FundLogic Alternatives p.l.c.
(an umbrella fund with segregated liability between sub-funds)

A company incorporated with limited liability
as an open-ended investment company with variable capital
under the laws of Ireland with
registered number 483770

PROSPECTUS

This Prospectus is dated 21 July 2017

The Directors of FundLogic Alternatives plc whose names appear in this Prospectus accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. This Prospectus should be read in conjunction with the Supplements dealing with the relevant Sub-Fund(s).

FundLogic Alternatives plc

The authorisation of FundLogic Alternatives plc (the "Fund") by the Central Bank shall not constitute a warranty as to the performance of the Fund and the Central Bank shall not be liable for the performance or default of the Fund.

Where an initial and/or repurchase charge is provided for the difference at any one time between the issue and repurchase price of Shares in the relevant Sub-Fund means that the investment should be viewed as medium to long term.

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

Information applicable to the Fund generally is contained in this Prospectus. Shares constituting each sub-fund offered by the Fund (each a "Sub-Fund") are described in the Supplements to this Prospectus.

Before investing in the Fund, you should consider the risks involved in such investment. Please see **Risk Factors** below and where applicable to each Sub-Fund in the Supplements.

If you are in any doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

Distribution of this Prospectus is not authorised in any jurisdiction unless accompanied by a copy of the then latest annual report and audited accounts of the Fund and, if published after such report, a copy of the then latest semi-annual report and unaudited accounts. Such reports and this Prospectus together form the prospectus for the issue of Shares in the Fund.

The Fund is an umbrella investment company with variable capital and segregated liability between Sub-Funds incorporated on 28 April 2010 and is authorised in Ireland as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended. **Such authorisation is not an endorsement or guarantee of the Fund or any Sub-Fund by the Central Bank, nor is the Central Bank responsible for the contents of this Prospectus.**

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised. In particular: the Shares have not been registered under the United States Securities Act of 1933 (as amended) (the 1933 Act) and may not be directly or indirectly offered or sold in the United States or to any United States Person, except in a transaction which does not violate United States securities laws. The Fund will not be registered under the United States Investment Company Act of 1940 (as amended) (the 1940 Act).

The Articles of the Fund give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to redeem Shares held by), or the transfer of Shares to, any person (including any United States Person) who appears to be in breach of the laws or requirements of any country or government authority or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Fund incurring any liability to taxation or suffering any other pecuniary, regulatory, legal or material administrative disadvantage which the Fund might not otherwise have incurred or suffered. The Articles also permit the Directors where necessary to redeem and cancel Shares (including fractions thereof) held by a person who is, or is deemed to be, or is acting on behalf of, an Irish Taxable Person on the occurrence of a chargeable event for Irish taxation purposes.

Potential subscribers and purchasers of Shares should inform themselves as to (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which they might

encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or disposal of Shares.

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

Any information given, or representations made, by any dealer, salesman or other person not contained in this Prospectus or in any reports and accounts of the Fund forming part hereof must be regarded as unauthorised and accordingly must 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 contained in this Prospectus is correct as of any time subsequent to the date of this Prospectus. To reflect material changes, this Prospectus may from time to time be updated and intending subscribers should enquire of the Administrator or the Distributor as to the issue of any later Prospectus or as to the issue of any reports and accounts of the Fund.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Articles, copies of which are available upon request.

Defined terms used in this Prospectus shall have the meaning attributed to them in Appendix I.

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Investors should be aware that it is the responsibility of any person wishing to make an application for Shares to inform themselves of, and comply with, all applicable laws and regulatory requirements.

An initial charge on the subscription of Shares and/or a repurchase charge on the redemption of Shares and/or an exchange charge on the exchange of Shares may be payable. Details of any such charges payable in respect of Shares of any Sub-Fund of the Fund, will be set out in the Supplement which relates to that Sub-Fund, but in any case will not exceed 5% in the case of a subscription charge and 3% in the case of a repurchase charge.

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DIRECTORY

FundLogic Alternatives p.l.c.
70 Sir John Rogerson's Quay
Dublin 2
Ireland

INVESTMENT MANAGER
As disclosed in the relevant Supplement

PROMOTER AND DISTRIBUTOR
Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

DEPOSITARY
Northern Trust Fiduciary Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2
Ireland

ADMINISTRATOR
Northern Trust International Fund Administration Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2
Ireland

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

AUDITORS
Ernst & Young
Harcourt Centre
Harcourt Street
Dublin 2
Ireland

IRISH LEGAL ADVISERS
Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

1. INTRODUCTION

The Fund is structured as an umbrella investment company, in that different Sub-Funds may be established from time to time by the Directors with the prior approval of the Central Bank.

The particulars of each Sub-Fund will be set out in a separate supplement to the Prospectus (each a **Supplement**). Any such Supplement shall list all of the existing Sub-Funds. The Supplements should be read in conjunction with this Prospectus. Shares of more than one class may be issued in relation to a Sub-Fund. The creation of any new classes of Shares shall be notified to, and cleared, in advance by the Central Bank. On the introduction of any new class of Shares, the Fund will prepare and the Directors will issue documentation setting out the relevant details of each such class of Shares. A separate portfolio of assets shall be maintained for each Sub-Fund and shall be invested in accordance with the investment objective applicable to such Sub-Fund.

The Fund may decline any application for Shares in whole or in part without assigning any reason therefor and will not accept an initial subscription for Shares of any amount (exclusive of the initial charge, if any) which is less than the Minimum Initial Subscription as set forth in the Supplement for the relevant Sub-Fund, unless the Minimum Initial Subscription is waived by the Directors.

After the initial issue, Shares will be issued and redeemed at the Net Asset Value per Share plus or minus duties and charges (as the case may be) including any initial or repurchase charge specified in the relevant Supplements. The Net Asset Value of the Shares of each class and the issue and repurchase prices will be calculated in accordance with the provisions summarised under the heading **Issue and Repurchase Prices/Calculation of Net Asset Value/Valuation of Assets** in this Prospectus.

Details of Dealing Days in respect of each Sub-Fund are set out in the relevant Supplement.

All holders of Shares will be entitled to the benefit of, will be bound by and deemed to have notice of the provisions of the Articles summarised under the heading **General Information** in this Prospectus, copies of which are available as detailed in this Prospectus.

The Fund has segregated liability between its Sub-Funds and accordingly any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund.

2. Directors of the Fund

The Directors of the Fund are described below:

Kevin Molony has broad and extensive experience in investment management, institutional stockbroking and management services having worked with leading international firms over his career. He currently provides independent directorship services to several international investment managers. Kevin was Managing Director of Walkers Corporate Services (Dublin) Limited until that business was acquired in June 2012. From 1999 to 2009, he was a Director of Citigroup Global Markets where he was instrumental in establishing and building their Irish institutional broking business. His specific area of expertise at Citigroup was US and Latin American equities. Before joining Citigroup, he was an institutional stockbroker with Deutsche Bank. Kevin began his career as a UK equity fund manager with Phillips & Drew Fund Managers, who were the leading institutional investment manager in London at the time. He later joined AIB Investment Managers as a Senior Portfolio Manager specialising in US equity funds. Kevin received a BA in Economics from University College Dublin and a Professional Diploma in Corporate Governance from Smurfit Business School, Dublin.

Simon O'Sullivan has worked in the investment management sector since 1993. From April 2002 to April 2006, he was employed in Dublin by Pioneer Alternative Investments as a product specialist. In May 2006, he left Pioneer to join his family company as financial controller and in May 2013 Simon became a partner in Maraging Funds Limited, trading as RiskSystem, a specialist provider of financial risk solutions to the investment funds industry. He has also worked for Fleming Investment Management as a fund manager in London, and Eagle Star and Merrion Capital, both in Dublin. He holds a Bachelor of Arts in Economics and Politics, a Master of Arts

in Economics, a Master of Sciences in Investment & Treasury Management and a Diploma in Corporate Governance. Mr O'Sullivan is a non-executive director of a number of investment funds.

David Haydon is a Managing Director at Morgan Stanley and Head of Complex Structures, fund and fund-linked business within the DSP sub-division in Institutional Equities. David joined Morgan Stanley in 2003 and is a certified public accountant. Prior to his current role, he worked as chief operating officer and head of product control for the Delta 1 structured products business within Morgan Stanley.

The Fund has delegated the day to day management, administration and running of the Fund in accordance with policies approved by the Directors, to the Administrator, the Investment Manager and the Distributor and has appointed the Depositary as depositary of its assets. Consequently, all Directors of the Fund are non-executive.

3. Investment Manager

The Investment Manager of a number of Sub-Funds of the Fund is Fundlogic SAS which is incorporated in France. The Fund may appoint other investment managers in respect of a specific Sub-Fund. Alternatively, the Investment Manager may appoint one or more sub-investment managers in respect of a specific Sub-Fund. Details of other investment managers or sub-investment managers, if any, appointed to specific Sub-Funds will be set forth in the Supplement for the relevant Sub-Fund. Any such Supplement will be submitted to the Central Bank in advance of the appointment of any such other investment managers or sub-investment managers.

The Investment Manager has been appointed to provide investment management services to the Fund.

The Investment Manager's registered office is at 61 Rue de Monceau, 75008 Paris, France.

Subject to controls imposed by the Directors under the investment management agreement, all relevant laws and regulations, this Prospectus and the Articles, the Investment Manager has discretion to take day-to-day investment decisions and to deal in investments and to conduct the investment management of the Fund.

The Investment Manager is regulated by the Autorite des Marches Financiers in France.

As at 30 April 2017, Fundlogic SAS had approximately US$4.4 billion of assets under management.

Under the investment management agreement, the Investment Manager may, subject to the prior approval of the Fund and the Central Bank, appoint one or more Sub-Investment Managers from time to time to perform and/or exercise all or any of its functions, powers, discretions, duties and obligations under the investment management agreement. Such Sub-Investment Managers will not be paid out of the assets of the Fund. Details of such Sub-Investment Managers will be provided to Shareholders on request and details of any Sub-Investment Manager will be disclosed in the periodic reports of the Fund.

For the avoidance of doubt, all references in the remainder of this document to the Investment Manager shall include such other investment manager or sub-investment manager, as appropriate.

4. Depositary

The Fund has appointed Northern Trust Fiduciary Services (Ireland) Limited to act as depositary to the Fund.

The Depositary is a private limited liability company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Depositary is an indirect wholly-owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. As at 31 March 2017, the Northern Trust Group's assets under custody totalled in excess of US$7.1 trillion.

The Depositary has been entrusted with the following main functions:

(i) ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles;

(ii) ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles;

(iii) carrying out the instructions of the Fund unless they conflict with applicable law and the Articles;

(iv) ensuring that in transactions involving the assets of the Fund any consideration is remitted within the usual time limits;

(v) ensuring that the income of the Fund is applied in accordance with applicable law and the Articles;

(vi) monitoring the Fund's cash and cash flows; and

(vii) safe-keeping of the Fund's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to the Shareholders on request from the Fund. A list of the Depositary's delegates is outlined in detail at Appendix III.

5. Administrator and Registrar

The Fund has appointed Northern Trust International Fund Administration Services (Ireland) Limited to act as administrator, registrar and transfer agent of each Sub-Fund.

The Administrator is responsible for the administration of the Fund's affairs including the calculation of the Net Asset Value and preparation of the Fund's annual and semi-annual report, subject to the overall supervision of the Fund. The Administrator is not responsible for the monitoring of the Fund's or any Sub-Fund's investments with any investment rules and restrictions contained in any agreement and / or this Prospectus, unless otherwise stated.

The Administrator was incorporated as a limited liability company on 15 June 1990. The Administrator is a wholly owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. The Administrator's principal business is the provision of administration services to collective investment schemes.

6. Investment Objective and Policies

The Articles provide that the investment objective and policies for each Sub-Fund will be formulated by the Directors at the time of the creation of the Sub-Fund. Details of the investment objective and policies of each Sub-Fund appear in the Supplement for the relevant Sub-Fund. Any changes in the investment objective or any material change to the investment policy of a Sub-Fund may only be made with the approval of an ordinary resolution of the Shareholders of the relevant Sub-Fund. Subject and without prejudice to the preceding sentence in the event of a change of investment objective and/or a material change of investment policy of a Sub-Fund, a reasonable notification period must be given to each Shareholder of the relevant Sub-Fund to enable them to redeem their Shares.

7. Restrictions

The particular investment restrictions for each Sub-Fund will be formulated by the Directors at the time of the creation of the Sub-Fund and will appear in the Supplement for the relevant Sub-Fund.

Details of the investment restrictions laid down in accordance with the Central Bank UCITS Regulations in respect of each Sub-Fund are set out below.

8. Borrowing and Lending Powers

The Fund may borrow up to 10% of a Sub-Fund's net assets at any time for the account of the Sub-Fund and the Fund may charge the assets of such Sub-Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes. Any particular borrowing restrictions for a Sub-Fund will appear in the Supplement for the relevant Sub-Fund. Without prejudice to the powers of the Fund to invest in transferable securities, the Fund may not lend to, or act as guarantor on behalf of, third parties. A Sub-Fund may acquire debt securities and securities which are not fully paid.

9. Permitted Investments

Investments of each Sub-Fund are confined to:

9.1. 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, recognised and open to the public in a Member State or non-Member State (and which in each case is listed in Appendix II).

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

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

9.4. Units of UCITS.

9.5. Units of alternative investment funds (AIFs).

9.6. Deposits with credit institutions.

9.7. Financial derivative instruments (FDI).

10. Investment Restrictions

10.1. Each Sub-Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 10.1.

10.2. Each Sub-Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 10.1 within a year. This restriction will not apply in relation to investment by each Sub-Fund in certain US securities known as Rule 144A securities provided that:

10.2.1. the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and

10.2.2. the securities are not illiquid securities i.e. they may be realised by each Sub-Fund within seven days at the price, or approximately at the price, at which they are valued by the Sub-Fund.

10.3. Each Sub-Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market

instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

10.4. Subject to the prior approval of the Central Bank, the limit of 10% in 11.3 is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Sub-Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Sub-Fund.

10.5. The limit of 10% in 11.3 is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

10.6. The transferable securities and money market instruments referred to in 11.4 and 11.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 11.3.

10.7. 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, or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand held as ancillary liquidity, must not exceed 10% of net assets.

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

10.8. The risk exposure of each Sub-Fund to a counterparty in an over the counter (**OTC**) derivative transaction may not exceed 5% of net assets.

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

10.9. Notwithstanding paragraphs 11.3, 11.7 and 11.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

10.9.1. investments in transferable securities or money market instruments;

10.9.2. deposits, and/or

10.9.3. counter party risk exposures arising from OTC derivative transactions.

10.10. The limits referred to in 11.3, 11.4, 11.5, 11.7, 11.8 and 11.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

10.11. Group Companies are regarded as a single issuer for the purposes of 11.3, 11.4, 11.5, 11.7, 11.8 and 11.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

10.12. Each Sub-Fund may invest up to 100% of net assets in transferable securities and money market instruments issued or guaranteed by OECD Governments (provided the relevant issues are investment grade), the Governments of Brazil or India (provided the relevant issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, and Straight-A Funding LLC.

Each Sub-Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

11. Investment in Collective Investment Schemes

11.1. A Sub-Fund may not invest more than 10% of net assets in other open-ended CIS.

11.2. When a Sub-Fund invests in the units of other CIS that are managed, directly or by delegation, by the Sub-Fund's investment manager or by any other company with which the investment manager is linked by common management or control, or by a substantial direct or indirect holding, neither the investment manager nor that other company may charge initial, conversion or repurchase fees on account of that Sub-Fund's investment in the units of such other CIS.

11.3. Where a commission (including a rebated commission) is received by a Sub-Fund's investment manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Sub-Fund.

Index Tracking Sub-Funds

11.4. A Sub-Fund may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the Sub-Fund is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank.

11.5. The limit in 12.4 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

12. General Provisions

12.1. The Investment Manager, 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.

12.2. Each Sub-Fund may acquire no more than:

12.2.1. 10% of the non-voting shares of any single issuing body;

12.2.2. 10% of the debt securities of any single issuing body;

12.2.3. 25% of the units of any single CIS;

12.2.4. 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in 13.2.2, 13. 2.3 and 13.2.4 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.

12.3. 13.1 and 13.2 shall not be applicable to:

12.3.1. transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;

12.3.2. transferable securities and money market instruments issued or guaranteed by a non-Member State;

12.3.3. transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;

12.3.4. shares held by each Sub-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 each Sub-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 11.3 to 11.11, 13.1, 13.2, 13.4, 13.5 and 13.6 and provided that where these limits are exceeded, 13.5 and 13.6 are observed;

12.3.5. shares held by the Sub-Fund in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of shares at Shareholders' request exclusively on their behalf.

12.4. A Sub-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 their assets.

12.5. the Central Bank may allow recently authorised Sub-Funds to derogate from the provisions of 11.3 to 11.12,12.4 and 12.5 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

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

12.7. A Sub-Fund may not carry out uncovered sales of:

12.7.1. transferable securities;

12.7.2. money market instruments;

12.7.3. units of CIS; or

12.7.4. FDIs

12.8. A Sub-Fund may hold ancillary liquid assets.

12.9. It is intended that each Sub-Fund should have the power to avail of any change in the law, regulations or guidelines which would permit investment in assets and securities on a wider basis in accordance with the requirements of the Central Bank.

13. Financial Derivative Instruments

13.1. A Sub-Fund's global exposure relating to FDI must not exceed its total net asset value.

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

13.3. A Sub-Fund may invest in FDIs dealt in over the counter (**OTC**) provided that the counterparties to over-the-counter transactions are institutions, with legal personality, typically located in OECD jurisdictions, subject to prudential supervision and belonging to categories approved by the Central Bank.

13.4. Investments in FDIs are subject to the conditions and limits laid down by the Central Bank.

The Fund employs a risk management process in respect of each Sub-Fund which enables it to accurately measure, monitor and manage the various risks associated with FDI. A statement of this risk management process has been submitted to the Central Bank. The Fund will, on request, provide supplementary information to Shareholders relating to any risk management methods to be employed by the Fund in respect of any Sub-Fund, including the quantitative limits that are applied, and any recent developments in the risk and yield characteristics of the main categories of investments. Any FDI contemplated by this Prospectus but which are not included in the risk management process will not be utilised until such time as a revised risk management process has been provided to the Central Bank. The techniques and instruments to be used for each Sub-Fund, if any, will be set forth in the relevant Supplement.

14. Efficient Portfolio Management

The Fund may employ, without limit**,** investment techniques and instruments for efficient portfolio management of the assets of the Fund or of any Sub-Fund and for short term investment purposes under the conditions stipulated by the Central Bank under the Regulations and described below. Use of techniques and instruments which relate to transferable securities and money market instruments and which are used for the purposes of efficient portfolio management shall be understood as a reference to techniques and instruments which fulfil the following criteria:

14.1. They are economically appropriate in that they are realised in a cost effective way;

14.2. They are entered into for one or more of the following specific aims:

14.2.1. the reduction of risk;

14.2.2. the reduction of cost; or

14.2.3. the generation of additional capital or income for the Sub-Fund for a level of risk which is consistent with the risk profile of the Sub-Fund and the risk diversification rules set out in the Central Bank UCITS Regulations.

14.3. Their risks are adequately captured in the risk management process; and

14.4. They cannot result in a change to the Sub-Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

FDI used for efficient portfolio management must also comply with the Central Bank UCITS Regulations. Such FDI may comprise futures, forwards, options and swaps and their use may include hedging against market movements, currency exchange or interest rate risks in accordance with the investment policies of a Sub-Fund and under the conditions and within the limits stipulated by the Central Bank under the Regulations.

In respect of Hedged Share Classes it is expected that the extent to which the relevant currency exposure will be hedged will, subject to the requirements and conditions of the Central Bank, range from 95% to 105% of the Net Asset Value of the relevant Hedged Share Class. Over-hedged or under-hedged positions may arise due to factors outside the control of the relevant Sub-Fund. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed 105% of the Net Asset Value of the relevant Hedged Share Class. This review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward from month to month.

14.5 A Sub-Fund may also enter into repurchase/reverse repurchase ("**repo contracts**") and/or stock lending agreements in accordance with the requirements of the Central Bank. Repo contracts and securities lending transactions do not constitute borrowing for the purposes of the Regulations. The following applies to repo contracts and securities lending arrangements entered into in respect of Fund and reflects the requirements of the Central Bank and is subject to changes thereto:

(a) Repo contracts and securities lending may only be effected in accordance with normal market practice.

(b) The Fund must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.

(c) Where the Fund enters into repurchase agreements in respect of a Sub-Fund, the Fund must be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

(d) Where the Fund enters into reverse repurchase agreements in respect of a Sub-Fund, the Fund must be able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value. Fixed-term reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

The counterparty to a repo contract or securities lending arrangement must satisfy the relevant requirements of the Central Bank UCITS Regulations. Where the counterparty is subject to a credit rating by any agency registered and supervised by the European Securities and Markets Authority, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay.

Any revenues from efficient portfolio management techniques not received directly by the Fund in respect of a Sub-Fund, net of direct and indirect operational costs and fees (which do not include hidden revenue), will be returned to the Sub-Fund. The entities to which any direct and indirect costs and fees are paid will be disclosed in the periodic reports of the Fund and will indicate if these are parties related to the Fund or the Depositary. To the extent that the Fund engages in securities lending in respect of the Sub-Fund it may appoint a securities lending agent which may receive a fee in relation to its securities lending activities. Any such securities lending agent is not expected to be an affiliate of the Depositary or Investment Manager. Any operational costs arising from such securities lending activities shall be borne by the securities lending agent out of its fee.

Each Sub-Fund's exposure to securities financing transactions (total return swaps, repo contracts and securities lending arrangements) will be outlined in detail in the relevant Supplement.

14.6 Management of collateral for OTC FDI transactions and efficient portfolio management

For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

(a) Collateral obtained in respect of OTC FDI transactions and efficient portfolio management techniques ("Collateral"), such as a repo contract or securities lending arrangement, must comply with the following criteria:

(i) liquidity: Collateral (other than cash) should be transferable securities or money market instruments (of any maturity) which must be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations;

(ii) valuation: Collateral should be capable of being valued on a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to variation margin requirements;

(iii) issuer credit quality: Collateral should be of high quality;

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

(v) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Sub-Fund's Net Asset Value. When the Sub-Fund is exposed to different counterparties the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.

By way of derogation from this sub-paragraph, a Sub-Fund may be fully collateralised in any of the issuers listed in paragraph 10.12. Such a Sub-Fund will receive securities from at least six different issues and securities from any single issue will not account for more than 30% of the Sub-Fund's Net Asset Value; and

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

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

(b) Collateral must be held by the Depositary or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a third party Depositary which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.

(c) Non-cash Collateral cannot be sold, re-invested or pledged.

(d) Cash Collateral:

Cash received as Collateral may only be:

(i) placed on deposit, or invested in certificates of deposit, with Relevant Institutions;

(ii) invested in high quality government bonds;

(iii) used for the purpose of reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund can recall at any time the full amount of the cash on an accrued basis; and

(iv) invested in short term money market funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral set out above. The Fund must be satisfied, at all times, that any investment of cash Collateral will enable it to meet with its repayment obligations. Invested cash Collateral may not be placed on deposit with, or investment in securities issued by, the counterparty of related entity.

(e) The Fund has implemented a documented haircut policy in respect of each class of assets received as Collateral in respect of a Sub-Fund. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the stress testing policy. The value of any Collateral received by the Fund, adjusted in light of the haircut policy, shall equal or exceed, in value, at all times, the relevant counterparty exposure.

(f) The risk exposures to a counterparty arising from OTC FDI transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits set out in the section of the Prospectus entitled Investment Restrictions.

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

15. Risk Factors

The following risk factors may apply in respect of any investment in the Fund:

15.1. General

The investments of the Fund in securities are subject to normal market fluctuations and other risks inherent in investing in securities. The value of investments and the income from them, and therefore the value of, and income from, Shares relating to each Sub-Fund can go down as well as up and an investor may not get back the amount he invests. Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of investments to diminish or increase.

While the provisions of the Companies Act provide for segregated liability between Sub-Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Sub-Fund of the Fund may not be exposed to the liabilities of other Sub-Funds of the Fund. As at the date of this Prospectus, the Directors are not aware of any existing or contingent liability of any Sub-Fund of the Fund.

The Fund and the Investment Manager will not have control over the activities of any company or collective investment scheme invested in by a Sub-Fund. Managers of collective investment schemes and companies in which a Sub-Fund may invest may take undesirable tax positions, employ excessive leverage, or otherwise manage the collective investment schemes or be managed in a manner not anticipated by the Investment Manager.

There is no assurance that each Sub-Fund will achieve its investment objective.

15.2. Withholding tax

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

15.3. FATCA

The Fund will require Shareholders to certify information relating to their status for FATCA purposes and to provide other forms, documentation and information in relation to their FATCA status. The Fund may be unable to comply with its FATCA obligations if Shareholders do not provide the required certifications or information. In such circumstances, the Fund could become subject to US FATCA withholding tax in respect of its US source income if the US Internal Revenue Service specifically identified the Fund as being a 'non-participating financial institution' for FATCA purposes. Any such US FATCA withholding tax would negatively impact the financial performance of the Fund and all Shareholders may be adversely affected in such circumstances.

Your attention is drawn to the section "U.S. Foreign Account Tax Compliance Act" under "Taxation" below.

15.4. Foreign Taxes

The Fund may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The Fund may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The Fund may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the Fund obtains a repayment of foreign tax, the Net Asset Value of the Fund will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment.

15.5. Repurchase, Reverse Repurchase and stock lending transactions

A Sub-Fund may enter into repurchase, reverse repurchase and stock agreements subject to the conditions and limits set out in the Central Bank UCITS Regulations. If the other party to an agreement should default, the Sub-Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities or Collateral as the case may be held by the Sub-Fund in connection with the refuted repurchase agreement are less than the repurchase price. In addition, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or its failure to repurchase or return the securities as agreed, the Sub-Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement.

15.6. Currency risks

In circumstances where a Sub-Fund employs hedging techniques in respect of non-Base Currency denominated investments in order to seek to hedge the currency exchange risk back to the Base Currency, a risk remains that such hedging techniques may not always achieve the objective of seeking to limit losses and exchange rate risks. Performance may be strongly influenced by movements in currency exchange rates because currency positions held by the Sub-Fund may not correspond with the securities positions held. In the case of Unhedged Share Classes the value of the Share expressed in the Class currency will be subject to exchange rate rise in relation to Base Currency.

15.7. Hedged Share Classes

Hedged Share Classes utilise hedging strategies to seek to limit exposure to currency movements between a Sub-Fund's Base Currency, and the currency in which the Hedged Share Class is denominated.

Such hedging strategies may not completely eliminate exposure to such currency movements. There can be no guarantee that hedging strategies will be successful. Mismatches may result between a Sub-Fund's currency position and the Hedged Share Classes issued for that Sub-Fund.

The use of hedging strategies may substantially limit Hedged Share Class Shareholders from benefiting if the currency of the Hedged Share Class falls against the Sub-Fund's Base Currency. The costs of hedging and all gains/losses from hedging transactions (and the transactions themselves) are allocated solely to the relevant Hedged Share Class.

Investors should also note that the hedging of Hedged Share Classes is distinct from any hedging strategies that the Investment Manager may implement at Sub-Fund level (the risks associated with which are described under Currency risks above).

15.8. Market risks

The investment policy for each Sub-Fund describes the FDIs which may be entered into on behalf of the Sub-Fund. Pursuant to such policy, each Sub-Fund may also hold transferable securities and money market instruments as described in the relevant policy. In accordance with the terms of the FDI, the Sub-Fund should not ordinarily be exposed to the economic risk associated with such securities. However, in the event that the counterparty to a particular FDI defaults, the Sub-Fund may become exposed to the relevant securities' economic performance. To this extent and to the extent that a Sub-Fund holds transferable securities and money market instruments directly in accordance with its investment policy, investors should be aware of the risks (described below) associated with the types of securities which may be held by the Sub-Fund.

15.9. The Index or Reference Assets

Where a Sub-Fund seeks to track the performance of an Index or Reference Asset to which it relates it may not always do so with perfect accuracy. Tracking error may arise as a result of a number of factors including the structure of the FDI, costs associated with entering into, renewing, adjusting and closing out such FDI, any other fees or costs, or any cash or other assets held by the Sub-Fund.

Some Sub-Funds may seek to generate a return in line with the performance of an Index or other Reference Asset with performance history that may be less than a year. In deciding whether to subscribe for Shares in such Sub-Fund, prospective Shareholders have little or no performance record to evaluate the Index and Reference Asset returns prior to commencement of operations of the Sub-Fund. In any event there is no guarantee that the historic performance of any Index or Reference Asset will be tracked in the future.

The methodology to collect prices and to calculate the index value of some of the Indices or Reference Assets may be proprietary to the relevant index sponsor or other third parties.

The ability of a Sub-Fund which seeks to track the performance of the Index or Reference Asset to pursue its investment objective and policy is dependent upon the ongoing operation and availability of the Index or Reference Asset. Neither the Investment Manager nor the Fund is able to ensure the ongoing operation and availability of the relevant Index or Reference Asset. In the event that the Index or Reference Asset is disrupted or unavailable, the ability of the Sub-Fund to achieve the investment objective will become severely impaired or impossible. In the event that the Index or Reference Asset Index is permanently unavailable or discontinued, dealings in the Sub-Fund may be suspended (pending closure of the Sub-Fund).

15.10. Interest Rates

The values of fixed income securities held by a Sub-Fund, or to which a Sub-Fund's performance is exposed, will generally vary inversely with changes in interest rates and such variation may affect Share prices accordingly.

15.11. Issuer Risk

In relation to any securities held by a Sub-Fund, or to which a Sub-Fund's performance is exposed, the value of those securities may fall as well as rise, and there is no guarantee that historic performance will be repeated. A number of diverse and unrelated factors may cause the price of any securities to fall, including general economic and market conditions or political or social unrest. The value of any securities may not rise or fall in accordance with the general market, for example where the issuer of the securities in question is suffering or expected to suffer poor performance, or the industry or geographic location of the issuer is suffering or expected to suffer poor performance.

15.12. Real Estate Industry

A Sub-Fund may hold or be exposed to the performance of securities of companies principally engaged in the real estate industry. Such securities have specific risks associated with them. These risks include: the cyclical nature of real estate values, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, changes in zoning laws, casualty or condemnation losses, environmental risks, regulatory limitations on rents, changes in neighbourhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of a Sub-Fund.

15.13. Emerging Markets

A Sub-Fund may hold or be exposed to the performance of securities of issuers domiciled in emerging markets. In certain emerging countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed. Certain financial markets, while generally growing in volume, have, for the most part, substantially less volume than more developed markets, and securities of many companies may be less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations of certain of the Sub-Funds.

Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Sub-Fund may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

Settlement systems in emerging markets may be less well organised than in developed markets. Thus there may be a risk that settlement may be delayed and that cash or securities of the Sub-Funds may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security which is being purchased, or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (the "**Counterparty**") through whom the relevant transaction is effected might result in a loss being suffered by Sub-Funds investing in or exposed to the performance of emerging market securities. Where the Sub-Funds invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Sub-Funds which are traded in such markets and which have been entrusted to sub-custodians, in the circumstances where the use of such sub-custodians is necessary, may be exposed to risk in circumstances whereby the Depositary will have no liability.

Morgan Stanley & Co. International plc may be appointed as sub-custodian.

The Fund will seek, where possible, to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Sub-Fund will be successful in eliminating this risk for the Sub-Funds, particularly as Counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds.

Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Fund's claims in any of these events.

Investments in the Russian Federation are subject to certain heightened risks with regard to the ownership and custody of securities. In this country this is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depositary). No certificates representing ownership of such companies will be held by the Depositary or any of its local correspondents or in an effective central depository system. The ownership is not transferred to the buyer on trade date. Only upon the completion of the registration process is ownership passed on. Ownership is noted in the registrar's records and the records of the correspondent and can be confirmed and evidenced by the possession of an 'extract'. An extract demonstrates that a certain number of securities are recorded in the registrar's or correspondent's records as belonging to the owner at that point in time. As a result of this system and the lack of effective state regulation and enforcement, the Sub-Fund could lose its registration and ownership of such securities through fraud, negligence or even mere oversight. However, in recognition of such risks, the relevant correspondent to the Depositary has entered into agreements with company registrars and will only permit investment in those companies that have adequate registrar procedures in place. There is no single central securities depository in the Russian Federation established to manage the clearing, settlement and safekeeping of all securities. Furthermore, securities such as MinFin's bonds are settled by a given and the de-facto central depository. Neither the Depositary nor the correspondent is responsible for the potential default of the depository.

Other risks could include, by way of example, controls on foreign investment and limitations on the repatriation of capital and the exchange of local currencies, the impact on the economy as a result of religious or ethnic unrest.

If a Sub-Fund invests more than 20% in emerging markets then an investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

15.14. Depositary Receipts

A Sub-Fund may hold or be exposed to depositary receipts (ADRs, GDRs and EDRs). These are instruments that represent shares in companies trading outside the markets in which the depositary receipts are traded. Accordingly whilst the depositary receipts are traded on recognised exchanges, there may be other risks associated with such instruments to consider- for example the shares underlying the instruments may be subject to political, inflationary, exchange rate or custody risks.

15.15. Non-Investment Grade Securities

Certain Sub-Funds may hold or be exposed to the performance of fixed income securities rated below investment grade. Such securities may have greater price volatility, greater risk of loss of principal and interest, and greater default and liquidity risks, than more highly rated securities. **If a Sub-Fund invests more than 30% in these securities then an investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors**.

15.16. Use of FDIs

The Investment Manager will enter into FDI transactions on behalf of each Sub-Fund as a key component of the investment objective and policy. While the prudent use of FDIs may be beneficial, FDIs also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments.

The following is a general discussion of important risk factors and issues concerning the use of FDIs that investors should understand before investing in a Sub-Fund.

15.16.1. Market Risk

This is a general risk that applies to all investments, including FDIs, meaning that the value of a particular FDI may go down as well as up in response to changes in market factors. A Sub-Fund may also use FDIs to short exposure to some investments. Should the value of such investments increase rather than fall, the use of FDIs for shorting

purposes will have a negative effect on the Sub-Fund's value and in extreme market conditions may, theoretically, give rise to unlimited losses for the Sub-Fund. Should such extreme market conditions occur, investors could, in certain circumstances, therefore face minimal or no returns, or may even suffer a loss on their investment in that particular Sub-Fund.

15.16.2. Liquidity Risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a FDI transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Fund will only enter into OTC FDIs if it is allowed to liquidate such transactions at any time at fair value).

15.16.3. Counterparty Risk

The Sub-Funds may enter into transactions in OTC markets, which will expose the Sub-Funds to the credit risk of their counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Sub-Funds could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that these arrangements may be terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

15.16.4. Legal risk

There is a possibility that the agreements governing the derivative transactions may be terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. There is also a risk if such arrangements are not legally enforceable or if the derivative transactions are not documented correctly.

15.16.5. Other Risks

Other risks in using FDIs include the inability of FDIs to correlate perfectly with underlying securities, rates and indices. Many FDIs, in particular OTC FDIs, are complex and the valuation can only be provided by a limited number of market professionals who often are acting as counterparties to the transaction to be valued.

FDIs do not always perfectly or even highly correlate to or track the value of the securities, rates or indices they are designed to track. Consequently, a Sub-Fund's use of FDI techniques may not always be an effective means of following a Sub-Fund's investment objective.

15.17. Swaps

Swaps are entered into in an attempt to obtain a particular return without the need to actually purchase the reference asset. Swaps can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swaps may increase or decrease the Sub-Fund's exposure to long-term or short-term interest rates, currency values, commodities, indices, or other factors such as security prices, baskets of securities, or inflation rates. Depending on how they are used, swaps may increase or decrease the overall volatility of the Sub-Fund's Net Asset Value. Swaps may embed an agreed fee or rate of return for the counterparty.

Most swaps entered into by a Sub-Fund would require the calculation of the obligations of the parties to the agreements on a "net basis". Consequently, a Sub-Fund's current obligations (or rights) under a swap generally will be equal only to the net amount to be paid or received under the agreement based on the relative values of the positions held by each party to the agreement (the "**net amount**"). The risk of loss with respect to swaps is limited to the net amount of payments that the Sub-Fund is contractually obligated to make. If the other party to a swap defaults, a Sub-Fund's risk of loss consists of any margin or the net amount of payments that the Sub-Fund is contractually entitled to receive if uncollateralised.

15.18. Regulatory Oversight

The financial services industry generally, and investment managers in particular, has been subject to intense and increasing regulatory scrutiny. This scrutiny is expected to result in changes to the regulatory environment in which the Fund and any investment manager appointed to it operate and to impose administrative burdens on investment managers, including, without limitation, the requirement to interact with various governmental and regulatory authorities and to consider and implement new policies and procedures in response to regulatory changes. Such changes and burdens will divert such investment managers' time, attention and resources from portfolio management activities.

15.19. Systems Risks

The Fund depends on the investment managers to develop and implement appropriate systems for the Fund's activities. The Fund relies extensively on computer programs and systems to trade, clear and settle securities transactions, to evaluate certain securities based on real-time trading information, to monitor its portfolios and net capital and to generate risk management and other reports that are critical to the oversight of the Fund's activities. In addition, certain of the Fund's and its investment managers' operations interface with or depend on systems operated by third parties, including Morgan Stanley & Co. International plc, market counterparties and their sub-custodians and other service providers and the investment managers may not be in a position to verify the risks or reliability of such third-party systems. Those programs or systems may be subject to certain defects, failures or interruptions, including, without limitation, those caused by computer "worms", viruses and power failures. Any such defect or failure could have a material adverse effect on the Fund and its Sub-Funds. For example, such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the investment managers' ability to monitor their investment portfolios and their risks.

15.20. Operational Risk

The Fund depends on its investment managers to develop the appropriate systems and procedures to control operational risk. Operational risks arising from mistakes made in the confirmation and settlement of transactions, from transactions not being properly booked, evaluated or accounted for or other similar disruption in the Fund's operations may cause the Fund and its Sub-Funds to suffer financial loss, the disruption of their business, liability to clients or third parties, regulatory intervention or reputational damage. The investment managers' businesses are highly dependent on their ability to process, on a daily basis, transactions across numerous and diverse markets. Consequently, the Fund and its Sub-Funds depends heavily on the investment managers' financial, accounting and other data processing systems. The ability of those systems to accommodate an increasing volume of transactions could also constrain a Sub-Fund's ability to manage its portfolio.

15.21. Misconduct of Employees and of Third Party Service Providers

Misconduct by employees or by third party service providers could cause significant losses to the Fund. Employee misconduct may include binding the Fund and/or its Sub-Funds to transactions that exceed authorized limits or present unacceptable risks and unauthorized trading activities or concealing unsuccessful trading activities (which, in either case, may result in unknown and unmanaged risks or losses). Losses could also result from actions by third party service providers, including without limitation, failing to recognize trades and misappropriating assets. In addition, employees and third party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Fund's and/or its Sub-Funds' business prospects or future marketing activities. Although any investment managers appointed to the Fund or any of its Sub-Funds will adopt measures to prevent and detect employee misconduct and to select reliable third party service providers, such measures may not be effective in all cases.

15.22. Competition; Availability of Investments

Certain markets in which the Fund and its Sub-Funds may invest are extremely competitive for attractive investment opportunities and as a result there may be reduced expected investment returns. The Fund and its Sub-Funds will compete with a number of other participants who may have capital in excess of the funds available to the Fund and its Sub-Funds. There can be no assurance that an investment manager will be able to identify or successfully pursue attractive investment opportunities in such environments.

15.23. Litigation

With regard to certain of the Fund's or its Sub-Funds' investments, it is a possibility that an investment manager and/or a Sub-Fund may be plaintiffs or defendants in civil proceedings. The expense of prosecuting claims, for which there is no guarantee of success, and/or the expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would generally be borne by the Sub-Fund and would reduce net assets or may, pursuant to applicable law, require investors to return to the Sub-Fund distributed capital and profits.

15.24. Directorships on Boards of Portfolio Companies

The Fund's investment managers and/or their affiliates or designees may serve as directors of, or in a similar capacity with, portfolio companies, the securities of which are purchased or sold on or behalf of the Fund or its Sub-Funds. In the event that material non-public information is obtained with respect to such portfolio companies or a Sub-Fund becomes subject to trading restrictions pursuant to the internal trading policies of such portfolio companies or as a result of applicable law or regulations, a Sub-Fund may be prohibited for a period of time from purchasing or selling the securities of such portfolio companies, which prohibition may have an adverse effect on the Sub-Fund.

15.25. Proxy Contests and Unfriendly Transactions

A Sub-Fund may purchase securities of a company which is the subject of a proxy contest (or may initiate such a proxy contest) in the expectation that existing management can be convinced to or new management will be able to improve the company's performance or effect a sale or liquidation of its assets so that the price of the company's securities will increase. If such efforts fail, the market price of a company's securities will typically fall, which may cause the Sub-Fund to suffer a loss.

In addition, where any such action is opposed by the subject company's management, litigation can be expected to ensue. Such litigation involves substantial uncertainties as to outcome and may impose substantial cost and expense on the company and on the other participants in the litigation, including if applicable the Sub-Fund.

15.26. Debt Securities Generally

A Sub-Fund may have exposure to debt securities that are unrated, and whether or not rated, the debt investments may have speculative characteristics. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. Such investments are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions. In addition, an economic recession could severely disrupt the market for most of these securities and may have an adverse impact on the value of such investments. It is also likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

15.27. Convertible Securities

Convertible securities are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock or other securities of the same or a different issuer within a particular period of time at a specified price or formula. A convertible security entitles its holder to receive

interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities; (ii) are less subject to fluctuation in value than the underlying common stock or other security due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock or other security increases.

The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth at market value if converted into the underlying common stock or other security). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have convertible security's investment value. The conversion value of a convertible security is determined by the market price of the underlying security. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying security approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying security while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

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. If a convertible security held by a Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security, convert it into the underlying security or sell it to a third party. Any of these actions could have an adverse effect on the Sub-Fund's ability to achieve its investment objective.

15.28. High Yield Securities

A Sub-Fund may invest in high yield securities. Such securities are generally not exchange traded and as a result these instruments trade in the over-the-counter marketplace, which is less transparent than the exchange-traded marketplace (although it is a permitted market for UCITS such as the Fund). In addition, a Sub-Fund may invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments. High yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payment obligations. The market value of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

15.29. Regulatory Limits

"Position limits" imposed by various regulators may limit a Sub-Fund's ability to effect desired trades. Position limits are the maximum amount of gross, net long or net short positions that any one person or entity may own or control in a particular financial instrument. All positions owned or controlled by the same person or entity, even if in different funds or accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. Thus, even if a Sub-Fund does not intend to exceed applicable position limits, it is possible that other funds or accounts managed by an investment manager or their affiliates may be aggregated, with a corresponding restriction on the investment activities of the Sub-Fund (which may be significant). If at any time the positions managed by an investment manager were to exceed applicable position limits, the investment manager would be required to liquidate positions, which might include positions of the Sub-Fund, to the extent necessary to

come within those limits. Further, to avoid exceeding the position limits, the Sub-Fund might have to forego or modify certain of its contemplated trades.

15.30. Limits Due to Regulatory Requirements

A Sub-Fund may seek to acquire a significant stake in certain financial instruments. In the event such stake exceeds certain percentage or value limits, the Sub-Fund may be required to file a notification with one or more governmental agencies or comply with other regulatory requirements. In addition, all positions owned or controlled by the same person or entity, even if in different funds or accounts, may be aggregated for purposes of determining whether the applicable limits have been reached. Certain notice filings are subject to review that require a delay in the acquisition of the financial instrument. Compliance with such filing and other requirements may result in additional costs to the Sub-Fund, and may delay the Sub-Fund's ability to respond in a timely manner to changes in the markets with respect to such financial instruments. As a result of these requirements, it is possible that the Sub-Fund will not pursue investment opportunities to the extent such pursuit would require the Sub-Fund to be subject to these requirements.

15.31. Capital Protection

The value of or return on Shares may be fully or partially protected. In certain circumstances, such protection may not apply. Shareholders may be required to hold their Shares until a specified maturity in order fully to realise the maximum protection available. Shareholders should read the terms of any protection with great care. Specifically, it should be noted that, unless otherwise expressly provided, it is unlikely that protection levels will be based on the price at which Shareholders may purchase the Shares in the secondary market (if any).

Further details of any additional risk factors which are applicable to a particular Sub-Fund may be set out in the relevant Supplement. The risk factors set out in this Prospectus do not purport to be an exhaustive or complete explanation of all the risks. Investors should seek professional advice before investing.

15.32. Valuation Risk

The Articles provide that the method of calculating the value of any investments listed or dealt in on a market shall be the last traded price, or if unavailable, the closing mid-market price on the relevant market at the relevant Valuation Point. Where an investment is valued at last traded price and there are subscriptions on repurchases on such Dealing Day, the difference between the last traded price and mid market price of an investment may adversely affect the value of underlying assets of the relevant Sub-Fund.

15.33. Cyber Security Risk

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

other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

15.34. Collection Account Risk

The Fund operates subscription and redemption accounts at umbrella level in the name of the Fund, the Collection Account. Monies in the Collection Account, including subscription monies received in respect of the relevant Sub-Fund prior to the allotment of Shares, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers. Subscription and redemption accounts will not be established at a Sub-Fund level. All subscription and redemption monies and dividends or cash distributions payable to or from the Sub-Funds will be channelled and managed through the Collection Account.

Subscriptions monies received in respect of a Sub-Fund in advance of the issue of Shares will be held in the Collection Account in the name of the Fund and will be treated as a general asset of the Fund. Investors will be unsecured creditors of the Fund with respect to any cash amount subscribed and held by the Fund in the Collection Account until such time as the Shares subscribed are issued, and will not benefit from any appreciation in the Net Asset Value of the relevant Sub-Fund in respect of which the subscription request was made or any other shareholder rights (including dividend entitlement) until such time as the relevant Shares are issued. In the event of the insolvency of that Sub-Fund or the Fund, there is no guarantee that the Sub-Fund or Fund will have sufficient funds to pay unsecured creditors in full.

Payment by a Sub-Fund of redemption proceeds and dividends is subject to receipt by the Fund or its delegate, the Administrator, of original subscription documents and compliance with all anti-money laundering procedures. Payment of redemption proceeds or dividends to the Shareholders entitled to such amounts may accordingly be blocked pending compliance with the foregoing requirements to the satisfaction of the Fund or its delegate, the Administrator. Redemption and distribution amounts, including blocked redemption or distribution amounts, will, pending payment to the relevant investor or Shareholder, be held in the Collection Account in the name of the Fund. For as long as such amounts are held in the Collection Account, the investors / Shareholders entitled to such payments from a Sub-Fund will be unsecured creditors of the Fund with respect to those amounts and, with respect to and to the extent of their interest in such amounts, will not benefit from any appreciation in the Net Asset Value of the relevant Sub-Fund or any other Shareholder rights (including further dividend entitlement). Redeeming Shareholders will cease to be Shareholders with regard to the redeemed Shares as and from the relevant redemption date. In the event of the insolvency of that Sub-Fund or the Fund, there is no guarantee that the Sub-Fund or the Fund will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should therefore ensure that any outstanding documentation and/or information required in order for them to receive such payments to their own account is provided to the Fund or its delegate, the Administrator, promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of a Sub-Fund, recovery of any amounts to which other Sub-Funds are entitled, but which may have inadvertently transferred to the insolvent Sub-Fund as a result of the operation of the Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Sub-Fund may have insufficient funds to repay amounts due to other Sub-Funds.

The Fund will operate the Collection Account in accordance with the provisions of the Articles.

16. Dividend Policy

The dividend arrangements relating to each Sub-Fund will be decided by the Directors at the time of the creation of the relevant Sub-Fund and details of such arrangements will be set out in the relevant Supplement.

Under the Articles, the Directors are entitled to pay such dividends on any class of Shares at such times as they

think appropriate and as appear to be justified out of the profits of the relevant Sub-Fund, being (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends earned by the relevant Sub-Fund) less expenses and/or (ii) realised and unrealised gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated losses of the relevant Sub-Fund, provided in each case that dividends may only be paid out of funds available for the purpose which may be lawfully distributed.

The Fund will be obliged and entitled to deduct an amount in respect of Irish tax from any dividend payable to any investor who is, or is deemed to be, or is acting on behalf of, an Irish Taxable Person and to pay such amount to the Revenue Commissioners in Ireland.

Dividends not claimed within six years from their due date will lapse and revert to the relevant Sub-Fund. Dividends payable in cash to Shareholders will be paid by electronic transfer at the expense of the payee. Dividends payable to any investor who has failed to provide satisfactory evidence of their identity in accordance with the Administrator's anti-money laundering procedures will be automatically re-invested notwithstanding any election to the contrary by such investor.

17. Applications for Shares

17.1. Issue of Shares

After the initial issue, Shares of all classes will be issued at a price corresponding to the Net Asset Value per Share of the relevant class. The Net Asset Value per Share of each class in each Sub-Fund will be published in its respective currency. Details of the Minimum Initial Subscriptions for each Sub-Fund and any subscription charges are set out in the Supplements.

Initial applications for Shares must be made in writing to the Administrator using a signed Application Form. Applications will be subject to an investor satisfying all applicable anti-money laundering and client identification checks. This will require the applicant to provide original identification documents, or certified copies thereof, to the Administrator. Subsequent applications may be made in writing by fax or by any other form of electronic communication provided that all ongoing anti-money laundering and client identification checks are complete. The Administrator, the Fund and any distributor of the Fund (on its own behalf and as agent of the Fund) shall be held harmless and indemnified against any loss arising as a result of a failure to process the application if such information has been required by the any of them has not been provided.

The Directors reserve the right to reject in whole or part any transaction in shares and monies received by the Fund for a rejected subscription will be returned without interest and at the risk of the investor. The Fund, the Directors, any distributor of the Fund (on its own behalf and as agent of the Fund) and the Administrator shall be held harmless and indemnified against any loss arising from the rejection of an application.

Joint applicants must each sign the Application Form unless an acceptable power of attorney or other written authority is provided.

A sub-distributor may impose different procedures and time limits (which may be earlier than those set out in the relevant Supplement to facilitate such sub-distributors forwarding such application to the Fund) if applications for Shares are made through them. Applicants should note that they may be unable to purchase Shares through a sub-distributor on days that such sub-distributor is not open for business.

It is intended that Shares will be issued on the Dealing Day for which an application is received in good standing by the relevant Dealing Deadline.

Any applications received by the Administrator after the Dealing Deadline for the relevant Dealing Day will ordinarily be processed on the next Dealing Day based on the Net Asset Value per Share calculated for the next Dealing Day. However, the Directors may, in their discretion, in exceptional circumstances only, permit applications received after the Dealing Deadline but before the Valuation Point for any particular Dealing Day, to be processed on that Dealing Day. The Directors may not be able to exercise the discretion in all circumstances, for example where applications for Shares are made via dealing platforms or other electronic means. In such

cases, applications received after the Dealing Deadline may be rejected. Investors making applications via dealing platforms or other electronic means are reminded that they must refer to the provider of the dealing platform or electronic means for the procedures that apply to such trading arrangements.

The Directors may restrict or prevent the ownership of Shares by any person, firm or corporate body, if in the opinion of the Directors such holding may be detrimental to the Fund, if it may result in a breach of any law or regulation, whether Irish or foreign, or if as a result thereof the Fund may become exposed to tax disadvantages or other financial disadvantages that it would not have otherwise incurred (such persons, firms or corporate bodies to be determined by the Directors being herein referred to as **Prohibited Persons**). In particular, the Directors have resolved to prevent the ownership of Shares by any US Person other than pursuant to a transaction which does not violate US securities laws.

The Directors retain the right to offer only one class of Shares for purchase by investors in any particular jurisdiction in order to conform to local law, custom or business practice.

The Directors may at their discretion issue Shares as consideration for a contribution in kind of securities and/or other assets, provided it is in compliance with the investment objective, policies and restrictions and the relevant Sub-Fund and in compliance with any conditions set forth by the Regulations and Irish law. The transaction costs incurred in connection with the acceptance by the Directors of an in kind subscription will be borne directly by the incoming Shareholder. The investments forming the in kind subscription will be valued in accordance with the valuation rules described below and the requirements of the Regulations. The value so determined, together with the Net Asset Value calculated for the Shares concerned in the relevant Sub-Fund, will determine the number of Shares to be issued to the incoming Shareholder. The purpose of the foregoing policy is to ensure that the existing Shareholders in a Sub-Fund do not bear the transaction costs of acquiring additional assets for a large incoming Shareholder.

If the Directors determine that it would be detrimental to the existing Shareholders to accept a cash application for Shares of any Sub-Fund which represents more than 10% of the Net Asset Value of such Sub-Fund, the Directors may decide that all or part of the application for Shares in excess of 10% be deferred until the next Dealing Day. If the Directors decide to defer all or part of the application in excess of 10% the applicant shall be informed prior to the deferral taking place.

17.2. **Collection Account**

Subscriptions monies received in respect of a Sub-Fund in advance of the issue of Shares may be held in a Collection Account in the name of the Fund. Shareholders should refer to the risk statement **Collection Account Risk** in the section of this Prospectus headed **Risk Factors** for an understanding of their position vis-a-vis monies held in a Collection Account.

17.3. **Payment Procedure**

Applicants for any Shares must make payment in the currency in which the Share Class into which the investor is subscribing is denominated. Unless prior arrangements have been made, applicants must make payment in cleared funds to be received by the Settlement Date for the relevant Dealing Day in order to receive the Net Asset Value per Share applicable to that day.

If timely settlement is not made (or a completed Application Form is not received for an initial subscription), at the discretion of the Directors (a) the relevant allotment of Shares may be cancelled and an applicant may be required to compensate the relevant Sub-Fund or (b) the Fund may charge the applicant interest at a reasonable rate or (c) the applicant may be required to compensate the relevant Sub-Fund for any loss suffered by it and such compensation may be, for example, deducted from dividends payable to the applicant in relation to the Shares allotted to him. If payment is received in respect of any application after the Settlement Date, the Directors may at their discretion consider the application as being an application for Shares on the relevant Dealing Day.

17.4. **Form of Shares**

Shares will be issued in registered form and the share register is conclusive evidence of ownership. Contract notes providing details of the trade will normally be issued within three Business Days of the relevant Dealing Day. No share certificates will be issued. Statements will be issued to each Shareholder on a monthly basis confirming ownership, that the Shareholder is entered in the Fund's share register and the number of Shares which he/she is credited with in the share register in respect of each Sub-Fund. Contract notes and statements will be sent to applicants by ordinary post or by fax, electronic or other means. It is recommended that applicants check contract notes on receipt as processed transactions will only be changed at the discretion of the Directors and if the Directors deem it is appropriate, at the cost of the applicant.

Applicants are allocated a Shareholder number on acceptance of their application and this together with the Shareholder's details are proof of identity. Details of their Shareholder number will be contained in the contract note issued by the Administrator after the transaction has been processed. This Shareholder number should be used for all future dealings by the Shareholder with the Fund or the Administrator.

Any changes for example to the Shareholder's details or loss of Shareholder number must be notified immediately to the Administrator in writing. Failure to do so may result in delay upon repurchase. The Fund reserves the right to require an indemnity or verification countersigned by a bank, stockbroker or other party acceptable to it before accepting such instructions.

If any application is not accepted in whole or in part the application monies or the balance outstanding will be returned to the applicant by post or bank transfer at the applicant's risk.

17.5. **General Provisions**

The Directors reserve the right to reject any application or to accept the application in part only. Furthermore, the Directors reserve the right at any time, without notice, to discontinue the issue and sale of Shares of any Sub-Fund of the Fund.

No Shares will be issued during any period when the calculation of the Net Asset Value per Share of the relevant Sub-Fund is suspended pursuant to the Articles and as discussed herein under **Suspension of Calculation of Net Asset Value**.

Notice of any such suspension will be given to applicants for Shares and applications made or pending during such suspension may be withdrawn by notice in writing received by the Fund prior to the end of such suspension. Applications which are not withdrawn will be considered on the first Dealing Day following the end of the suspension period.

Measures provided for in the Criminal Justice Act, 2013 (as may be amended and supplemented from time to time) which are aimed towards the prevention of money laundering may require detailed verification of each applicant's identity, the identity of the beneficial owners of the applicant, the source of funds used to subscribe for Shares or other additional information which may be requested from an applicant or Shareholder from time to time; for example an individual may be required to produce an original or duly certified copy of his passport or identification card together with evidence of his address such as a utility bill or bank statement and his date of birth. In the case of corporate applicants this may require production of an original or duly certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent) and the names, occupations, dates of birth and residential and business address of the directors of the company. Original documents, or duly certified copies, will be required in all circumstances.

Depending on the circumstances of each application, a detailed verification may not be required where; (a) the application is made through a recognised intermediary, (b) investment is made by a recognised intermediary or financial institution, or (c) in any other circumstances where an exception can be applied in accordance with applicable anti-money laundering and criminal justice law and regulation. These exceptions will only apply in certain circumstances if the financial institution or intermediary referred to above is located in a country which has equivalent anti money laundering legislation to that in place in Ireland. Applicants may contact the Distributor in order to determine whether they meet the above exceptions.

The Administrator and the Distributor reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to accept the application and subscription monies, may refuse to settle redemption payments and will automatically re-invest any dividends. If an application for Shares is rejected, the Administrator will, at the cost and risk of the applicant and subject to any applicable laws, return subscription monies, or the balance thereof, to the account from which they had originally been received (minus any handling charge incurred in any such return) as soon as reasonably practicable by electronic transfer (but without interest, cost or compensation). Subscription monies will only be returned if such return is permissable under Irish money laundering and counter terrorist financing laws. None of the Fund, the Directors or the Administrator shall be liable to the applicant where an application for Shares is rejected in such circumstances.

Activities which may adversely affect the interests of a Sub-Fund's Shareholders, for example the use of market timing investment strategies by Shareholders, are not permitted. Such strategies can disrupt the management of a Sub-Fund, negatively affect its performance and increase expenses. The Directors may, in their discretion, if they deem such activities adversely affect the interests of the Fund's Shareholders, take action as appropriate to deter such activities.

The Directors may, if they deem it to be appropriate and in the interests of Shareholders reserve the right to refuse any application for exchange and/or subscription for Shares from Shareholders whom they consider to be associated with market timing activity at any time for any reason without prior notice. In this connection the Directors may instruct the Administrator to combine Shares which are under common ownership or control for the purposes of ascertaining whether Shareholders can be deemed to be involved in such activities. In addition the Directors reserve the right to require any Shareholder to redeem all Shares in the any Sub-Fund where they are of the opinion that the Shareholder's trading in that Sub-Fund is designed to take advantage of short term market movements.

18. Repurchase of Shares

Shareholders wishing to have all or some of their Shares repurchased by the Fund may make an application for repurchase by submitting the duly completed repurchase form to the Administrator in writing by fax or by any other form of electronic communication provided that payment shall be made to the account on record (any changes to the account on record may only be made upon receipt of original written instructions). Applications must include details of the name of the Sub-Fund, class of Share, the number of Shares or the amount the Shareholder wishes to have repurchased, the Shareholder's details, the Shareholder's account number and any other information required by the repurchase form. Failure to provide any of this information may result in delay of the application for repurchase whilst verification (which may be requested in writing) is sought from the Shareholder. Applications for repurchase should be posted or sent by facsimile to the Administrator, or by any other form of electronic communication. Such applications may not be accepted and proceeds of repurchase will not be paid unless the signed Application has been received and the initial anti-money laundering or client identification checks have been completed in full. Any such blocked payments will be held in a Collection Account pending receipt, to the satisfaction of the Administrator, of the requisite documentation and/or information. None of the Fund, the Directors or the Administrator shall be liable to the Shareholder where the payment of redemption proceeds is delayed in such circumstances. Shareholders should refer to the risk statement **Collection Account Risk** in the section of this Prospectus headed **Risk Factors** for an understanding of their position vis-a-vis monies held in a Collection Account.

Such applications for repurchase will be considered as binding and irrevocable by the Fund. Written confirmations may be required by the Fund and must be duly signed by all registered holders, unless in the case of joint registered holders, each such holder has sole signing authority.

Applications received after the relevant Dealing Deadline for the relevant Dealing Day will ordinarily be processed on the next Dealing Day based on the Net Asset Value per Share calculated on the next Dealing Day. However, the Directors may permit, in their discretion, in exceptional circumstances only, applications received after the Dealing Deadline but before the Valuation Point for any particular Dealing Day, to be processed as at that Dealing Day based on the Net Asset Value per Share calculated on that Dealing Day. The Directors may not be able to exercise this discretion in all circumstances, for example where applications for repurchase of Shares are made

via dealing platforms or other electronic means. In such cases, applications received after the Dealing Deadline may be rejected. Shareholders making applications for repurchase via dealing platforms or other electronic means are reminded that they must refer to the provider of the dealing platform or electronic means for the procedures that apply to such trading arrangements.

A sub-distributor may impose different procedures and time limits (which may be earlier than those set out in the relevant Supplement to facilitate such sub-distributors forwarding such applications to the Fund) if applications for Share repurchases are made through them. Applicants should note that they may be unable to repurchase Shares through a sub-distributor on days that such sub-distributor is not open for business.

The applicant will be notified of the repurchase proceeds as soon as reasonably practicable after determination of the Net Asset Value. Shareholders are reminded that the repurchase proceeds can be higher or lower than the initial subscription amount.

If total requests for repurchase on any Dealing Day for a Sub-Fund exceed 10% of the total number of Shares in the Sub-Fund or 10% of the Net Asset Value of the Sub-Fund, the Directors may in their discretion refuse to redeem any Shares in excess of 10%. Any request for repurchase on such Dealing Day shall be reduced rateably and the repurchase requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been repurchased.

Alternatively, where repurchase requests would result in 5% or more of the Net Asset Value of Shares of any Sub-Fund being repurchased on any Dealing Day, or less than 5% with the consent of the Shareholder, the Directors may satisfy the repurchase request in whole or in part by an in-kind distribution of securities of the relevant Sub-Fund in lieu of cash. Asset allocation is subject to the approval of the Depositary. The Shareholder may require that the Fund, instead of transferring those assets, arrange for their sale and the payment of the net proceeds of sale, less any duties and charges, to that Shareholder. Shareholders who receive securities in lieu of cash upon repurchase should note that they may incur brokerage and/or local tax charges on the sale of the securities. In addition, the net proceeds from the sale by the repurchasing Shareholder of the securities may be more or less than the repurchase price due to market conditions and/or the difference between the prices used to calculate the Net Asset Value and bid prices received on the sale of the securities.

18.1. **Collection Account**

Cash redemption proceeds may, pending payment to the relevant Shareholder, be held in a Collection Account in the name of the Fund. Shareholders should refer to the risk statement Collection Account Risk in the section of this Prospectus headed Risk Factors for an understanding of their position vis-a-vis monies held in any such account.

18.2. **Other Limits on Repurchase**

Shareholders may ask for the repurchase of all or part of their Shares of any class. However, the Fund is not bound to comply with a request for repurchase of Shares (i) if such request relates to a part of a holding which consists of Shares having a value of less than the Minimum Repurchase Amount or (ii) if after repurchase the holder would be left with a balance of Shares having a value of less than the Minimum Holding for that class in which case the Fund may treat the request as a request for the repurchase of all, if applicable, of the Shareholder's Shares of that class.

18.3. **Temporary Suspension of Repurchase**

The right of any Shareholder to require the repurchase of the Shares of the Fund will be suspended during any period when the calculation of the Net Asset Value per Share of the relevant class is suspended by the Directors pursuant to the powers set out under the heading **Suspension of Calculation of Net Asset Value**. Notice of such suspension period will be given to any Shareholder tendering Shares for repurchase. The Shares in question will be repurchased on the first Dealing Day following the end of the suspension period.

If a period of suspension lasts for more than one calendar month after the date of an application for repurchase,

the application may be cancelled by the Shareholder by notice in writing to the Administrator provided that the notice is received by the Administrator prior to the relevant Dealing Deadline on the last Business Day of the suspension period.

18.4. **Compulsory Repurchase**

If (i) the Net Asset Value of any Sub-Fund on a given Dealing Day shall become at any time less than US$25,000,000 or the equivalent in the currency of the relevant Sub-Fund (or such other amount as may be specified in the Supplement relating to a specific Sub-Fund); or (ii) notice has been received or issued in relation to the termination of the appointment of the Investment Manager of the Sub-Fund (or such termination has otherwise occurred or is pending), the Directors may, at their discretion, repurchase all but not less than all of the Shares of the applicable Sub-Fund) then outstanding at the repurchase price calculated on the Expiration Date (as hereinafter defined). However, the Fund must (i) provide four weeks' written notice of repurchase to all Shareholders of the classes of Shares to be repurchased, such notice expiring on the date stated in the notice (the **Expiration Date**) and (ii) repurchase such Shares within four weeks following such Expiration Date. Shareholders shall be notified in writing of any such repurchase.

If it shall come to the attention of the Directors at any time that Shares are beneficially owned by or on behalf of a Prohibited Person, either alone or in conjunction with any other person, and the Prohibited Person fails to comply with the direction of the Fund to sell his Shares and to provide the Directors with evidence of such sale within twenty one days of being so directed by the Directors, the Directors may in their discretion compulsorily repurchase such Shares in accordance with the Articles. Immediately after the close of business specified in the notice given by the Fund to the Prohibited Person of such compulsory repurchase, the Shares will be repurchased and such investor will cease to be the owner of such Shares. The Fund may require any Shareholder or prospective Shareholder to furnish it with any information which it may consider necessary for the purpose of determining whether or not the beneficial owner of such Shares is or will be a Prohibited Person. In particular, the Fund may require the Shareholder or prospective Shareholder to provide the Fund with information as to whether such person is a U.S. Person.

19. Exchange of Shares

Shareholders will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any class of one Sub-Fund (the "**Original Class**") for Shares where appropriate of the same class in a separate Sub-Fund which is being offered at that time (the "**New Class**") provided that all the criteria for applying for Shares in the New Class have been met, by giving notice to the Administrator on behalf of the Fund on or prior to the Dealing Deadline for the relevant Valuation Point. The Directors, however, may at their sole discretion, in exceptional circumstances only, agree to accept requests for exchange received after that time provided they are received prior to the relevant Valuation Point. The Directors may not be able to exercise this discretion in all circumstances, for example where requests for exchanges of Shares are made via dealing platforms or other electronic means. In such cases, requests for exchange received after the Dealing Deadline may be rejected. Shareholders making requests for exchanges via dealing platforms or other electronic means are reminded that they must refer to the provider of the dealing platform or electronic means for the procedures that apply to such trading arrangements.

The general provisions and procedures relating to repurchases will apply equally to exchanges. All exchanges will be treated as a repurchase of the Shares of the Original Class and application of the net proceeds to the purchase of Shares of the New Class, based upon the then current issue and repurchase prices of Shares in each Sub-Fund. The Articles allow for an exchange fee of up to 3% of the total repurchase price of the Shares of the Original Class repurchased to be charged, and the Directors, in their sole discretion, reserve the right to impose such fee within this limit as shall be set out in the Supplement in respect of each Sub-Fund.

The number of Shares of the New Class to be issued will be calculated in accordance with the following formula:

$$S = \frac{[R \times (RP \times ER)] - F}{SP}$$

where:

R = the number of Shares of the Original Class to be exchanged;

S = the number of Shares of the New Class to be issued;

RP = the repurchase price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;

ER = in the case of an exchange of Shares designated in the same Base Currency is 1. In any other case, it is the currency conversion factor determined by the Directors on or about the Valuation Point for the relevant Dealing Day as representing the prevailing rate of exchange applicable to the transfer of assets relating to the Original and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;

SP = the issue price per Share of the New Class as at the Valuation Point for the relevant Dealing Day; and

F = the exchange charge, if any payable to the Fund, or as it may direct, on the exchange of Shares.

Where there is an exchange of Shares, Shares of the New Class will be allotted and issued in respect of and in proportion to the Shares of the Original Class in the proportion S to R.

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

When requesting the exchange of Shares as an initial investment in a Sub-Fund, Shareholders should ensure that the value of the Shares exchanged is equal to or exceeds the Minimum Initial Subscription for the relevant New Class specified in the relevant Supplement. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Holding for the Original Class.

The Administrator will arrange for any necessary currency transaction required if there is an exchange of Shares of any class of a Sub-Fund for Shares of the same class in another Sub-Fund which are denominated in a different currency. Any such currency transaction may be effected with the Depositary or the Distributor and will be at the applicant's cost. Currency exchange transactions may delay any dealing in Shares as the Administrator may choose at its option to delay executing any foreign exchange transaction until cleared funds have been received.

20. Issue and Repurchase Prices / Calculation of Net Asset Value / Valuation of Assets

The initial issue price for Shares of each Sub-Fund shall be the amount(s) set out in the Supplements.

The price at which Shares of any Sub-Fund will be issued on a Dealing Day, after the initial issue, is calculated by ascertaining the Net Asset Value of the relevant Sub-Fund (i.e. the value of the assets of the Sub-Fund having deducted the liabilities of the Sub-Fund therefrom) as at the Valuation Point for that Sub-Fund for the relevant Dealing Day. The Net Asset Value per Share of the relevant Sub-Fund is calculated by dividing the Net Asset Value of the relevant Sub-Fund, by the total number of Shares in issue in the Sub-Fund at the relevant Valuation Point and rounding the result to three decimal places. Where applicable, the Net Asset Value per Share of each class in a Sub-Fund is calculated by determining that portion of the Net Asset Value of the Sub-Fund which is attributable to the relevant class and by dividing this sum by the total number of Shares of the relevant class in issue at the relevant Valuation Point and rounding the resulting amount to three decimal places. If a Sub-Fund has more than one class of Share, additional fees may be charged against certain classes, and details of such

fees will be set forth in the Supplement for the relevant Sub-Fund. This may result in the Net Asset Value per Share of each class being different. The Valuation Point for each Sub-Fund is set out in the Supplements.

The price at which Shares will be issued on a Dealing Day is, subject as hereinafter provided, the Net Asset Value per Share of the relevant class which is calculated in the manner described above. The Fund may, in calculating the issue price, include in the issue price in respect of each Sub-Fund, for its own account, a charge sufficient to cover stamp duties and taxation (if any) in respect of the issue of Shares which may also add a charge in respect of Duties and Charges. Applicants may also be charged an initial charge as specified in the Supplements.

The price at which Shares will be repurchased on a Dealing Day, is subject as hereinafter provided, the Net Asset Value per Share of the relevant class which is calculated in the manner described above. The Fund may, in calculating the repurchase price, deduct a charge in respect of Duties and Charges. Applicants may also be charged a repurchase charge as specified in the Supplements hereof.

In calculating the issue/repurchase price for a Sub-Fund the Directors may on any Dealing Day when there are net subscriptions/repurchases make adjustments so that the issue/repurchase price reflects the addition/deduction of a dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Sub-Fund.

The Articles provide for the method of valuation of the assets and liabilities of each Sub-Fund.

In particular, the Articles provide that the method of calculating the value of any investments listed or dealt in on a market shall be the last traded price, or if unavailable at the closing mid market price on the relevant market at the relevant Valuation Point. Where any investment is listed or dealt in on more than one market the Directors shall select the market which constitutes the main market for such investment or which they determine provides the fairest criteria in a value for the security.

In the event of substantial or recurring net subscriptions, the Directors may adjust the Net Asset Value per Share to reflect the value of the Fund's assets using the lowest market dealing offer price in order to preserve the value of the shareholding of continuing Shareholders. In the event of substantial or recurring net redemptions, the Directors may adjust the Net Asset Value per Share to reflect the value of the Fund's assets using the highest market dealing bid price in order to preserve the value of the shareholding of continuing Shareholders. Where it is contemplated by the Directors that these powers may be utilised in respect of any Sub-Fund, there will be disclosure to that effect in the relevant Supplement.

Valuation policies will be applied on a consistent basis throughout the life of the Fund and there will be consistency in the policies adopted throughout the various categories of assets.

The value of any investment which is not listed or dealt in on a market or of any investment which is normally listed or dealt in on a market but in respect of which the last traded price, or if unavailable at the closing mid market price is currently unavailable or the current price of which does not in the opinion of the Directors represent fair market value, shall be the probable realisation value thereof estimated with care and in good faith by the Directors or by a competent person appointed by the Directors and approved for such purpose by the Depositary or any other means provided the value is approved by the Depositary.

Cash and other liquid assets will be valued at their face value plus interest accrued, where applicable.

The value of any prepaid expenses, cash dividends and interest declared or accrued and not yet received as at a Valuation Point shall be deemed to be the face value thereof unless in any case the Directors are of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof as at any Valuation Point.

The value of any demand notes, promissory notes and accounts receivable shall be deemed to be the face value or full amount thereof after making such discount as the Directors may consider appropriate to reflect the true current value thereof as at any Valuation Point.

Certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable instruments shall be valued at the last traded price, or if unavailable, the closing mid-market price for such certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable instruments.

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

Forward foreign exchange contracts and interest rate swap contracts shall either be valued in the same manner as off-exchange derivate contracts below or by reference to freely available market quotations.

The value of any exchange traded futures contracts, share price index futures contracts, options and other quoted derivatives shall be based on the settlement price as determined by the market in question as at the Valuation Point. Where the settlement price is not available the value of such contract shall be its probable realisation value which must be estimated with care and in good faith by a competent person appointed by the Directors and approved for the purpose by the Depositary.

The value of any off-exchange derivative contracts shall be the quotation from the counterparty to such contracts at the Valuation Point and shall be valued daily. The valuation will be approved or verified at least weekly by a party independent of the counterparty who has been approved for such purpose by the Depositary. Alternatively the value of any over the counter derivative contract may be the quotation from an independent pricing vendor or that calculated by the Fund itself and shall also be valued daily. Where this alternative valuation is used the Fund must follow international best practice and adhere to specific principles on such valuations established by bodies such as IOSCO and AIMA. Any such alternative valuation must be provided by a competent person appointed by the Fund and approved for the purpose by the Depositary, or a valuation by any other means provided that the value is approved by the Depositary. Any such alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these must be promptly investigated and explained.

The valuation of units or shares or other similar participations in any collective investment scheme which provides for the units or shares or other similar participations therein to be redeemed at the option of the holder out of the assets of that undertaking shall be the last available net asset value per unit or share or other relevant participation as published by the collective investment schemes as at the relevant Valuation Point or, if bid and offer prices are published, at the last bid price.

If in any case a particular value is not ascertainable as provided above, the method of valuation of the relevant investment shall be such as the Directors, with the approval of the Depositary, shall decide.

Any value expressed otherwise than in the Base Currency of the relevant Sub-Fund (whether of any investment or cash) and any non-Base Currency borrowing shall be converted into the base currency at the rate which the Administrator shall determine to be appropriate in the circumstances.

Notwithstanding the generality of the foregoing, the Directors may with the approval of the Depositary adjust the value of any investment if taking into account currency, marketability and/or such other considerations as they may deem relevant, such as applicable rate of interest, anticipated rate of dividend, maturity or liquidity, they consider that such adjustment is required to reflect the fair value thereof.

21. Suspension of Calculation of Net Asset Value

The Fund may at any time temporarily suspend the calculation of the Net Asset Value of any Sub-Fund and the right of Shareholders to require the repurchase or exchange of Shares of any class and the payment of repurchase proceeds during (i) any period when any of the principal markets or stock exchanges on which a substantial part of the investments of the relevant Sub-Fund are quoted is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of investments of the relevant Sub-Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Sub-Fund or if, in the opinion of the

Directors, the Net Asset Value of the Sub-Fund cannot fairly be calculated; (iii) any breakdown in the means of communication normally employed in determining the price of any of the relevant Sub-Fund's investments and other assets or when for any other reason the current prices on any market or stock exchange of any assets of the relevant Sub-Fund cannot be promptly and accurately ascertained; (iv) any period during which the Fund is unable to repatriate funds required for the purpose of making payments due on repurchase of Shares of any class in the relevant Sub-Fund or during which the transfer of funds involved in the acquisition or realisation of investments or payments due on repurchase of Shares cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange; or (v) any period where in the opinion of the Directors such suspension is justified having regard to the interests of the Fund; (vi) following the circulation to the relevant shareholders of a notice of a general meeting at which a resolution proposing to wind-up the Fund or terminate the relevant Sub-Fund is to be considered. Except in the case of (vi) the Fund will, whenever possible, take all reasonable steps to bring any period of suspension to an end as soon as possible.

Shareholders who have requested issue or repurchases of Shares of any class or exchanges of Shares of one Sub-Fund to another will be notified of any such suspension in such manner as may be directed by the Directors and their requests will be dealt with on the first Dealing Day after the suspension is lifted. Any such suspension shall be notified immediately, and in any event within the same business day, to the Central Bank. The competent authorities in any jurisdiction where the Fund is registered for sale will also be notified.

22. Management Charges and Expenses

Details of the management charges and expenses payable by the Fund in respect of a Sub-Fund are set out in the relevant Supplement.

In the case of any individual Sub-Fund or class of Shares the Investment Manager may choose to waive all or any portion of its fees and/or to absorb other expenses at its absolute discretion for any period.

23. General Charges and Expenses

23.1. Share dealing charges

Details of the initial charge payable on subscription for Shares (if any) and/or the repurchase charge payable on repurchase of Shares (if any) and/or the exchange charge payable on the exchange of Shares (if any) are set out in respect of the Shares of each Sub-Fund in the Supplements.

Details of the charges and expenses payable in relation to further Sub-Funds or share classes will be determined at the time of the creation of such further Sub-Fund or share classes and will be set out in the relevant Supplement.

23.2. Remuneration

The Fund is subject to remuneration policies, procedures and practices (together, the "**Remuneration Policy**"), as required under the UCITS Directive. The Remuneration Policy is consistent with and promotes sound and effective risk management. It is designed not to encourage risk-taking which is inconsistent with the risk profile of the Fund. The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Fund and the Shareholders. The Remuneration Policy is reviewed annually and applies to staff whose professional activities have a material impact on the risk profile of the Fund, and ensures that no individual will be involved in determining or approving their own remuneration. The Directors who are directors, officers or employees of the Investment Manager or any affiliate thereof, do not receive any remuneration in respect of their services as directors of the Fund. The other Directors receive fixed remuneration in respect of their services which is set at a level determined by the board as a whole and which is not performance related. None of the directors are currently in receipt of variable remuneration in respect of their services as directors of the Fund. In addition, the Directors will also be entitled to be reimbursed for their reasonable and vouched out of pocket expenses incurred in discharging their duties as Directors.

The nature of the Directors' remuneration, being fixed and not including any variable component and being

determined by the board as a whole, ensures that the Fund appropriately manages any conflicts of interest in respect of remuneration. The Fund has not established a remuneration committee.

It is expected that the annual remuneration of each independent Director will not exceed Euro 60,000, plus VAT if applicable.

The Remuneration Policy can be found at www.fundlogic.com. This includes a description of how remuneration and benefits are calculated, and sets out the responsibilities for awarding remuneration and benefits. A copy can be requested free of charge from the Fund.

23.3. **Ongoing Charges and Expenses**

Each Sub-Fund will, unless otherwise specified in the relevant Supplement, pay any fees in respect of circulating details of the Net Asset Value, stamp duties, taxes, company secretarial fees, insurance (including directors' and officers' liability insurance), brokerage or other expenses of acquiring and disposing of investments, costs and expenses of entering into, closing out of, or re-setting derivative transactions, and the fees and expenses of the auditors, tax and legal advisers. The costs of printing and distributing reports, accounts and any explanatory memoranda, any necessary translation fees, the costs of registering the Fund for sale in any jurisdiction, regulatory fees, listing fees (if any) the fees and expenses of any paying or information agents, or correspondent banks, the fees and expenses of any representative, distributor or agent appointed in respect of the Fund in any jurisdiction (which fees will be at normal commercial rates), the cost of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) will also be paid by the Fund.

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

24. Soft Commissions

It is not currently intended that any soft commission arrangements will be made in respect of the Fund. In the event that the Investment Manager does enter into soft commission arrangement(s) they shall ensure that (i) the broker or counterparty to the arrangement will agree to provide best execution to the Fund; (ii) the benefits under the arrangement(s) shall be those which assist in the provision of investment services to the relevant Sub-Fund and (iii) brokerage rates will not be in excess of customary institutional full service brokerage rates. Details of any such arrangements will be contained in the next following report of the Fund. In the event that this is the unaudited semi-annual report, details shall also be included in the following annual report.

25. Sub-Fund Transactions and Conflicts of Interest

Subject to the provisions of this section, the Directors, the Investment Manager, any investment manager appointed to a specific Sub-Fund, the Distributor, the Administrator, the Depositary, any Shareholder, and any of their respective subsidiaries, affiliates, associates, agents or delegates (each a **Connected Person**), may contract or enter into any financial, banking or other transaction with one another or with the Fund, including without limitation, investment by the Fund in securities of a Shareholder or any Connected Person, or investment by any Connected Persons in any company or body any of whose investments form part of the assets comprised in any Sub-Fund or be interested in any such contract or transactions. In particular, without limitation, any Connected Person may invest in and deal with Shares relating to any Sub-Fund or any property of the kind included in the property of the Fund for their respective individual accounts or for the account of someone else. Where any conflict of interests arises between any Connected Person and the Fund, these conflicts shall be resolved fairly.

In addition, any cash of the Fund may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 1998 (as amended by the Central Bank and Financial Services Authority of Ireland Act 2003 to 2004), and the Regulations, with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

A Connected Person, may each from time to time deal, as principal or agent, with the Fund, provided that such dealings are carried out as if negotiated at arm's length and in the best interests of the Shareholders, and:

(1) a certified valuation of such transaction by a person approved by the Depositary (or in the case of any such transaction entered into by the Depositary or an affiliate of the Depositary, a person approved by the Directors) as independent and competent has been obtained; or

(2) such transaction has been executed on best terms on an organised investment exchange under its rules; or

where neither of the above are practicable,

(3) such transaction has been executed on terms which the Depositary is (or in the case of any such transaction entered into by the Depositary or an affiliate of the Depositary, the Directors are) satisfied conform with the principle that such transactions be carried out as if effected at arm's length and in the best interests of Shareholders.

The Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document how it has complied with (1), (2) or (3) above. Where transactions are conducted in accordance with (3), the Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document its rationale for being satisfied that the transaction conformed to the principles outlined in this paragraph.

Notwithstanding the above, where the Investment Manager or any of its delegates successfully negotiates the recapture of a portion of commissions charged by a broker in relation to the purchase and/or sale of securities for a Sub-Fund, such rebate must be paid into that Sub-Fund. The Investment Manager maybe paid out of the assets of the Sub-Fund for fees charged by them and reasonable properly vouched costs and expenses directly incurred by them in this regard.

The Morgan Stanley group (**Morgan Stanley**) conducts extensive broker-dealer, banking and other activities around the world. These businesses will give Morgan Stanley broad access to the current status of certain markets, investments and funds and detailed knowledge about fund operators. As a result of the activities described above and the access and knowledge arising from those activities, parts of Morgan Stanley may be in possession of information in respect of markets, investments and funds, which, if known to the Investment Manager or any other investment manager appointed to a specific Sub-Fund, which may include other Morgan Stanley entities, might cause the Investment Manager or any other investment manager to seek to dispose of, retain or increase interests in investments held by the Fund or acquire certain positions on behalf of the Fund. Morgan Stanley will be under no duty to make any such information available to the Fund or personnel of the Investment Manager or any other investment manager making investment decisions on behalf of a Sub-Fund. In general, personnel of the Investment Manager or any other investment manager appointed to a specific Sub-Fund, making investment decisions will make decisions based solely upon information known by such decision makers without regard to information known by other Morgan Stanley personnel.

Morgan Stanley & Co. International plc ("**MSI**") has been appointed to the Fund to act as distributor of the Sub-Funds. MSI or any of its employees, agents, affiliates, subsidiaries (the "**MSI Affiliates**") may perform further or alternative roles relating to the Fund and any Sub-Fund, including for example (i) being the counterparty in respect of any investments of the Fund, (ii) being involved in arrangements relating to the relevant investments (for example as a derivative counterparty, or a calculation agent), (iii) being appointed as sub-custodian by the Depositary and the Fund (iv) acting as a market maker in respect of Shares, (v) being responsible for providing

valuations which may form the basis of calculating the Net Asset Value per Share in respect of any Sub-Fund, (vi) sponsoring or otherwise being involved with a variety of structured products such as participating notes, options or swaps linked in whole or in part to the performance of one or more Sub-Funds, and/or (vii) providing investment management services to a Sub-Fund. MSI and MSI Affiliates may receive compensation for providing such services to the Fund at normal commercial rates.

To the extent permitted by applicable law, Morgan Stanley may act as broker, dealer, agent, lender or advisor or in other commercial capacities for the Fund. It is anticipated that the commissions, mark-ups, mark-downs, financial advisory fees, underwriting and placement fees, sales fees, financing and commitment fees, brokerage fees, other fees, compensation or profits, rates, terms and conditions charged by Morgan Stanley will be in its view commercially reasonable, although Morgan Stanley, including its sales personnel, will have an interest in obtaining fees and other amounts that are favourable to Morgan Stanley and such sales personnel. Morgan Stanley (and its personnel and other distributors) will be entitled to retain commissions, fees and other amounts that it receives in connection with its service to the Fund as broker, dealer, agent, lender, advisor or in other commercial capacities and no accounting to the Fund or its shareholders will be required, and no fees or other compensation payable by the Fund or its shareholder will be reduced by reason of receipt by Morgan Stanley of any such fees or other amounts.

When Morgan Stanley acts as broker, dealer, agent, lender or advisor or in other commercial capacities in relation to the Fund, Morgan Stanley may take commercial steps in its own interests, which may have an adverse effect on the Funds. In addition, products and services received by the Investment Manager or their affiliates from brokers in connection with brokerage services provided to the Fund and other funds or accounts managed by Morgan Stanley may disproportionately benefit other of such funds and accounts based on the relative amounts of brokerage services provided to the Fund and such other funds and accounts.

The Directors may act as directors of other collective investment vehicles. Where any potential conflicts of interest arise between their duties to the Fund and to third parties, the Directors will endeavour to ensure that any such conflicts will not unfairly prejudice the Fund.

MSI, which acts as distributor of the Fund, is an affiliate of the Investment Manager and may also act as a counterparty to FDI transactions entered into by the Fund and as index sponsor in respect of certain financial indices the performance of which Sub-Funds may seek to track or replicate. Where MSI is index sponsor in respect of a particular Index, this will be disclosed in the relevant Supplement.

To the extent permitted by applicable law, the Fund may enter into transactions and invest in futures, securities, currencies, swaps, options, forward contracts or other instruments in which Morgan Stanley acting as principal or on a proprietary basis for its customers, serves as the counterparty. The Fund will only consider engaging in such a transaction with Morgan Stanley or its affiliates to the extent permitted by law. Morgan Stanley will not be entitled to retain any fee sharing, commission rebates, retrocessions and hard commissions received by the Investment Manager or such other fees or amounts as may be specified in any notices or guidance notes issued by the Central Bank from time to time.

Where the counterparty is a member of the same group of companies as the Investment Manager there will be no arrangement fee payable by the Fund for entering into OTC FDI.

Counterparties, including those which are members of the same group of companies as the Investment Manager, shall not be deemed to be affected by notice of, or to be under any duty to disclose to the Fund, information which has come into its or its associates' possession as a result of the FDI. Neither the Investment Manager, any of the counterparties nor any of their associates shall be liable to account to the Fund for any profits or benefits made or derived by, or in connection with, any such transaction.

The party verifying the counterparties' prices will also be a member of the same group of companies as the Investment Manager, which is independent of the counterparties and has been appointed by the Fund and approved for that purpose by the Depositary.

Furthermore, MSI may, subject to the Regulations and the requirements of the Central Bank, be the sole

counterparty to FDI transactions used in respect of any Sub-Fund. In some circumstances, particularly where MSI is also the index sponsor, it may not be possible for the Investment Manager to transact with any other counterparty on the basis that the Index methodology is proprietary and therefore the return associated with that Index may only be delivered by MSI. Measures are in place to ensure that there is adequate segregation of responsibilities and duties between the various divisions within MSI responsible for the various functions.

Where acting as index sponsor or in relation to a particular strategy which a Sub-Fund invests in, MSI may seek to offer the return of a particular Index or strategy to its clients in other forms, different or similar to the Fund.

26. Taxation

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

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

26.1 Taxation of the Fund

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

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

26.2 Taxation of non-Irish shareholders

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Fund will not deduct any Irish tax in respect of the Shareholder's Shares once a declaration has been received by the Fund confirming the Shareholder's non-resident status.

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

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

26.3 Taxation of exempt Irish shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) Taxes Consolidation Act of Ireland ("TCA, the Fund will not deduct Irish tax in respect of the Shareholder's Shares once the Declaration set out in the Application Form has been received by the Fund confirming the Shareholder's exempt status.

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

1. Pension schemes (within the meaning of section 774, section 784 or section 785 TCA).

2. Companies carrying on life assurance business (within the meaning of section 706 TCA).

3. Investment undertakings (within the meaning of section 739B TCA).

4. Investment limited partnerships (within the meaning of section 739J TCA)

5. Special investment schemes (within the meaning of section 737 TCA).

6. Unauthorised unit trust schemes (to which section 731(5)(a) TCA applies).

7. Charities (within the meaning of section 739D(6)(f)(i) TCA).

8. Qualifying managing companies (within the meaning of section 734(1) TCA).

9. Specified companies (within the meaning of section 734(1) TCA).

10. Qualifying fund and savings managers (within the meaning of section 739D(6)(h) TCA).

11. Personal Retirement Savings Account (PRSA) administrators (within the meaning of section 739D(6)(i) TCA).

12. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).

13. The National Asset Management Agency.

14. The National Treasury Management Agency or a Fund Investment Vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency.

15. Qualifying companies (within the meaning of section 110 TCA).

16. Any other person resident in Ireland who is permitted (whether by legislation or by the express concession of the Irish Revenue Commissioners) to hold Shares in the Fund without requiring the Fund to deduct or account for Irish tax.

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

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

26.4 **Taxation of other Irish shareholders**

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

Distributions by the Fund

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

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

2. 41% of the distribution, in all other cases.

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

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

Redemptions and Transfers of shares

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

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

2. 41% of the gain, in all other cases.

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

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

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

Eighth Anniversary' Events

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

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

2. 41% of the increase in value, in all other cases.

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

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

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

2. notify any non-exempt Irish resident Shareholders that the Fund is electing to claim this exemption.

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

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

Share exchanges

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

Stamp duty

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

Gift and Inheritance tax

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

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

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the 'valuation date' (as defined for Irish capital acquisitions tax purposes);

2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and

3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

U.S. Foreign Account Tax Compliance Act (FATCA)

Ireland has an intergovernmental agreement with the United States of America (the "**IGA**") in relation to FATCA, of a type commonly known as a 'model 1' agreement. Ireland has also enacted regulations to introduce the provisions of the IGA into Irish law. The Fund intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA. Unless an exemption applies, the Fund shall be required to register with the US Internal Revenue Service as a 'reporting financial institution' for FATCA purposes and report information to the Irish Revenue Commissioners relating to Shareholders who, for FATCA purposes, are specified US persons, non-participating financial institutions or passive non-financial foreign entities that are controlled by specified US persons. Exemptions from the obligation to register for FATCA purposes and from the obligation to report information for FATCA purposes are available only in limited circumstances. Any information reported by the Fund to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Fund should generally not be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on US source payments to the Fund if the Fund did not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service specifically identified the Fund as being a 'non-participating financial institution' for FATCA purposes.

OECD Common Reporting Standard

The automatic exchange of information regime known as the "Common Reporting Standard" developed by the Organisation for Economic Co-operation and Development applies in Ireland. Under this regime, the Fund is required to report information to the Irish Revenue Commissioners relating to all Shareholders, including the identity, residence and tax identification number of Shareholders and details as to the amount of income and sale or redemption proceeds received by Shareholders in respect of the Shares. This information may then be shared by the Irish Revenue Commissioners with tax authorities in other EU member states and other jurisdictions which implement the OECD Common Reporting Standard.

The OECD Common Reporting Standard replaces the previous European information reporting regime in respect of savings income under Directive 2003/48/EC (commonly known as the EU Savings Directive regime).

26.5 **Meaning of terms**

Meaning of 'Residence' for Companies

A company which has its central management and control in Ireland is tax resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which was incorporated in Ireland on or after 1 January 2015 is tax resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

A company which does not have its central management and control in Ireland but which was incorporated before 1 January 2015 in Ireland is resident in Ireland except where:

1. the company (or a related company) carries on a trade in Ireland and either the company is ultimately controlled by persons resident in EU member states or in countries with which Ireland has a double tax treaty, or the company (or a related company) are quoted companies on a recognised stock exchange in the EU or in a tax treaty country; or

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

Finally, a company that was incorporated in Ireland before 1 January 2015 will also be regarded as resident in Ireland if the company is (i) managed and controlled in a territory with which a double taxation agreement with Ireland is in force (a 'relevant territory'), and such management and control would have been sufficient, if exercised in Ireland, to make the company Irish tax resident; and (ii) the company would have been tax resident in

that relevant territory under its laws had it been incorporated there; and (iii) the company would not otherwise be regarded by virtue of the law of any territory as resident in that territory for the purposes of tax.

Meaning of 'Residence' for Individuals

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

1. spends 183 days or more in Ireland in that calendar year; or

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

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

Meaning of 'Ordinary Residence' for Individuals

The term 'ordinary residence' (as distinct from 'residence') relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2017 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2020.

Meaning of 'Intermediary'

An 'intermediary' means a person who:

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

2. holds units in such an investment undertaking on behalf of other persons.

27. Reports and Accounts

The Fund's year end is 31 July in each year. The annual report and audited accounts of the Fund will be sent to Shareholders and the Central Bank within four months after the conclusion of each accounting year and at least 21 days before the general meeting of the Fund at which they are to be submitted for approval. The Fund will also send a semi-annual report and unaudited accounts to Shareholders and the Central Bank within two months after the end of each semi-annual period which will be 31 January in each year.

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

28. Transfer of Shares

Shares in each Sub-Fund will be transferable by instrument in writing signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor provided always that the transferee completes an Application Form to the satisfaction of the Administrator and furnishes the Administrator with any documents required by it. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Fund as having any title to or interest in the Shares registered in the names of such joint Shareholders.

Shares may not be transferred to a United States Person (except pursuant to an exemption available under the laws of the United States and with the approval of the Directors).

Registration of any transfer may be refused by the Directors if following the transfer either the transferor or the transferee would hold Shares having a value less than the Minimum Holding for the relevant Sub-Fund (if any) specified in the Supplement hereto.

If the transferor is, or is deemed to be, or is acting on behalf of, an Irish Taxable Person the Fund may redeem and cancel a sufficient portion of the transferor's Shares as will enable the Fund to pay the tax payable in respect of the transfer to the Revenue Commissioners in Ireland.

29. Notification of Prices

The latest Net Asset Value per Share will be available on Bloomberg and will be kept up to date. The ticker for each Index is described in the relevant Supplement.

Communications with Shareholders may be sent by electronic mail or by any other means of communication provided that the Shareholder has consented to such method of communication. Copies of any documents sent to Shareholders and details of the Net Asset Value per Share will be available for inspection at the office of the Administrator.

30. GENERAL INFORMATION

30.1. Incorporation and Share Capital

The Fund was incorporated and registered in Ireland as an investment company with variable capital on 28 April 2010 with registered number 483770.

At the date hereof the authorised share capital of the Fund is 2 subscriber shares (**subscriber shares**) of €1 each and 1,000,000,000,000 shares of no par value initially designated as unclassified shares and available for issue as Shares. There are no rights of pre-emption attaching to the Shares.

30.2. Articles

Clause 2 of the Articles provides that the sole object of the Fund is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public operating on the principle of risk-spreading in accordance with the Regulations.

The Articles contain provisions to the following effect:

30.2.1. **Voting Rights.** On a show of hands at a general meeting or class meeting of the Fund, every Shareholder holding shares who is present in person or by proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote for every share of which he is the holder.

30.2.2. **Winding up.** The Articles contain provisions to the following effect:

(1) If the Fund shall be wound up the liquidator shall, subject to the provisions of the Companies Act, apply the assets of each Sub-Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Sub-Fund.

(2) The assets available for distribution amongst the holders shall be applied as follows: first the proportion of the assets in a Sub-Fund attributable to each class of share shall be distributed to the holders of shares in the relevant class in the proportion that the number of shares held by each holder bears to the total number of shares relating to each such class of shares in issue as at the date of commencement to wind up and secondly, any balance then remaining and not attributable to any of the classes of shares shall be apportioned pro-rata as between the classes

of shares based on the Net Asset Value of each class of shares as at the date of commencement to wind up and the amount so apportioned to a class shall be distributed to holders pro-rata to the number of shares in that class of shares held by them.

(3) A Sub-Fund may be wound up pursuant to section 1407 of the Companies Act, and in such event the winding up provisions of the Articles shall apply mutatis mutandis in respect of that Sub-Fund.

(4) If the Fund shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant Shareholders and any other sanction required by the Companies Act, divide among the holders of shares of any class or classes within a Sub-Fund in specie the whole or any part of the assets of the Fund relating to that Sub-Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between all the Shareholders of the Fund or the holders of different classes of shares in a Sub-Fund. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like authority, shall think fit, and the liquidation of the Fund may be closed and the Fund dissolved, but so that no Shareholder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may request the liquidator, instead of transferring the assets in specie to it, to dispose of them and to pay the net sales proceeds instead.

30.3. **Directors' Interests**

30.3.1. There are no service contracts in existence between the Fund and any of its Directors, nor are any such contracts proposed.

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

30.3.3. At the date of this Prospectus none of the Directors nor any Associated Person have any beneficial interest in the share capital of the Fund or any options in respect of such capital.

30.3.4. David Haydon is a managing director of the Distributor.

30.4. **Material Contracts**

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

30.4.1. the Investment Management Agreement dated 27 July 2010 between the Fund and the Investment Manager regarding each Sub-Fund, as may be amended from time to time. This Agreement provides that the appointment of the Investment Manager may be terminated by either party by not less than three months' prior written notice. Either party may terminate this Agreement by notice in writing (in accordance with the procedure set out in the Agreement) upon the occurrence of certain events as specified in the agreement such as the liquidation of the other party. The Agreement contains certain indemnities in favour of the Investment Manager (and each of its directors, officers, servants, employees, agents and appointees) which are restricted to exclude matters to the extent that they are attributable to the fraud, negligence or willful default in the performance or non-performance by the Investment Manager (or persons designated by it) of its duties or obligations under the Agreement.

30.4.2. the Depositary Agreement dated 24 May 2016 between the Fund and the Depositary (the "**Depositary Agreement**"), as may be amended from time to time. Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations provided that: (i) the services are not delegated with the intention of avoiding the requirements of the Regulations; (ii) the Depositary can demonstrate that there is an objective reason for the delegation; and (iii) the Depositary has exercised all due skill, care and diligence in the selection and appointment of any third-party to whom it wants to delegate parts of the services, and keeps exercising all due skill, care and diligence in periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the Fund's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates, the identities of which are set forth in Appendix III. The Depositary Agreement provides that the Depositary shall be liable, (i) in respect of a loss of a financial instrument held in its custody (or that of its duly appointed delegate) unless it can prove that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable measures to the contrary; and (ii) in respect of all other losses as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations.

30.4.3. the Administration Agreement dated 27 July 2010 between the Fund and the Administrator (the "**Administration Agreement**"), as may be amended from time to time. The Administration Agreement provides that the appointment of the Administrator shall continue until terminated by either party on not less than 90 days' notice or earlier upon certain breaches or certain insolvency events of either party or in the event that the performance of the Agreement ceases to be lawful. In the absence of fraud, negligence or wilful default, the Administrator will not be liable for any loss arising as a result of the performance or non-performance by the Administrator of its obligations and duties under the Administration Agreement. The Fund has agreed to indemnify the Administrator against losses suffered by the Administrator in the performance or non-performance of its duties and obligations under the Administration Agreement, except for losses arising out of the fraud, negligence or wilful default of the Administrator.

30.4.4. the Distribution Agreement dated 27 July 2010 between the Fund and the Distributor (the "**Distribution Agreement**"), as may be amended from time to time. The Distribution Agreement provides that the appointment of the Distributor as a distributor will continue unless and until terminated by either party giving to the other party not less than three months' prior written notice although in certain circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other. The Distribution Agreement contains certain indemnities in favour of the Distributor as distributor which are restricted to exclude matters arising by reason of the fraud, negligence or wilful default on the part of the Distributor, its servants or agents in the performance of its obligations and duties. The Distributor shall not be liable for the acts or omissions of any intermediary appointed under the terms of the Distribution Agreement, provided that the Distributor has acted with due skill, care and attention in the selection and ongoing appointment of the intermediary.

30.5. **Miscellaneous**

Save as disclosed under the heading **Directors' Interests** above, no Director has any interest in the promotion of or in any property acquired or proposed to be acquired by the Fund.

Save as may result from the entry by the Fund into the agreements listed under the heading **Material Contracts** above or any other fees, commissions or expenses discharged, no amount or benefit has been paid or given or is intended to be paid or given to any promoter of the Fund.

The Distributor may pay an amount of its fees to distributors or other intermediaries. Additionally, the Investment

Manager may pay a portion of its fee to distributors, dealers or other entities that assist in the performance of its duties or provide services, directly or indirectly, to the Sub-Funds or their Shareholders and the Investment Manager and/or the Distributor and/or their respective affiliates may enter into private arrangements on a negotiated basis with a holder or prospective holder of Shares. The selection of holders or prospective holders of Shares with whom such private arrangements may be made and the terms on which the Distributor, Investment Manager or their affiliates, designees or placement agents may enter into such private arrangements are a matter for the relevant entity.

30.6. **Documents for Inspection**

Copies of the following documents may be inspected at the offices of the Administrator at its address as set out in this Prospectus, during usual business hours on weekdays, except Saturdays and public holidays:

(1) the Articles; and

(2) the Supplements.

Copies of the Articles (and, after publication thereof, the periodic reports and accounts) may be obtained from the Administrator free of charge.

34. APPENDIX I – DEFINITIONS

Administrator	means Northern Trust International Fund Administration Services (Ireland) Limited or any other person for the time being duly appointed administrator of the Fund in succession to the said Northern Trust International Fund Administration Services (Ireland) Limited.
Application Form	means the original form which must be submitted with the subscription form upon an initial application or exchange of Shares. It only needs to be submitted with subsequent applications if the investors' details or circumstances have changed from when this form was originally submitted.
Articles	means the Memorandum and Articles of Association of the Fund.
Associated Person	a person is associated with a Director if, and only if, he or she is: (a) that Director's spouse, parent, brother, sister or child; (b) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or any body corporate which he controls; (c) a partner of that Director. A company will be deemed to be connected with a Director if it is controlled by that Director.
Base Currency	means in relation to any Sub-Fund such currency as is specified in the relevant Supplement.
Business Day	means those days as are specified in the Supplement hereto (or in the relevant Supplement in the case of any subsequent Sub-Funds that may be established periodically by the Fund with the prior approval of the Central Bank), for the relevant Sub-Fund or such other day(s) as the Directors may, with the approval of the Depositary, determine.
Central Bank	means the Central Bank of Ireland or any successor authority.
Central Bank UCITS Regulations	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as may be amended from time to time and any guidance issued by the Central Bank thereunder.
Class or class	means a class of Shares in a Sub-Fund of the Fund.
Collection Account	means the umbrella cash subscription and redemption account opened in the name of the Fund into which all subscriptions into and redemptions and distributions due from the Sub-Funds will be paid.
Companies Act	the Companies Act 2014 including any regulations issued pursuant thereto, insofar as they apply to open-ended investment companies with variable capital.
Connected Person	means the persons defined as such in the section headed **Sub-Fund Transactions and Conflicts of Interest**.

Dealing Day	means in relation to each class of Shares such day or days as is specified in the relevant Supplement or such other day(s) as the Directors may with the approval of the Depositary determine and notify in advance to Shareholders provided always that there shall be at least one Dealing Day per fortnight.
Dealing Deadline	means in relation to applications for subscription, exchange or repurchase of Shares in a Sub-Fund, the dates and times specified in the Supplement for the relevant Sub-Fund.
Depositary	means Northern Trust Fiduciary Services (Ireland) Limited or any other person for the time being duly appointed depositary of the Fund in succession to Northern Trust Fiduciary Services (Ireland) Limited.
Directors	means the directors of the Fund.
Distributor	means Morgan Stanley & Co. International plc or any other person or persons for the time being duly appointed distributor of the Fund or any of the Sub-Funds in succession, or in addition, to Morgan Stanley & Co. International plc in accordance with the requirements of the Central Bank.
Duties and Charges	all stamp and other duties, taxes, governmental charges, brokerage, bank charges, transfer fees, registration fees, any transaction and safekeeping fees payable to the Depositary or its delegates or agents (which will be at normal commercial rates) and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Sub-Fund or the creation, issue or sale of Shares or the sale or purchase of investments by the relevant Sub-Fund or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable but shall not include any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of the relevant Sub-Fund;
EEA	means the European Economic Area (Member States, Iceland, Norway, and Liechtenstein).
EEA Member State	means a member state of the EEA.
EU	means the European Union.
Foreign Person	means a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the Fund with the appropriate declaration under Schedule 2B TCA and in respect of whom the Fund is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect.
Fund	means FundLogic Alternatives plc.
Group Companies	companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with international accounting rules.
Hedged Share Class	means a Share class whose dealing currency is hedged against the Base Currency and/or other currencies in which the assets of the relevant Sub-Fund may be denominated.
Index	means such index as specified in the Supplement for the relevant Sub-Fund.
Initial Issue Price	means the price per Share at which Shares are initially offered in a Sub-Fund for such

	period as is specified in the Supplement for the relevant Sub-Fund.
Investment Manager	means the investment manager of each Sub-Fund, as disclosed in each Supplement.
Irish Taxable Person	means any person other than a Foreign Person or an exempt Irish Shareholders, as described under "Taxation" above).
Market	means any stock exchange or market which satisfies the Central Bank's regulatory criteria and which is listed in Appendix II hereto in accordance with the requirements of the Central Bank.
Member State	means a member state of the EU.
Minimum Holding	means such number of Shares or Shares having such value (if any) as is specified in the Supplement for the relevant Sub-Fund.
Minimum Initial Subscription	means such amount (excluding any initial charge) in the relevant currency which must be initially subscribed by each Shareholder for Shares of any class in a Sub-Fund as is specified for the relevant Sub-Fund in the Supplement hereto.
Minimum Repurchase Amount	means such amount (excluding any repurchase charge) in the relevant currency which must be redeemed for Shares of any class in a Sub-Fund as is specified for the relevant Sub-Fund in the Supplement hereto.
money market instruments	shall have the meaning prescribed in the Central Bank UCITS Regulations.
Month	means calendar month.
Net Asset Value or Net Asset Value per Share,	means in respect of the assets of a Sub-Fund or in respect of a Share of any class, the amount determined in accordance with the principles set out in this Prospectus under the heading **Issue and Repurchase Price/Calculation of Net Asset Value/Valuation of Assets** as the Net Asset Value of a Sub-Fund or the Net Asset Value per Share.
OECD	means the Organisation for Economic Co-operation and Development.
Prospectus	means the prospectus issued from time to time by the Fund as amended, supplemented, consolidated or otherwise modified from time to time in accordance with the requirements of the Central Bank.
Reference Asset	means with respect to a Sub-Fund whose performance is linked to reference assets, the assets to which such Sub-Fund is linked as further described in the relevant Supplement.
Regulations	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended and supplemented from time to time and includes any conditions that may from time to time be imposed thereunder by the Central Bank whether by notice or otherwise affecting the Fund.
Settlement Date	means in respect of receipt of monies for payment of subscription monies or dispatch of monies for the repurchase of Shares the dates specified in the Supplements for each Sub-Fund.

Shares	means participating shares in the Fund and includes, where the context so permits or requires, the Shares in a Sub-Fund which may be divided into different classes;
Shareholders	means holders of Shares, and each a **Shareholder**.
Sub-Funds	means the Sub-Funds, details of which are set out in the Supplements hereto (and in the relevant Supplement in the case of any other Sub-Funds that may be established periodically by the Fund with the prior approval of the Central Bank).
Sub-Investment Manager	means a sub-investment manager or sub-investment managers appointed by the Investment Manager in accordance with the requirements of the Central Bank in respect of a Sub-Fund, and where applicable, as disclosed in the relevant Supplement.
Supplement	means the Supplements to this Prospectus (each a **Supplement**) and any Supplement issued by the Fund in relation to the creation of new Sub-Funds and/or share classes.
TCA	means the Irish Taxes Consolidation Act, 1997 as amended from time to time.
transferable securities	shall have the meaning prescribed in the Regulations.
UCITS	means an undertaking for collective investment in transferable securities pursuant to the UCITS Directive.
UCITS Directive	means the EC Council Directive 2009/65/EC of 13 July 2009 on the Co-ordination of Laws, Regulations and Administrative Provisions relating to UCITS, as amended, supplemented or replaced from time to time.
Unhedged Share Class	means a class of Shares where, typically, Shares may be applied for and exchanged and dividends calculated and paid and repurchase proceeds paid in a currency other than the Base Currency of the relevant Sub-Fund on the basis of a currency conversion at the prevailing spot currency exchange rate of the relevant Base Currency for the currency of the relevant Share class.
United Kingdom or UK	means the United Kingdom of Great Britain and Northern Ireland.
United States or U.S. or US	means the United States of America, its territories, possessions and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico).
United States Person or U.S. Person	has the meaning ascribed to it in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time.
Valuation Point	means the point in time by reference to which the Net Asset Value of a Sub-Fund is calculated as is specified in the Supplement for the relevant Sub-Fund.

In this Prospectus references to **Euro** and **€** are references to the lawful currency of the European Economic and Monetary Union Member States from time to time, the current members being Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, The Netherlands, Portugal, Slovenia, Spain and Latvia, references to **Sterling** or **£** are to the lawful currency of the United Kingdom and references to **US$** or **US Dollars** are to the currency of the United States. All references to the foregoing currencies shall include any successor currency.

31. APPENDIX II - MARKETS

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

(ii) Any of the following markets or exchanges:

Argentina	Buenos Aires Stock Exchange Cordoba Stock Exchange La Plata Stock Exchange Mendoza Stock Exchange Rosario Stock Exchange
Bahrain	Bahrain Stock Exchange
Bangladesh	Chittagong Stock Exchange Dhaka Stock Exchange
Botswana	Botswana Stock Exchange
Brazil	Bahia-Sergipe-Alagoas Stock Exchange Bolsa de Valores de Sao Paulo Brasilia Stock Exchange Extremo Sul Porto Allegre Stock Excha Minas Esperito Santo Stock Exchange Parana Curitiba Stock Exchange Pernambuco e Bahia Recife Stock Exchange Gauhati Stock Exchange Regional Fortaleza Stock Exchange Rio de Janeiro Stock Exchange Santos Stock Exchange Sao Paulo Stock Exchange
Channel Islands Stock Exchange	Channel Islands Stock Exchange
Chile	Santiago Stock Exchange Valparaiso Stock Exchange
China	Fujan Stock Exchange Hainan Stock Exchange Shanghai Securities Exchange Shenzhen Stock Exchange
Colombia	Colombian Stock Exchange Bolsa de Bogota Bolsa de Valores de Columbia
Costa Rica	Bolsa Nacional de Valores S.A.
Egypt	Cairo and Alexandria Stock Exchange
Ghana	Ghana Stock Exchange
India	Bombay Stock Exchange Madras Stock Exchange Delhi Stock Exchange Ahmedabad Stock Exchange Bangalore Stock Exchange Cochin Stock Exchange Magadh Stock Exchange Pune Stock Exchange Hyderabad Stock Exchange Ludhiana Stock Exchange Uttar Pradesh Stock Exchange Calcutta Stock Exchange Gauhati Stock Exchange National Stock Exchange of India
Indonesia	Jakarta Stock Exchange Surabaya Stock Exchange Indonesia Stock Exchange
Israel	Tel Aviv Stock Exchange (TASE)
Jordan	Jordan Amman Stock Exchange
Kazakhstan	Kazakhstan Stock Exchange
Kenya	Nairobi Stock Exchange
Kuwait	Kuwait Stock Exchange
Lebanon	Beirut Stock Exchange
Malaysia	Kuala Lumpur Stock Exchange Bumiputra Stock Exchange
Mexico	Bolsa Mexicana de Valores
Morocco	Casablanca Stock Exchange

Namibia	Namibian Stock Exchange
Nigeria	Nigerian Stock Exchange
Oman	Muscat Securities Market Oman Stock Exchange
Pakistan	Karachi Stock Exchange Lahore Stock Exchange
Peru	Lima Stock Exchange
Philippines	Philippines Stock Exchange
Qatar	Doha Securities Market Qatar Stock Exchange
Russia	Moscow Exchange
Saudi Arabia	The Tadwal Stock Exchange
Serbia	Belgrade Stock Exchange
Singapore	Singapore Stock Exchange SESDAQ
South Africa	Johannesburg Stock Exchange Bond Exchange of South Africa
South Korea	Korea Exchange, Inc. (KRX) KRX Stock Market Division (KRX KOSPI Market) KRX Futures Market Division (KRX Derivatives Market) KRX Korea Securities Dealers Association Automated Quotation (KOSDAQ) Division
Sri Lanka	Colombo Stock Exchange
Taiwan	Taiwan Stock Exchange
Thailand	Thailand Stock Exchange
Trinidad and Tobago	The Trinidad and Tobago Stock Exchange
Tunisia	Tunisia Stock Exchange
Turkey	Istanbul Stock Exchange
United Arab Emirates	Dubai Financial Market Dubai International Financial Exchange
Uruguay	Rospide Sociedad de Bolsa S.A.
Venezuela	Bolsa de Valores de Caracas
Vietnam	Vietnam Stock Exchange
Zambia	Lusaka Stock Exchange

(iii) The following markets:

– the market organised by the International Capital Markets Association;
– the UK market (i) conducted by banks and other institutions regulated by the Financial Conduct Authority (FCA) and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) in non-investment products which are subject to the guidance contained in the "Non-Investment Product Code" drawn up by the participants in the London market, including the FCA and the Bank of England (formerly known as "The Grey Paper");
– (a) NASDAQ in the United States, (b) the market in the US government securities conducted by t primary dealers regulated by the Federal Reserve Bank of New York; (c) the over-the-counter market in t United States conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and the National Association of Securities Dealers and by banking institutions regulated by t US Controller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
– (a) NASDAQ Japan, (b) the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan and (c) Market of the High-Growth and Emerging Stocks (“MOTHERS”)
– the alternative investment markets in the United Kingdom regulated and operated by the London Stock Exchange;
– the Hong Kong Growth Enterprise Market (“GEM”);
– TAISDAQ
RASDAQ
– the Stock Exchange of Singapore Dealing and Automated Quotation (SESDAQ)
– the Taiwan Innovative Growing Entrepreneurs Exchange (“TIGER”)
– the Korean Securities Dealers Automated Quotation (“KOSDAQ”)
– the French Market for Titres de Créances Négotiables (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
- EASDAQ (European Association of Securities Dealers Automated Quotation)

In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is:

- located in an EEA Member State,
- located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States
- the Channel Islands Stock Exchange
- listed at (d) above or
- any of the following:
  - The Chicago Board of Trade;
  - The Chicago Mercantile Exchange;
  - The Chicago Board Options Exchange;
  - EDX London;
  - New York Mercantile Exchange;
  - New York Board of Trade;
  - New Zealand Futures and Options Exchange;
  - Hong Kong Futures Exchange;
  - Singapore Commodity Exchange;
  - Tokyo International Financial Futures Exchange;

These exchanges and markets are listed in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations. The Central Bank does not issue a list of approved exchanges and markets.

Appendix III - List of sub-custodial agents appointed by The Northern Trust Company

The Depositary's global sub-custodian has appointed the following entities as sub-delegates in each of the markets set forth below. This list may be updated from time to time and is available upon request in writing from the Administrator or the Depositary. The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to The Northern Trust Company or any of the sub-delegates listed below. The Depositary will notify the Directors of the Fund of any such conflict should it so arise.

	Country	Subcustodian		Country	Subcustodian
1	**Argentina**	Citibank, N.A. Buenos Aires Branch	48	**Malaysia**	HSBC Bank Malaysia Berhad
2	**Australia**	HSBC Bank Australia Limited	49	**Mauritius**	The Hongkong and Shanghai Banking Corporation Limited
3	**Austria**	UniCredit Bank Austria A.G	50	**Mexico**	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex
4	**Bahrain**	HSBC Bank Middle East Limited	51	**Morocco**	Societe Generale Marocaine de Banques
5	**Bangladesh**	Standard Chartered Bank	52	**Namibia**	Standard Bank Namibia Ltd
6	**Belgium**	Deutsche Bank AG	53	**Netherlands**	Deutsche Bank AG
7	**Bermuda**	HSBC Bank Bermuda Limited	54	**New Zealand**	The Hongkong and Shanghai
8	**Bosnia and Herzegovina - Federation of B & H**	Raiffeisen Bank Bosnia DD BiH	55	**Nigeria**	Stanbic IBTC Bank Plc
9	**Bosnia and Herzegovina - Republic of Srpska**	Raiffeisen Bank Bosnia DD BiH	56	**Norway**	Nordea Bank AB (publ)
10	**Botswana**	Standard Chartered Bank Botswana Limited	57	**Oman**	HSBC Bank Oman SAOG
11	**Brazil**	Citibank, N.A., Brazilian Branch	58	**Pakistan**	Citibank, N.A., Karachi Branch
12	**Bulgaria**	Citibank Europe plc	59	**Panama**	Citibank N.A., Panama Branch
13	**CD's USD******	Deutsche Bank AG, London Branch	60	**Peru**	Citibank del Peru S.A.
14	**Canada**	The Northern Trust Company, Canada	61	**Phillipines**	The Hongkong and Shanghai Banking Corporation Limited
15	**Canada****	Royal Bank of Canada	62	**Poland**	Bank Polska Kasa Opieki SA
16	**Chile**	Banco de Chile	63	**Portugal**	BNP Paribas Securities Services
17	**China A Shares**	HSBC Bank (China) Company Limited	64	**Qatar**	HSBC Bank Middle East Limited
18	**China B Shares**	HSBC Bank (China) Company Limited	65	**Romania**	Citibank Europe plc
19	**Colombia**	Cititrust Colombia S.A. Sociedad Fiduciaria	66	**Russian**	AO Citibank
20	**Costa Rica**	Banco Nacional de Costa Rica	67	**Saudi Arabia**	HSBC Saudi Arabia Limited
21	**Croatia**	Zagrebacka Banka d.d.	68	**Serbia**	UniCredit Bank Serbia JSC
22	**Cyprus**	Citibank Europe plc	69	**Singapore**	DBS Bank Ltd

23	**Czech Republic**	UniCredit Bank Czech Republic and Slovakia, a.s.	70	**Slovakia**	Citibank Europe plc
24	**Denmark**	Nordea Bank AB (publ)	71	**Slovenia**	UniCredit Banka Slovenija d.d.
25	**Egypt**	Citibank, N.A., Cairo Branch	72	**South Africa**	The Standard Bank of South Africa
26	**Estonia**	Swedbank AS	73	**South Korea**	The Hongkong and Shanghai Banking Corporation Limited
27	**Finland**	Nordea Bank AB (publ)	74	**Spain**	Deutsche Bank SAE
28	**France**	Deutsche Bank AG	75	**Sri Lanka**	Standard Chartered Bank
29	**Germany**	Deutsche Bank AG	76	**Swaziland**	Standard Bank Swaziland Limited
30	**Ghana**	Standard Chartered Bank Ghana Limited	77	**Sweden**	Svenska Handelsbanken AB (publ)
31	**Greece**	Citibank Europe plc	78	**Switzerland**	Credit Suisse (Switzerland) Ltd.
32	**Hong Kong**	The Hongkong and Shanghai Banking Corporation Limited	79	**Taiwan**	Bank of Taiwan
33	**Hong Kong (Stock Connect Shanghai / Shenzen)**	The Hongkong and Shanghai Banking Corporation Limited	80	**Tanzania**	Standard Chartered Bank Tanzania Limited
34	**Hungary**	UniCredit Bank Hungary Zrt	81	**Thailand**	Citibank, N.A., Bangkok Branch
35	**India**	Citibank, N.A.	82	**Tunisia**	Banque Internationale Arabe de Tunisie
36	**Indonesia**	Standard Chartered Bank	83	**Turkey**	Deutsche Bank AG and Deutsche Bank A.S.
37	**Ireland**	Euroclear UK and Ireland Limited (Northern Trust self-custody)	84	**Uganda**	Standard Chartered Bank Uganda Limited
38	**Israel**	Bank Leumi Le-Israel B.M.	85	**United Arab Emirates - ADX**	HSBC Bank Middle East Limited (DIFC) Branch
39	**Italy**	Deutsche Bank SpA	86	**United Arab Emirates - DFM**	HSBC Bank Middle East Limited (DIFC) Branch
40	**Japan**	The Hongkong and Shanghai Banking Corporation Limited	87	**United Arab Emirates - NASDAQ Dubai**	HSBC Bank Middle East Limited (DIFC) Branch
41	**Jordan**	Standard Chartered Bank	88	**United Kingdom**	Euroclear UK and Ireland Limited (Northern Trust self-custody)
42	**Kazakhstan**	Citibank Kazakhstan JSC	89	**United States**	The Northern Trust Company
43	**Kenya**	Standard Chartered Bank Kenya Limited	90	**Uruguay**	Banco Itau Uruguay S.A.
44	**Kuwait**	HSBC Bank Middle East Limited	91	**Vietnam**	HSBC Bank (Vietnam) Ltd
45	**Latvia**	Swedbank AS	92	**Zambia**	Standard Chartered Bank Zambia PLC
46	**Lithuania**	AB SEB Bankas			
47	**Luxembourg*** **	Euroclear Bank S.A./N.V.			

* Market Suspended

** The Royal Bank of Canada serves as Northern Trust's subcustodian for securities not eligible for settlement in Canada's local central

*** Euroclear is classified as an International Central Securities Depository (ICSD), not a subcustodian relationship

**** Deutsche Bank AG operates as a Central Securities Depository for US$ CD's and is not classified as a subcustodian

FundLogic Alternatives plc

Promoter and Distributor
Morgan Stanley & Co. International plc

Supplement dated 21 July 2017
for

Abante 80% Proteccion Creciente Fund

This Supplement contains specific information in relation to the **Abante 80% Proteccion Creciente Fund** (the "**Sub-Fund**"), a sub-fund of **FundLogic Alternatives plc** (the "**Fund**"), an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland (the "**Central Bank**") pursuant to the Regulations. The Sub-Fund will be managed by FundLogic SAS (the "**Investment Manager**"). The Investment Manager has appointed Abante Asesores Gestion SGIIC SA ("**Abante**") to act as sub-investment manager to the Sub-Fund (the "**Sub-Investment Manager**").

This Supplement forms part of and should be read in conjunction with the Prospectus for the Fund dated 21 July 2017 (the "Prospectus").

The Sub-Fund's principal economic exposure may be effected through financial derivative instruments.

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

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement. In the event of any conflict between the Prospectus and this Supplement, this Supplement shall prevail.

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1. INVESTMENT OBJECTIVE AND POLICIES

1.1 Investment Objective

The Sub-Fund's investment objective is to provide Shareholders with long term exposure to the performance of the Portfolio Strategy with 80% of the highest NAV (from the launch of the Sub-Fund onwards) being protected as a minimum exit Net Asset Value (the "**Minimum Target NAV**").

1.2 Investment Policy

The portfolio strategy (the "**Portfolio Strategy**") consists of long and short positions in a portfolio of securities and other assets as set out below whose composition is determined from time to time by the Sub-Investment Manager (the "**Reference Strategy**") and exposure to an effective overnight interest rate for the Euro (the "**Cash Component**") – allocated in accordance with a risk control strategy as set out under "Risk Control Mechanism" below and with an aim of protection of 80% of the highest NAV per Share Class (from the launch of the Sub-Fund onwards) being protected as a minimum exit Net Asset Value though exposure to a put option (the "**Put Option**"). The overnight interest rate used for the Cash Component will be the Effective Overnight Index Average ("**Eonia**") minus a floating spread (which is a rate as may be agreed between the Investment Manager and Approved Counterparty from time to time and which is determined in light of market conditions such as financial liquidity). The Sub-Fund will gain exposure to the Portfolio Strategy and the Put Option through one or more unfunded total return swaps with the Approved Counterparty (collectively the "**Portfolio Total Return Swap**").

1.2.1 Description of Reference Strategy

The Reference Strategy is a notional portfolio with long and short exposure to the asset classes of fixed income, foreign exchange and equities. The Reference Strategy does not have any particular geographical or industry focus.

The Reference Strategy will obtain exposure to such asset classes in the following manner:

(a) Fixed Income

(i) Direct investment in fixed income securities, such as bonds and money market instruments (such as short and medium-term treasury bills and treasury notes, and certificates of deposit and bankers' acceptances), which are issued by corporate or government issuers (including those located in emerging markets), which are fixed or floating rate, rated investment grade or below investment grade or unrated and listed or traded on the Markets referred to in Appendix II of the Prospectus;

(ii) Indirect investment through regulated investment funds (including ETFs) with exposure to fixed income securities set out in (i) above, which are domiciled in the EEA, Jersey, Guernsey, the Isle of Man or the United States, and which are UCITS funds or alternative investment funds which are equivalent to UCITS; and

(iii) Total return swaps, futures and options (as set out in more detail in section 6 "Information on Financial Derivative Instruments" below) which reference direct or indirect fixed income investments set out in (i) and (ii) above or eligible indices which are comprised of fixed income investments set out in (i) above.

Short exposure to fixed income will be achieved by the Sub-Fund through the use of FDI, including swaps, futures and options.

(b) Equities

(i) Direct investment in equity securities which are issued by corporate issuers (including those located in emerging markets), which are listed or traded on the Markets referred to in Appendix II of the Prospectus (with no specific industry or capitalisation focus);

(ii) Indirect investment through regulated investment funds (including ETFs) with exposure to equity securities set out in (i) above, which are domiciled in the EEA, Jersey, Guernsey, the Isle of Man or the United States, and which are UCITS funds or alternative investment funds which are equivalent to UCITS; and

(iii) Total return swaps futures and options (as set out in more detail in section 6 “Information on Financial Derivative Instruments” below) which reference direct or indirect equities investments set out in (i) and (ii) above or eligible indices which are comprised of equity investments set out in (i) above.

Short exposure to equities will be achieved by the Sub-Fund through the use of FDI, including swaps, futures and options.

(c) Foreign Exchange

Swaps, options, futures and options on futures and forward currency exchange contracts (as set out in more detail in section 6 “Information on Financial Derivative Instruments” below) which reference foreign exchange rates or currencies and eligible indices with exposure to foreign exchange rates or currencies.

The Sub-Investment Manager shall determine the allocation to the constituents of the Reference Strategy on a discretionary basis, subject to a maximum allocation of 100% of net exposure to fixed income, maximum allocation of 65% of net exposure to equities and maximum of 40% of net exposure to foreign exchange.

The first step in the investment process employed within the Reference Strategy is to define the overall asset allocation between the different asset classes. The Sub-Investment Manager will determine the asset allocation through a fundamental analysis of the macroeconomic factors (e.g., relative attractiveness of equity valuations, level of interest rates and exchange rates, and overall credit environment). The asset allocation process takes into account expected return as well as volatilities and correlations between asset classes described in the categories above. The Sub-Investment Manager strives for a broad diversification while being reactive to changing market conditions.

The Sub-Investment Manager then implements its asset allocation by investing in the asset classes as outlined above.

The Sub-Investment Manager makes allocation to equities that it believes are likely to make positive returns from a medium to long term perspective. The Sub-Investment Manager may invest in equities of all sizes and geographic locations (although with a primary focus on the European region). The allocation is characterised by a fundamental and research driven approach to investing. The investment process aims to identify attractive investment opportunities based on a thorough understanding of the underlying company’s business and financial positioning.

The Sub-Investment Manager evaluates potential investment opportunities based on a strategic analysis of a company, which typically includes an assessment of its industry dynamics, quality of management, pricing and competitive landscape etc.

The financial analysis generally includes an assessment of cash flows, return on capital, quality and stability of earnings, valuation and other relevant factors.

The Sub-Investment Manager may invest into foreign exchange instruments for both investment and hedging purposes e.g. (i) it can take long positions in currencies that, based on market forecasts and macroeconomic factors , are expected to appreciate (ii) it can invest in currencies to hedge the currency exposure of investments.

The Reference Strategy may, from time to time, hold all or a portion of its assets in cash or cash equivalents (which shall include, but shall not be limited to, short-term fixed income securities including commercial paper (i.e. investment grade short-term paper issued by credit institutions) and money market obligations such as short and medium-term treasury bills and treasury notes (both fixed and floating rate), certificates of deposit and bankers’ acceptances, when opportunities are limited or in other circumstances deemed appropriate by the Sub-Investment Manager.

As disclosed above in sections 1.2.1 (a), (b) and (c), the Reference Strategy may obtain exposure to (a) and (b) above through investment in other collective investment schemes. Notwithstanding any contrary provision in the Prospectus, the Reference Strategy may be comprised of up to 100% in regulated investment funds (including ETFs) which are domiciled in the EEA, Jersey, Guernsey, the Isle of Man or the United States, and which are UCITS funds or alternative investment funds which are equivalent to UCITS. Any such collective investment scheme will not charge annual management fees of in excess of 5% of those underlying funds’ respective net asset values. The Reference Strategy may not invest more

than 20% of net asset value in any one collective investment scheme. Investments in alternative investment funds schemes may not, in aggregate, exceed 30% of net asset value. Investment may not be made in any collective investment scheme which itself invests more than 10% of its net asset value in other open-ended collective investment schemes.

The ratio of long and short investments may vary through time. The maximum gross short exposure within the Reference Strategy will be -50% and the maximum gross long exposure will be 150% of the Sub Fund's Net Asset Value. The maximum net long exposure of the Reference Strategy will be 100% of the Sub-Fund's Net Asset Value. The Reference Strategy will not have a net short exposure.

As set out above the Reference Strategy expects to enter into FDI transactions to gain exposure to the securities referred to in Description of Reference Strategy above. The Reference Strategy may take long positions either physically or synthetically through the use of FDIs. The Reference Strategy will not take physical short positions. All short positions will be taken through the use of an FDI. The Reference Strategy may utilise swaps, options, futures and forward currency exchange contracts. The Reference Strategy may invest in FDI transactions both for investment and efficient portfolio management purposes. For example: (i) equity swaps may be utilised for efficient cash management; or (ii) single name options may be utilised to hedge out the risk associated with an industry or gain exposure to an issuer; (iii) index futures on broad based indices may be utilised in order to hedge the equity portion of the strategy from movements in the general equity market and (iv) forward currency exchange contracts, currency index futures and currency index forwards in order to hedge the currency risk for the components of the Reference Strategy.

FDIs may be exchange traded or over-the-counter.

The Reference Strategy will have no more than 20% exposure to equities and equity related securities of issuers located in emerging markets.

1.2.3 General

In accordance with the requirements of the Central Bank, the absolute VaR of the Sub-Fund on any day may not exceed 20% of the Net Asset Value of the Sub-Fund using a one-tailed confidence interval of 99% and a holding period of one month and a historical observation period of 4 years. The Sub-Fund's gross leverage calculated using the sum of the notional exposure of its derivatives positions (including leverage inherent in the Portfolio Strategy) is expected to be between 300% and 350% of the Net Asset Value of the Sub-Fund and will never exceed 425% of the Net Asset Value of the Sub-Fund. The maximum gross leverage of Reference Strategy will be 210% of the Net Asset Value of the Sub-Fund. The leverage inherent in the Reference Strategy is included in the gross leverage figures outlined above.

The aggregate gross exposure of the constituents of the Reference Strategy, as measured using the commitment approach (which includes netting and hedging), shall not exceed 210% of the net asset value of the Reference Strategy. The Sub-Fund will use the absolute VaR risk measurement approach and any reference to the commitment approach in respect of the Reference Strategy in this Supplement is intended solely as a supplementary disclosure to investors and relates to the Reference Strategy and not the Sub-Fund.

The Sub-Fund may enter into Financing Swaps (as defined below under "Unfunded Total Return Swaps and Reverse Repurchase Transaction"). The Sub-Fund may enter into repurchase / reverse repurchase arrangements (subject to the conditions and limits laid down by the Central Bank for efficient portfolio management purposes).

The Sub-Fund will have an exposure to the Put Option as part of the Portfolio Total Return Swap from the Approved Counterparty that aims to pay any shortfall amount that the Fund may need to receive in order to pay Minimum Target NAV to the Shareholders. The purpose of holding exposure to the Put Option is to offer an element of capital protection equal to at least 80% of the highest Net Asset Value per Share (subject to disclosures as laid out in Section 13: Risk Factors below) achieved from the launch of the Sub-Fund onwards (i.e. commencing with the initial offer price). The premium payable for the Put Option will be at normal commercial rates.

The Sub-Fund and the Reference Strategy will only utilise those derivatives that are listed in the risk management process in respect of the Sub-Fund and that have been cleared by the Central Bank as detailed in section 6 "Information on Financial Derivative Instruments".

Risk Control Mechanism

The Investment Manager rebalances the exposure to the Reference Strategy and the Cash Component (which may occur daily) through the Portfolio Total Return Swap, as agreed between the Investment Manager and the Approved Counterparty(as further described below) on the basis of certain volatility rules summarised herein. The rebalancing seeks to control the volatility risk of the Portfolio Strategy by reducing the allocation to the Reference Strategy if and when the realised volatility of the Reference Strategy as observed for certain periods increases. As the realised volatility of the Reference Strategy increases, the exposure to the Reference Strategy is adjusted downwards to a minimum of 0% and the corresponding exposure to the Cash Component is adjusted upwards to a maximum of 100%, such that the anticipated realised volatility of the Portfolio Strategy within the observed periods is consistent with the volatility budget. The volatility budget i.e. the maximum targeted level of annualised change in value of the Portfolio Strategy is 8% over the term of the Portfolio Total Return Swap. A lower volatility ensures that the exposure of Portfolio Total Return Swap to the Reference Strategy is maximised, as a higher realised volatility of the Portfolio Strategy would otherwise result in a higher allocation to the Cash Component.

Minimum Target NAV

The Sub-Fund will aim on each Dealing Day to offer an element of capital protection equal to 80% of the highest Net Asset Value per Share achieved from the launch of the Sub-Fund onwards (i.e. commencing with the initial offer price). The Sub-Fund aims to achieve this capital protection through exposure to the Put Option which forms part of the exposure of the Portfolio Total Return Swap, as described above. The aim of holding exposure to the Put Option, when combined with holding exposure to the Portfolio Strategy is to deliver the Minimum Target NAV as the Put Option is expected to pay into the assets of the Sub-Fund any shortfall amount that the Fund may need to receive in order to pay the Minimum Target NAV to the Shareholders.

The initial term of the Portfolio Total Return Swaps is four years but the Sub-Fund will aim to periodically extend the Portfolio Total Return Swap.

The Sub-Fund will pay additional premium in relation to the extension of the Portfolio Total Return Swap (which embeds the Put Option) and / or for increasing the allocation to the Reference Strategy within the Portfolio Strategy.

Termination Date

The Sub-Fund will terminate on the Business Day following the termination of the Portfolio Total Return Swap (which may occur, for example, as a result of the termination of the Sub-Investment Manager's appointment in respect of the Sub-Fund). The initial term of the Portfolio Total Return Swap is four years, but the Sub-Fund will endeavour to extend the maturity of the Portfolio Total Return Swap at least once a year. If the Portfolio Total Return Swap can no longer be extended, the Shareholders will be informed about the expected termination date of the Portfolio Total Return Swap and about the expected termination date of the Sub-Fund (at least 3 months prior to such termination dates).

1.3 Profile of a Typical Investor

Investment in the Sub-Fund is suitable for investors seeking medium to long-term appreciation of capital.

2. APPROVED COUNTERPARTY(IES)

The sole approved counterparty/ counterparties for all off exchange derivatives and the repurchase agreement is Morgan Stanley or any of its affiliates or subsidiaries that is a UCITS eligible counterparty (the "**Approved Counterparty**"). The Approved Counterparty does not have discretion over the Sub-Fund's assets.

3. UNFUNDED TOTAL RETURN SWAPS AND REVERSE REPURCHASE TRANSACTIONS

The Sub-Fund may use, as described in 1.2 & 1.2.3 above, a Portfolio Total Return Swap (which will deliver the economic performance of the Portfolio Strategy and the Put Option) and the Financing Swaps (as defined below) (together, the "**Swaps**").

3.1 The Portfolio Total Return Swap

The Portfolio Total Return Swap will give the Sub-Fund the economic exposure to the Portfolio Strategy and the Put Option in exchange for a floating rate of return being paid by the Sub-Fund.

The Portfolio Total Return Swap contains exposure to the Put Option which is held with the aim of providing an element of capital protection equal to at least 80% of the highest Net Asset Value per Share achieved from the launch of the Sub-Fund onwards (i.e. commencing with the initial offer price).

3.2 The Financing Swaps

The Sub-Fund will purchase Financing Assets (as defined below) and transfer the full economic interest in such Financing Assets (as defined below) to the Approved Counterparty pursuant to swap agreements (the "**Financing Swaps**") in exchange for a floating rate of return (i.e. a market rate of return agreed with the Approved Counterparty from time to time generated through the Financing Swaps) being received by the Sub-Fund from the Approved Counterparty. This floating rate of return shall in turn be paid to the Approved Counterparty under the Portfolio Total Return Swap referred to above.

"**Financing Assets**" will include equity securities and other securities with equity characteristics, including, but not limited to, preferred stocks, warrants on equities (which gives the holder the right to buy the underlying equity at a specified price and time) and depository receipts for such securities (American depositary receipts traded in the United States markets and global depositary receipts traded in other world markets), issued by companies worldwide and which may or may not be constituents of the Reference Strategy. They may also include debt securities which may include, without limitation, government and corporate bonds and notes (fixed and floating interest rate) and commercial paper and may be rated either above or below "investment grade" by Standard & Poor's and/or Moody's or, if unrated, determined to be of equivalent credit quality by the Investment Manager. They may also include (without aggregate limits) UCITS-eligible regulated investment funds (including money market funds and ETFs) domiciled in the EEA, Jersey, Guernsey, the Isle of Man, or the United States, with a maximum management fee of 5% of any such fund's net assets. Such investment funds will be UCITS funds or alternative investment funds which are equivalent to UCITS which will deliver exposure to the asset classes of fixed income, equities, foreign exchange and alternative assets (without any minimum or maximum allocation limits for each asset class). The Financing Assets acquired will be those which, in the opinion of the Investment Manager, are suited for the purpose of meeting the investment objective of the Sub-Fund, based on its assessment of the underlying liquidity of the securities, where it will select securities that match the daily liquidity of the Sub-Fund.

The Approved Counterparty does not have discretion over the Financing Assets.

Financing Assets may have unlimited exposure to emerging market and sub investment grade assets.

Financing Assets (other than permitted unlisted investments) will be listed or traded on the Markets referred to in Appendix II of the Prospectus. For the avoidance of doubt, the Swaps will not be listed or traded as they are permitted unlisted investments.

The Sub-Fund may also enter into reverse repurchase agreements with the Approved Counterparty for efficient portfolio management purposes (which will generate a floating rate of return as well). The floating rate of return generated through the reverse repurchase agreement shall in turn be paid to the Approved Counterparty under the Portfolio Total Return Swap referred to above. The Sub-Fund will not enter into repurchase agreements or stock lending agreements. The Sub-Fund's exposure to total return swaps and reverse repurchase agreements is as set out below (in each case as a percentage of Net Asset Value):

	Expected	Maximum
Total Return Swaps	300%	425%
Reverse Repurchase Agreements	1%	100%

The Approved Counterparty may provide collateral to the Sub-Fund so that the Sub-Fund's risk exposure to the Approved Counterparty is reduced to the extent required by the Central Bank as set out under section 6 below.

The Sub-Fund may not enter into fully funded swaps.

The performance of the Sub-Fund will primarily be determined by the performance of the Portfolio Total Return Swap. It is not accordingly anticipated that the Sub-Fund will be exposed to the performance or risks of the Financing Assets other than in the event of a default by the Approved Counterparty under the terms of the Financing Swap.

4. HEDGING STRATEGY

The Approved Counterparty may incur costs in hedging its obligations under the Swap transactions. Any costs incurred by the Approved Counterparty in implementing its hedging strategy (including costs and fees of the Investment Manager as disclosed in point 1 of the sub-section headed "Management Charge" in Section 16 on Charges and Expenses) which are paid or reimbursed by Approved Counterparty may ultimately be borne by the Sub-Fund as costs, at normal commercial rates, under the terms of the Swap.

5. INVESTMENT RESTRICTIONS OF THE PORTFOLIO

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

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

6. INFORMATION ON FINANCIAL DERIVATIVE INSTRUMENTS WITHIN THE REFERENCE STRATEGY AND SUB-FUND

The following types of Financial Derivative Instruments will be used within the Reference Strategy (and in the case of Swaps and Forward Currency Exchange Contracts, the Sub-Fund) to provide exposure to fixed income, equities and foreign exchange as set out in more detail in section 1.2.1 of the "Investment Policy" section above.

Swaps. These include contracts for difference and total return swaps. A contract for difference (CFD) is a bilateral contract that allows involved parties to exchange the difference between current market value of an underlying asset and its market value at the inception of the contract. A total return swap is a bilateral financial contract, which allows one party to enjoy all of the cash flow benefits of an asset without actually owning this asset. The underlying reference assets of swaps can be single name securities, indexes or custom baskets of securities. The swaps underlying the Reference Strategy will be unfunded.

Options. Options may be exchange traded or traded over-the-counter options and may have single name securities, indexes or custom baskets of securities as underlying reference assets. Unlike exchange traded options, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC options are generally established through negotiation with the other party to the option contract. A call option on an investment is a contract under which the purchaser, in return for a premium paid, has the right to buy the underlying reference assets at the specified exercise price at any time during the term of the option. A put option is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying reference asset at the specified exercise price during the term of the option. The Reference Strategy may invest in options on equities, equity indices, fixed income instruments, foreign exchange. The Sub-Fund may take exposure to an option that protects 80% of the maximum NAV of the Sub-Fund.

Futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price. The Reference Strategy may employ indices that are comprised of futures. The Reference Strategy may invest in futures on equities, equity indices, fixed income instruments and foreign exchange.

Forward Currency Exchange Contracts. A forward currency exchange contract involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract. The forward currency exchange contracts will be used to hedge the currency risk of Reference Strategy assets, non-base currency Share Classes and the Financing Assets.

7. INVESTMENT MANAGER

The Investment Manager for the Sub-Fund is FundLogic SAS. The Investment Manager is incorporated in France with a registered office at 61 Rue de Monceau, 75008 Paris, France.

The Investment Manager is regulated by the Autorité des Marchés Financiers in France. As at 28 February 2017, FundLogic SAS had approximately $3.6 billion of assets under management.

The Fund has appointed the Investment Manager as investment manager for the Sub-Fund pursuant to an amendment to the investment management agreement between the Fund and the Investment Manager dated 27 July 2010, as amended and as may be further amended (the "**Agreement**")

Subject to controls imposed by the Directors under the Agreement, all relevant laws and regulations, this Supplement, the Prospectus and the Articles, the Investment Manager has discretion to take day-to-day investment decisions and to deal in investments and to conduct the investment management of the Sub-Fund.

The Agreement provides that the Investment Manager shall be responsible for loss to the Sub-Fund and/or the Fund to the extent such loss arises out of negligence, wilful default or fraud by itself, its directors, officers, servants, employees and appointees. The Investment Manager, its directors, officers, servants, employees and appointees shall not be liable for loss to the Sub-Fund and / or the Fund on account of anything done or suffered by the Investment Manager in good faith in accordance with or in pursuance of any request or advice of the Sub-Fund and/or the Fund.

The Agreement shall continue in force until terminated pursuant to the terms set out therein. Except as set forth in the Agreement, either party may terminate the Agreement on giving not less than 90 days' prior written notice (or such other period as may be agreed between the parties).

8. SUB-INVESTMENT MANAGER

The Investment Manager has appointed **Abante** as the Sub-Investment Manager, pursuant to the sub-investment management agreement between the Investment Manager, Fund and the Sub-Investment Manager dated 23 January 2017, as amended and as may be further amended (the "**Sub-Investment Management Agreement**"), to provide the Investment Manager with discretionary investment management services in relation to the investments in the Reference Strategy.

The Sub-Investment Manager has its registered office at PADILLA, 32 - 28006 MADRID (SPAIN). It is authorised and regulated by the **Comisión Nacional de Mercado de Valores (CNMV)** in Spain. Its principal activity is providing collective portfolio management services.

The Sub-Investment Manager shall be responsible for loss to the Investment Manager and the Fund to the extent such loss is due to wilful misfeasance, wilful deceit, fraud, bad faith, negligence or material breach by the Sub-Investment Manager by itself, its directors, officers, servants, employees, agents and appointees,for its recklessness, breach of fiduciary duty and any misrepresentation made by or on behalf of the Sub-Investment Manager or its reckless disregard of or its failure to comply with the Investment Guidelines (as defined in the Sub-Investment Management Agreement).

The Sub-Investment Management Agreement may be terminated by either the Investment Manager or the Sub-Investment Manager on giving not less than 3 months prior written notice (or such other period as may be agreed between the parties) to the other party.

9. SUB-CUSTODIAN

Pursuant to an agreement dated 23 January 2017 (the "**Sub-Custody Agreement**"), the Depositary has appointed Morgan Stanley & Co. International plc ("**MSI plc**") as sub-custodian in relation to the Sub-Fund, subject to the overall supervision of the Depositary, and MSI plc may in such capacity hold certain assets of the Sub-Fund from time to time. MSI plc is a company incorporated with limited liability under the laws of England and Wales whose principal place of business for this agreement is at 25 Cabot Square, Canary Wharf, London E14 4QA and is regulated by the Financial Conduct Authority in the UK.

The Sub-Custody Agreement may be terminated by either party on 30 days' written notice, or, where the Services Agreement (as defined below) is not terminated, with MSI plc's written permission or forthwith by notice in writing in certain circumstances such as the insolvency of MSI plc. The Sub-Custody Agreement provides that MSI plc shall indemnify the Depositary for certain losses unless MSI plc's liability arises (i) in connection with the potential liability of the Depositary that is released pursuant to applicable law following the occurrence of an external event beyond the reasonable control of MSI plc the consequences of which would have been unavoidable despite all reasonable efforts to the contrary; (ii) out of the negligence, wilful default or fraud of the Depositary or any of its affiliates; or (iii) as a result of the delegation by MSI plc of the safekeeping of assets to the Depositary or any of its affiliates.

10. SERVICE PROVIDER

The Fund has appointed MSI plc (the "**Service Provider**") to provide certain services (being the services set out in the paragraph immediately below) to the Fund as service provider pursuant to a Services Agreement dated 23 January 2017 in respect of the Sub-Fund (the "**Services Agreement**").

Under the Services Agreement, the Service Provider or certain other members of the Morgan Stanley Group of companies (the "**Morgan Stanley Companies**") will provide services to the Fund including the provision to the Fund of settlement, clearing and foreign exchange facilities. The Service Provider does not have discretion over the Sub-Fund's assets. The Fund may also utilise Morgan Stanley Companies and other brokers and dealers for the purposes of executing transactions for the Sub-Fund.

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

11. RISK MANAGER

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

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

The Risk Management Agreement shall continue in force until terminated pursuant to the Risk Management Agreement. Either party may terminate the Risk Management Agreement on giving not

less than 90 days' written notice at any time. The Risk Management Agreement may also be terminated at any time in the circumstances set out in the Risk Management Agreement.

12. BORROWING AND LEVERAGE

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

In accordance with the requirements of the Central Bank, the absolute VaR of the Sub-Fund on any day may not exceed 20% of the Net Asset Value of the Sub-Fund using a one-tailed confidence interval of 99% and a holding period of one month and a historical observation period of 4 years. The Sub-Fund's gross leverage calculated using the sum of the notional exposure of its derivatives positions (including leverage inherent in the Portfolio Strategy) is expected to be between 300% and 350% of the Net Asset Value of the Sub-Fund and will never exceed 425% of the Net Asset Value of the Sub-Fund.

The aggregate gross exposure of the constituents of the Reference Strategy, as measured using the commitment approach, shall not exceed 210% of the net asset value of the Reference Strategy. The Sub-Fund may be leveraged through the use of FDI, including through the Portfolio Total Return Swap which provides exposure to the Reference Strategy.

13. RISK FACTORS

The risk factors set out in the section entitled **Risk Factors** in the Prospectus apply.

The following additional risk factors also apply:

Counterparty Risk

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

The restrictions on cash collateral as set out in the section entitled Efficient Portfolio Management in the Prospectus shall apply. Where cash collateral is re-invested it will be subject to the same risks as direct investments as set out in the section entitled Risk Factors in the Prospectus.

No Exposure to Reference Strategy

Based on the risk control mechanism, there is a risk that there is no exposure to the Reference Strategy for certain periods. In this case, Shareholders will be exposed to overnight interest rates which might be negative and thus might generate negative returns.

Minimum Target NAV

The Sub-Fund aims to provide an element of capital protection, however, this will be dependent on the solvency of the Approved Counterparty. In the event of insolvency of Approved Counterparty, the Sub-Fund will be exposed to the performance of Financing Assets.

Investors should note that the Minimum Target NAV does not provide complete capital protection and only aims to provide a payment equal to a minimum of 80% of the highest Net Asset Value per Share achieved from the launch of the Sub-Fund onwards. It is important to note that, while a repurchasing Shareholder will receive an amount equal to the Net Asset Value per Share on redemption, each Share may benefit from limited capital protection only, regardless of the Net Asset Value per Share at which such Share was purchased by the Shareholder.

Deposit Risk

An investment in the Sub-Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account.

Active Management Risk

The Sub-Investment Manager decides the composition of the Reference Strategy and so the success of the Sub-Fund depends, among other things, upon the ability of the Sub-Investment Manager to manage the asset allocation within the Reference Strategy. No assurance can be given that the Sub-Investment Manager will be successful in managing the Reference Strategy. Moreover, decisions made by the Sub-Investment Manager may cause the Sub-Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalized. Additionally, the management of the Reference Strategy will result in brokerage and other transaction costs to which the Sub-Fund will be indirectly exposed. Shareholders will have no right or power to participate in the day-to-day management or control of the business of the Sub-Fund, nor an opportunity to evaluate the determination of (and any changes to) the specific strategies used, or investments made, by the Sub-Investment Manager within the Reference Strategy or the terms of any such investment.

Impact of the valuation of Off Exchange Derivatives on the Net Asset Value of the Sub-Fund

The Sub-Fund invests in complex derivatives (eg, the Financing Swaps and the Portfolio Total Return Swap) whose valuation depends on multiple market parameters. Thus, Shareholders will not be able to derive the Net Asset Value of the Sub-Fund from an increase in the level of the Reference Strategy alone.

Depositary / MSI plc Insolvency

The Sub-Fund is subject to a number of risks relating to the insolvency, administration, liquidation or other formal protection from creditors ("**Insolvency**") of the Depositary and/or MSI plc in its capacity as sub-custodian. These risks include without limitation: the loss of all cash which the Depositary and/or MSI plc has failed to treat as client money in accordance with any agreed procedures; the loss of some or all of any securities held on trust which have not been properly segregated and so identified both at the level of the Depositary and/or MSI plc ("trust assets") or client money held by or with the Depositary and/or MSI plc in connection with a reduction to pay for administrative costs of an Insolvency and/or the process of identifying and transferring the relevant trust assets and/or client money for other reasons according to the particular circumstances of the Insolvency; losses of some or all assets due to the incorrect operation of the accounts by the Depositary and/or MSI plc; and losses caused by prolonged delays in receiving transfers of balances and regaining control over the relevant assets.

14. DIVIDEND POLICY

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

15. KEY INFORMATION FOR PURCHASES AND SALES OF SHARES

Base Currency

EUR

Classes of Shares

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

Class	Currency Denomination	Currency Hedged	Initial Issue	Minimum Initial Subscription	Minimum Subsequent	Minimum

		Shares	Price per Share		Subscription	Holding (Number of Shares)
Class A EUR Shares	Euro	NO	€10	€10	N/A	N/A

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

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

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

Class A EUR Shares are available at their Net Asset Value on each Dealing Day.

Business Day

Every day (except legal public holidays in London, Paris, Spain (as published in Spain's BOE official state bulletin) or Dublin or days on which the stock markets in Paris, Dublin, Madrid and/or in London are closed) during which banks in Paris, Dublin and London are open for normal business and such other day or days as the Directors may from time to time determine and notify in advance to Shareholders. The 24th and the 31st December are deemed public holidays for the purpose of this Supplement.

Dealing Day

Every Business and/or such other day or days as the Directors may from time to time determine and notify in advance to Shareholders, provided that in any event there shall be at least one Dealing Day per fortnight.

Dealing Deadline

3 PM Irish time one Business Day prior to the relevant Dealing Day.

The Directors may, in their discretion and on an exceptional basis only, waive the Dealing Deadline either generally or in relation to any specific subscription provided that applications are received prior to the Valuation Point (being the earliest close of business of any relevant market on that Dealing Day) for that particular Dealing Day. For the avoidance of doubt, no application shall be accepted after the close on a Dealing Day of any market relevant to the assets and liabilities of the Sub-Fund.

Settlement Date

In the case of subscriptions, by 12 Noon Irish time, 3 Business Days after the relevant Dealing Day.

In the case of repurchases, 3 Business Days after the relevant Dealing Day.

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

Valuation Point

Close of business on the relevant Dealing Day.

In the case of transferable securities and listed FDI, the Valuation Point will be such time on a Dealing Day which reflects the close of business on the markets relevant to such assets and liabilities or such other time as the Directors may determine from time to time and notify to Shareholders. In the case of OTC FDI, the Valuation Point will be the close of business on the Dealing Day or such other time as the Directors may determine from time to time and notify to Shareholders. For the avoidance of doubt, the time at which the Net Asset Value is determined will always be after the Dealing Deadline.

16. CHARGES AND EXPENSES

Redemption in Specie

The provisions of the section of the Prospectus entitled **Repurchase of Shares** in respect of the ability of the Directors to satisfy a repurchase request in whole or in part by an in-kind distribution of securities of the relevant Sub-Fund in lieu of cash with or without consent of the Shareholder shall not apply to the Sub-Fund.

Management Charge

The Fund will pay (i) up to 0.10% per annum in respect of the Class A EUR Shares to the Investment Manager and (ii) up to 1.25% per annum in respect of the Class A EUR Shares to the Sub Investment Manager from the assets attributable to the Sub-Fund which are based on a percentage of net assets attributable to such Class of Shares, which is accrued daily and paid quarterly in arrears.

Risk Management, Administrator's and Depositary's Fees

The Fund will pay to the Promoter, out of the assets of the Sub-Fund, a fee which will not exceed 0.25% per annum of the net assets of the Sub-Fund and will be accrued daily and paid monthly in arrears.

The Promoter will, inter alia, pay the fees and expenses of any service provider to the Sub-Fund and in particular, the Administrator and Depositary which are not covered by the Management Charge payable to the Investment Manager and will be entitled to retain any excess after payment of such fees for risk management services provider by the Promoter.

Notwithstanding the above, any transaction charges, reasonable fees and customary agents' charges due to any local market sub-custodian (not including the Depositary or any of its affiliates), which shall be charged at normal commercial rates, together with value added tax, if any, thereon, shall be paid out of the assets of the Sub-Fund or, if paid by the Depositary, shall be reimbursed to the Depositary out of the assets of the Sub-Fund.

Subscription Charge

A subscription charge of up to 3% of the subscription amount may apply in respect of each Share Class. Any subscription charge received by the Sub-Fund may be paid to the Distributor, or any sub-distributor or intermediary.

Ongoing Charges and Expenses

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

17. HOW TO SUBSCRIBE FOR SHARES

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

The Directors reserve the right to reject in whole or part any subscription at their sole discretion, but in particular may do so where the Approved Counterparty is unwilling to agree to an equivalent increase in the notional of the Portfolio Total Return Swap.

18. HOW TO SELL SHARES

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

19. HOW TO EXCHANGE SHARES

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

20. ESTABLISHMENT CHARGES AND EXPENSES

The cost and expenses of establishing the Sub-Fund will be paid by the Promoter.

21. OTHER CHARGES AND EXPENSES

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

22. OTHER INFORMATION

As at the date of this Supplement, there are fifty other sub-funds of the Fund currently in existence, Emerging Markets Equity Fund, Salar Convertible Absolute Return Fund, MS PSAM Global Event UCITS Fund, Indus Select Asia Pacific Fund, MS Algebris Global Financials UCITS Fund, Indus PacifiChoice Asia Fund, MS Ascend UCITS Fund, MS Alkeon UCITS Fund, RiverCrest European Equity Alpha Fund, MS SLJ Macro UCITS Fund, MS QTI UCITS Fund, MS Turner Spectrum UCITS Fund, MS Long Term Trends UCITS Fund, MS Discretionary Plus UCITS Fund, MS Lynx UCITS Fund, MS Dalton Asia Pacific UCITS Fund, MS Broadmark Tactical Plus UCITS Fund, MS Swiss Life Multi Asset Protected Fund, MS TCW Unconstrained Plus Bond Fund, MS Fideuram Equity Smart Beta Dynamic Protection 80 Fund, MS Nezu Cyclicals Japan UCITS Fund, MS Scientific Beta Global Equity Factors UCITS ETF, MS Kairos Enhanced Selection UCITS Fund, MS Scientific Beta US Equity Factors UCITS ETF, MSCI Emerging Markets ESG Equity Fund, MS Tremblant Long/Short Equity UCITS Fund, Global Equity Risk Premia Long/Short UCITS Fund, MS Fideuram Equity Smart Beta Dynamic Protection 80 Fund II, DAX® 80 Garant, IPM Systematic Macro UCITS Fund, Quantica Managed Futures UCITS Fund, Smartfund 80% Protected Growth Fund, Smartfund 80% Protected Balanced Fund, MSCI China A International Fund, Mariner Lenus Healthcare UCITS Fund, Smartfund Cautious Fund, Smartfund Balanced Fund, Smartfund Growth Fund, 80% Protected Index Portfolio, Mariner Investment Diversifying Alternative UCITS Fund, Market Neutral Credit UCITS Fund, Academy Quantitative Global UCITS Fund, Arno Fund, QW Equity Market & Sector Neutral UCITS Fund, Cautious 85% Protected Fund, Moderate 80% Protected Fund, Equity Risk Managed Fund, Cube Global Cross Assets Fund, CZ Absolute Alpha UCITS Fund and Investcorp Geo-Risk Fund.

Services Agreement

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

The Service Provider or any Morgan Stanley Company or their employees or officers will not in any circumstances be liable for any consequential loss, damage or liability regardless of whether it is aware of the likelihood of such loss, damage or liability. The Fund will fully indemnify the Service Provider or any Morgan Stanley Company or their employees or officers on demand against any and all claims which the Service Provider or any Morgan Stanley Company or their employees or officers may suffer or incur directly or indirectly (including those incurred to a sub-custodian, broker, executing broker,

exchange, clearing house or other regulatory authority) as a result of, or in connection with, or arising out of, the Services Agreement, related documents, related transactions and any other matters set out in the Services Agreement. This indemnity will not extend to the Service Provider or any Morgan Stanley Company or their employees or officers in so far as the claims suffered by the same are a direct result of its fraud, wilful default, negligence, breach of applicable law or regulation (other than where the breach of law or regulation arises as a result of the indemnified person taking any action or inaction on the instructions of the Fund or its agents or as a result of the failure by the Fund to take any action required to be taken by it under applicable law or regulation).

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

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