performance Period, as follows (in the order noted):

- first, the balance shall be scaled down by an amount proportionate to the percentage of outstanding Shares redeemed in the relevant Share Class on the prior Dealing Day; and
- then:
    - in the case of a Performance Fee on a Share Class, the balance shall be increased or decreased, as applicable, to reflect any change in the Net Asset Value of the Share Class between the Dealing Day and the prior Dealing Day relating to the income and net realised and unrealised gains and losses of the Share Class, less investment management fees and expenses (adjusted for any voluntary waivers) but before any accrued Performance Fees and/or Additional Performance Fees; and
    - in the case of a Sub-Adviser Performance Fee on a Portfolio, the balance shall be increased or decreased, as applicable, to reflect any change in the Net Asset Value of the Portfolio between the Dealing Day and the prior Dealing Day relating to income and net realised and unrealised

gains and losses of the Portfolio, less any sub-advisory fees paid to the relevant Sub-Adviser, expenses but before any accrued Performance Fees and/or Additional Performance Fees applicable to such Portfolio.

For the avoidance of doubt, the balance of a Cumulative Performance Account (i) shall not be adjusted by the amount of subscriptions received on a Dealing Day or additional Fund assets allocated by the Investment Manager to the Sub-Adviser's Portfolio, but only on the subsequent performance of the Share Class (or Portfolio, as applicable) attributable to the amounts subscribed or additional allocations to the Portfolio, and (ii) shall be inclusive of any gains that are distributed as a dividend during the Performance Period.

Insofar as the Cumulative Performance Account is adjusted for net realised and unrealised gains and losses, a Performance Fee or Additional Performance Fee may be paid on unrealised gains which may subsequently never be realised. There is no repayment of any Performance Fee or Additional Performance Fee already paid if the Cumulative Performance Account subsequently falls below zero even if an investor redeems its holding.

Deemed End of Performance Period

Shares redeemed other than at the end of a Performance Period will be treated as if the date of redemption was the end of the Performance Period and the above provisions shall apply. Any Performance Fee payable to the Investment Manager in respect of a redemption shall be paid within 45 calendar days of the Dealing Day for the relevant redemption. For the avoidance of doubt, the amount of Performance Fee and Additional Performance Fee paid to the Investment Manager in respect of any Performance Period shall be the aggregate of (i) the percentage indicated in the table above of New Net Appreciation and (ii) any Performance Fee paid in respect of the redemption of Shares during the Performance Period.

If the Investment Manager ceases to manage a Portfolio, the date on which the Investment Manager ceases to manage the Portfolio will be deemed to be the end of the Performance Period and the above provisions shall apply. Any Performance Fee payable to the Investment Manager shall be paid within 45 calendar days of the date of termination.

Performance Fee – No Equalisation

The methodology used in calculating the Performance Fee, Additional Performance Fee and Sub-Adviser Performance Fees may result in inequalities between investors in relation to the payment of such performance fees (with some investors paying disproportionately higher performance fees in certain circumstances) and may also result in certain investors having more of their capital at risk at any time than others (as no equalisation methodology is employed in respect of the above described performance fee calculation).

Additional Material Contracts

A list of the ICAV's material contracts are set out in the section of the Base Prospectus entitled "*Material Contracts*". The following are additional material contracts that are particular to the Fund, details of which are set out in the section above entitled *"Investment Manager and Sub-Advisers":*

- The Investment Management Agreement dated 21 December 2018 between the Manager and the Investment Manager, as amended from time to time, pursuant to which the latter was appointed as investment manager with respect to the Fund.

EnTrust Global Alternative Income Strategy

Schedule I

SHARE CLASS TYPES:

	Class A	Class E	Class F	Class R	Class X	Premier Class	S Class
Accumulating Share Classes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Distributing Share Classes (other than Plus (e) and Plus)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Frequency of Dividend Declarations							
Daily							
Monthly	ü	ü	ü	ü	ü	ü	ü
Quarterly	ü	ü	ü	ü	ü	ü	ü
Semi-Annually	ü	ü	ü	ü	ü	ü	ü
Annually	ü	ü	ü	ü	ü	ü	ü
Distributing Plus (e) Share Classes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Monthly	ü	ü	ü	ü	ü	ü	ü
Quarterly	ü	ü	ü	ü	ü	ü	ü
Distributing Plus Share Classes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Monthly	ü	ü	ü	ü	ü	ü	ü
Quarterly	ü	ü	ü	ü	ü	ü	ü

CURRENCY DENOMINATIONS ON OFFER: US Dollars (US$); Euro (€); Pound Sterling (GBP); Singapore Dollars (SGD); Australian Dollars (AUD); Swiss Francs (CHF); Japanese Yen (JPY); Norwegian Kroner (NOK); Swedish Kronor (SEK); Hong Kong Dollars (HKD); Canadian Dollars (CAD); offshore Chinese renminbi (CNH); New Zealand Dollars (NZD); Korean Won (KRW); Polish Zloty (PLN).