

CELSIUS FUNDS PLC

An umbrella fund with segregated liability between sub-funds

(an umbrella type open-ended investment company with variable capital incorporated with limited liability under the laws of Ireland with registered number 406351)

PROSPECTUS

This Prospectus may not be distributed unless accompanied by, and must be read in conjunction with, the Supplement for the Shares of the Fund being offered.

13 July 2015

IMPORTANT INFORMATION

THIS DOCUMENT IS IMPORTANT. BEFORE YOU PURCHASE ANY OF THE SHARES YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

Authorisation

Celsius Funds plc (the “Company”) is an investment company with variable capital incorporated on 8 August 2005 and 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). This authorisation however, does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus.

The Company is structured as an open-ended umbrella fund with segregated liability between sub funds. Shares representing interests in different Funds may be issued from time to time by the Directors. Shares of more than one Class may be issued in relation to a Fund. All Shares of each Class will rank *pari passu* save as provided for in the relevant Supplement. On the introduction of any new Fund (for which prior Central Bank approval is required) or any new Share Class (which must be issued in accordance with the requirements of the Central Bank), the Company will prepare and the Directors will issue a Supplement setting out the relevant details of each such Fund or new Share Class. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each Share Class) and will be invested in accordance with the investment objective and policy applicable to such Fund. Particulars relating to individual Funds and the Share Classes available therein are set out in the relevant Supplement.

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

Responsibility

The Directors (whose names appear under the heading “Management of the Company – Directors of the Company” below), accept responsibility for the information contained in this Prospectus and each relevant Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus (as complemented, modified or supplemented by the relevant Supplement), when read together with the relevant Supplement, is in accordance with the facts as at the date of the relevant Supplement and does not omit anything likely to affect the import of such information.

Listing on the Irish Stock Exchange

Application may be made to the Irish Stock Exchange for the listing of Shares of any Class issued and available for issue, to be admitted to the Official List and traded on the Main Securities Market of the Irish Stock Exchange. This Prospectus together with the relevant Supplement comprises listing particulars for the purpose of the listing of such Shares on the Official List and trading on the Main Securities Market of the Irish Stock Exchange. Notwithstanding any application to list such Shares, it is not anticipated that an active secondary market will develop in such Shares.

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

As at the date of this Prospectus, the Company has no outstanding mortgages, charges, debentures or other borrowings, including bank overdrafts and liabilities made under acceptance credits, obligations made under finance leases, hire purchase commitments, guarantees or other contingent liabilities.

General

This Prospectus describes the Company and provides general information about offers of Shares in the Company. You must also refer to the relevant Supplement which is separate to this document. Each Supplement sets out the terms of the Shares and the Fund to which the Supplement relates as well as risk factors and other information specific to the relevant Shares.

You should not take any action in respect of any Shares unless you have received a copy of the relevant Supplement. Save as disclosed in the relevant Supplement, the information in the Supplement complements, supplements and modifies the information contained in this Prospectus with specific details and terms of the relevant Shares issued. Should there be any inconsistency between the contents of this Prospectus and any Supplement, the contents of the relevant Supplement will, to the extent of any such inconsistency, prevail. This Prospectus and any relevant Supplement should both be carefully read in their entirety before any investment decision with respect to Shares of any Class is made.

Distribution of this Prospectus and the relevant Supplement is not authorised in any jurisdiction after publication of the annual report and audited accounts of the Company unless accompanied by the most recent annual accounts available at the time. A copy of such report and accounts and, if published after such annual report, a copy of the then latest published semi-annual report and unaudited accounts. Such reports and this Prospectus together form the prospectus for the issue of Shares in the Company.

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 as mentioned in this Prospectus.

This Prospectus and any relevant Supplement will be governed by and construed in accordance with Irish law.

Selling Restrictions

Distribution of this Prospectus is not authorised unless accompanied by a copy of the Supplement for the relevant Fund (provided that you will only receive one copy of the Prospectus irrespective of the number of Supplements you may receive). This Prospectus does not constitute an offer or an offer to the public, an invitation to offer or a recommendation to enter into any transaction, to participate in any trading strategy or to invest in any Fund or any other financial instrument in any jurisdiction in which such offer or solicitation is not permitted by the laws and regulations of such jurisdiction or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is not permitted by the laws and regulations of such jurisdiction to make such offer.

Prospective subscribers for Shares should inform themselves as to the legal requirements of applying for Shares and of applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile

The distribution of this Prospectus and the offering of the Shares may be authorised or restricted in certain jurisdictions and/or to certain investors. Accordingly it is the responsibility of any persons who come into possession of this Prospectus and of any persons wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions.

Unless otherwise determined by the Board of Directors of this Company, only persons who are (i) not U.S. Persons as defined (a) in Regulation S under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or (b) under United States Internal Revenue Code (“IRC”) Section 7701(a)(30) or (c) under CEA section 2(i) or (ii) who are Non-U.S. Persons as defined under United States Commodity Futures Trading Commission (“**CFTC**”) Regulation 4.7(a)(1)(iv), are eligible to buy Shares of this Company.

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

A Non-U.S. Person as defined under CFTC Regulation 4.7(a)(1)(iv) means (i) a natural person who is not a resident of the United States; (ii) a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction; (iii) an estate or trust, the income of which is not subject to United States income tax regardless of source; (iv) an entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-U.S. Persons or otherwise as “qualified eligible persons” represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-U.S. persons in a pool with respect to which the operator is exempt from certain requirements of part 4 of the CFTC’s

regulations by virtue of its participants being “Non-U.S. Persons;” or (v) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

A U.S. Person as defined under Section 7701(a)(30) of the United States Internal Revenue Code means (i) a citizen or resident of the United States, (ii) a partnership, corporation or organization organized in the United States or under the laws of United States or any State thereof, (iii) any estate of a decedent that is a citizen or resident in the United States, and (iv) any trust if (A) a court within the United States is able to exercise primary supervision over the administration of the trust, and (B) one or more United States persons have the authority to control all substantial decisions of the trust.

A U.S Person as defined under CEA section 2(i), will include, but not be limited to:

(i) Any natural person who is a resident of the United States;

(ii) any estate of a decedent who was a resident of the United States at the time of death;

(iii) any corporation, partnership, limited liability company, business or other trust, association, joint-stock company, fund or any form of enterprise similar to any of the foregoing (other than an entity described in prongs (iv) or (v), below) (a “legal entity”), in each case that is organized or incorporated under the laws of a state or other jurisdiction in the United States or having its principal place of business in the United States;

(iv) any pension plan for the employees, officers or principals of a legal entity described in prong (iii), unless the pension plan is primarily for foreign employees of such entity;

(v) any trust governed by the laws of a state or other jurisdiction in the United States, if a court within the United States is able to exercise primary supervision over the administration of the trust;

(vi) any commodity pool, pooled account, investment fund, or other collective investment vehicle that is not described in prong (iii) and that is majority-owned by one or more persons described in prong (i), (ii), (iii), (iv), or (v), except any commodity pool, pooled account, investment fund, or other collective investment vehicle that is publicly offered only to non-U.S. persons and not offered to U.S. persons;

(vii) any legal entity (other than a limited liability company, limited liability partnership or similar entity where all of the owners of the entity have limited liability) that is directly or indirectly majority-owned by one or more persons described in prong (i), (ii), (iii), (iv), or (v) and in which such person(s) bears unlimited responsibility for the obligations and liabilities of the legal entity; and

(viii) any individual account or joint account (discretionary or not) where the beneficial owner (or one of the beneficial owners in the case of a joint account) is a person described in prong (i), (ii), (iii), (iv), (v), (vi), or (vii).

The Articles give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to repurchase Shares held by), or the transfer of Shares to, any U.S. Persons (unless permitted under certain exceptions under the laws of the United States) or by any person who does not clear such money laundering checks as the Directors may determine or by any person who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Shares 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 person or 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 Company incurring any liability to taxation or suffering any other pecuniary legal or material administrative disadvantages or being in breach of any law or regulation which the Company might

not otherwise have incurred, suffered or breached or any individual under the age of 18 (or such other age as the Directors may think fit) or of unsound mind. Where Irish Residents acquire and hold Shares, the Company shall, where necessary for the collection of Irish tax, repurchase and cancel Shares held by a person who is or is deemed to be or is acting on behalf of an Irish Resident or person ordinarily resident in Ireland on the occurrence of a chargeable event for Irish taxation purposes and pay the proceeds thereof to the Irish Tax Authorities.

This Prospectus and any Supplement may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as the English language document. To the extent that there is any inconsistency between the English language document and the document in another language, the 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.

Unless otherwise specified in the relevant Prospectus Supplement, by purchasing Shares in a Sub-fund, each investor acknowledges that neither the Prospectus or Prospectus Supplement nor any other offering material has been approved by or registered with the Securities and Exchange Board of India, any stock exchange in India or the Registrar of Companies in India, for distribution in India.

Unless otherwise specified in the relevant Prospectus Supplement, by purchasing Shares in a Sub-fund, each investor represents, warrants and undertakes that it is not a person resident in India as that term is defined under the Foreign Exchange Management Act, 1999 ("PRII") and it will not offer, sell or arrange the sale of the Shares or distribute or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any offering circular, term sheet, prospectus, form of application, other document or information or carry out any type of solicitation in connection with the Shares in India or to any PRII.

Unless otherwise specified in the relevant Prospectus Supplement, the Shares may not be offered or sold in India or to a PRII.

The offering contemplated in these offering documents not, and shall not under any circumstances be construed as a public offering in the jurisdiction of India. Such offering documents are intended for the exclusive use of the person to whom it is delivered and any distribution, reproduction or other use of all or any portion of such offering documents are prohibited. Neither this document nor any other offering document or material relating to the Shares, may be directly or indirectly, circulated to any PRII.

Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities to which you might be (or become) subject under the laws of the countries of your incorporation, citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of Shares.

The value of and income from Shares in the Company may go up or down and you may not get back the amount you have invested in the Company. Shares constituting each Fund are described in a Supplement to this Prospectus for each such Fund, each of which is an integral part of this Prospectus and is incorporated herein by reference with respect to the relevant Fund. See the section of this Prospectus headed "Risk

Factors” and the section of the relevant Supplement headed “Other Information - Risk Factors” for a discussion of certain risks that should be considered by you.

An investment in the Shares is only suitable for you if you (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this Prospectus are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

Marketing Rules

Any information given, or representations made, by any dealer, salesman or other person which are not contained in this Prospectus or the relevant Supplement or in any reports and accounts of the Company forming part of this Prospectus must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of this Prospectus or the relevant Supplement nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus or the relevant Supplement is correct as of any time subsequent to the date of this Prospectus or the relevant Supplement. This Prospectus or the relevant Supplement may from time to time be updated and intending subscribers should enquire of the Administrator as to the issue of any later Prospectus or Supplement or as to the issue of any reports and accounts of the Company.

Repurchase Charge

A Repurchase Charge of up to 3% of the Repurchase Price of any Share Class of a Fund may be charged by the Company as described in “Share Dealings – Repurchase of Shares”. The amount of Repurchase Charge (if any) will be set out in the relevant Supplement.

However, in certain Funds, this Repurchase Charge may be expressed as a Contingent Deferred Sales Charge (CDSC). In such circumstances a CDSC of up to 4% of the Repurchase Price of any Share Class of a Fund may be charged by the Company as described in “Share Dealings – Repurchase of Shares”. The amount of CDSC (if any) will be set out in the relevant Supplement. Where a CDSC is charged, no Preliminary Charge will be payable on subscription for Shares in the relevant Fund.

Definitions

Defined terms used in this Prospectus shall have the meanings attributed to them in the Definitions section below. In this Prospectus words importing the singular shall include the plural and vice versa, where the context so requires.

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DEFINITIONS

Account Holder means any investor who maintains an account with a Recognised Clearing System for the purpose of investing in the Shares;

Accounting Period means a period ending on 30 June of each year;

Administration Agreement means the administration agreement dated 10 July 2015 with effect from 14 July 2015 between the Company and the Administrator as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank Notices;

Administrator's Fees means the administrator's fees as set out in the section headed "Fees and Expenses";

Administrative Expenses means the administrative expenses as set out in the section headed "Fees and Expenses";

Administrator means Northern Trust International Fund Administration Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank Notices as the administrator to the Company;

Affiliate means any person which in relation to the person concerned is (i) a holding company, (ii) a subsidiary of any such holding company; (iii) a subsidiary or (iv) controlled directly or indirectly by the person concerned and "control" of an entity for this purpose means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract or otherwise and, in any event and without limitation of the foregoing, any entity owning more than 50% of the voting securities of a second entity shall be deemed to control that second entity;

Anti-Dilution Levy means a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), duties and charges and other dealing costs relating to the acquisition or disposal of Fund Assets in the event of receipt for processing of large subscription or repurchase requests (as determined at the discretion of the Directors) including subscriptions and/or repurchases which would be effected as a result of requests for exchange from one Fund into another Fund;

Application Form means the application form for Shares;

Approved Counterparty means, for the purposes of a Fund, one or more entities selected by the Investment Manager provided always that such entity or entities, as the case may be, are, in relation to OTC derivatives, entities falling within a category permitted by the Central Bank Notices (each such entity being an "**Approved Counterparty**"). For the avoidance of doubt, and to the extent permitted by applicable law and regulations, Barclays Bank PLC may be an Approved Counterparty;

Articles means the memorandum and articles of association of the Company as amended from time to time in accordance with the requirements of the Central Bank;

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

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

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

Banking Day means a day (other than a Saturday or Sunday) on which commercial banks are open and settle payments in Dublin;

Base Currency means, in relation to any Fund, such currency as is specified as such in the Supplement for the relevant Fund;

Business Day means, in relation to any Fund, each day as is specified as such in the Supplement for the relevant Fund;

Calculation Agent means the entity selected by the parties as calculation agent in the relevant FDI between a Fund and the relevant Approved Counterparty, it being understood that where Barclays Bank PLC is an Approved Counterparty if permitted under applicable law and regulations, the Calculation Agent in respect of such FDI will be Barclays Bank PLC;

Central Bank means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising the Company;

Central Bank Notices means the notices and guidelines issued by the Central Bank from time to time affecting the Company;

CIS means an open-ended collective investment scheme within the meaning of Regulation 68(1)(e) of the Regulations and which is prohibited from investing more than 10% of its assets in other such collective investment schemes;

Class(-es) means the Share class or classes relating to a Fund where specific features with respect to preliminary, exchange, repurchase or contingent deferred sales charge, minimum subscription amount, dividend policy, investor eligibility criteria, voting rights or other specific features may be applicable. The details applicable to each Class will be described in the relevant Supplement;

Companies Acts means the Companies Acts, 1963 to 2013 including any regulations issued pursuant thereto, insofar as they apply to open-ended investment companies with variable capital;

Collateral means assets delivered as defined under the relevant credit support annex for a Fund and which are acceptable collateral in accordance with UCITS Notice 12 as issued by the Central Bank and as further outlined in the section headed "Collateral Policy" below;

Company means Celsius Funds plc;

Contract for Difference means an agreement to pay out cash on the difference between the starting asset price and the asset price at the time when the contract is closed. A contract for difference does not have a fixed maturity and may be closed out at any time at the discretion of the position taker. A contract for

difference allows a direct exposure to the market, a sector or an individual security. Contracts for differences are used to gain exposure to asset price movements without buying the assets themselves;

Connected Person means the persons set out in the section headed “Risk Factors – Potential Conflicts of Interest”;

Contingent Deferred Sales Charge (“CDSC”) means the charge, if any, to be paid out of the Repurchase Price which Shares may be subject to, as described under “Share Dealings - Repurchase of Shares” and specified in the relevant Supplement;

Contract Notes means the order confirmation issued by the Administrator to the Shareholder including details such as Shareholder’s name and address, Fund name, account number, Share Class, amount of cash or Shares being invested, date and Net Asset Value per Share, amongst other things, as further described in the section headed “Share Dealings”;

Custodian means Northern Trust Fiduciary Services (Ireland) Limited or any successor thereto duly appointed with the prior approval of the Central Bank as the custodian of the Company;**Custodian’s Fees** means the Custodian’s fees defined as such in the section headed “Fees and Expenses”;

Custodian Agreement means the custodian agreement dated 10 July 2015 with effect from 14 July 2015 between the Company and the Custodian as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank Notices;

Dealing Day means, in respect of each Fund, each Business Day on which subscriptions for, repurchases of and exchanges of relevant Shares can be made by the Company as specified in the Supplement for the relevant Fund provided that there shall be at least two Dealing Days in each Month (with at least one Dealing Day per fortnight of the relevant Month);

Dealing Deadline means, in relation to any application for subscription, repurchase or exchange of Shares of a Fund, the day and time specified in the Supplement for the relevant Fund by which such application must be received by the Administrator on behalf of the Company in order for the subscription, repurchase or exchange of Shares of the Fund to be made by the Company on the relevant Dealing Day;

Deemed Disposal means the deemed chargeable event that will occur at the expiration of the eighth anniversary of an Irish Resident acquiring their shareholding and on every subsequent eighth anniversary therefrom.

Directors means the directors of the Company, each a **Director**;

Directors’ Fees means the Directors’ fees set out in the section headed “Fees and Expenses”;

Distributor means Barclays Bank PLC or any successor thereto duly appointed in accordance with the requirements of the Central Bank Notices as the distributor to the Company;

Distribution Agreement means the amended and restated distribution agreement dated 10 August 2007 between the Company and the Distributor as amended, supplemented or otherwise modified from time to time;

EEA Member States means the member states of the European Economic Area, the current members being the EU Member States, Iceland, Liechtenstein and Norway;

EU Member States means the member states of the European Union;

Euro or **€** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended, regardless of whether such currency ceases at any time to be a lawful currency of one or more Member States;

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

Exempt Irish Shareholder means:

- (a) a qualifying management company within the meaning of section 739B(1) TCA;
- (b) a specified company within the meaning of section 734(1) TCA;
- (c) an investment undertaking within the meaning of section 739B(1) TCA;
- (d) an exempt limited partnership within the meaning of section 739J TCA;
- (e) a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies;
- (f) a company carrying on life business within the meaning of section 706 TCA;
- (g) a special investment scheme within the meaning of section 737 TCA;
- (h) a unit trust to which section 731(5)(a) TCA applies;
- (i) a charity being a person referred to in section 739D(6)(f)(i) TCA;
- (j) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- (k) a qualifying fund manager within the meaning of section 784A TCA or a qualifying savings manager within the meaning of section 848B TCA, in respect of Shares which are assets of a special savings incentive account within the meaning of section 848C TCA;

- (l) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and the Shares held are assets of a personal retirement savings account as defined in section 787A TCA;
- (m) the National Pensions Reserve Fund Commission;
- (n) the National Asset Management Agency;
- (o) the Courts Service;
- (p) a credit union within the meaning of section 2 of the Credit Union Act 1997;
- (q) an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the fund is a money market fund;
- (r) a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the Company; and
- (s) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27, Chapter 1A TCA;

and the Company is in possession of a Relevant Declaration in respect of that Shareholder;

Euroclear Euroclear Bank S.A./N.V.;

Extraordinary Expenses means the extraordinary expenses as set out in the section headed "Fees and Expenses";

"FATCA" means:

- a) sections 1471 to 1474 of the U.S. Internal Revenue Code or any associated regulations or other official guidance;
- b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, UK or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to: (i) the legislation, regulations or guidance described in paragraph (a) above; or (ii) any similar regime, including any automatic exchange of information regime arising from or in connection with the OECD Common Reporting Standard; and

any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs;

FDI or Derivative Contract means a financial derivative instrument (including an OTC derivative) including, but not limited to, Swaps, Futures, Forwards, Options, Swaptions, repos permitted by the Regulations;

Fixed Fee Arrangement means the fixed fee arrangement between the Company and the Investment Manager as set out in the section headed "Fees and Expenses";

Fixed Fee(s) means the fees set out in the section headed "Fees and Expenses";

Foreign Person means a person who is neither Irish Resident nor ordinarily resident in Ireland and has completed the appropriate Relevant Declaration in this regard;

Forwards means contracts which lock-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date, whereas an interest rate forward determines an interest rate to be paid or received on an obligation beginning at a start date sometime in the future. Forward contracts may be cash settled between the parties;

FCA means the UK Financial Conduct Authority and any successor authority;

Fund means a separate portfolio of assets which is invested in accordance with the investment objective and policies set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such portfolio shall be applied and charged and **Funds** means all or some of the Funds as the context requires or any other portfolios as may be established by the Company from time to time with the prior approval of the Central Bank;

Fund Assets means all Transferable Securities, FDIs or Other Financial Instruments invested in by a Fund and cash held by the Fund in accordance with the Regulations, as further described in the relevant Supplement;

Funded Swap means a swap where the Fund pays to an Approved Counterparty the full swap notional equal to the net proceeds of any issue of Shares in exchange for the performance or the payout of the Underlying;

Futures means a contract to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed at the date of contract through a transaction undertaken on an exchange;

Index means such index as specified in the Supplement for the relevant Fund;

Index Sponsor means Barclays Bank PLC, acting through the Index Portfolio and Risk Solutions group of the investment banking division of Barclays Bank PLC (IPRS), or any successor entity into which IPRS may be transferred;

Initial Issue Date means the initial issue date of the Shares of a Fund as specified in the relevant Supplement;

Initial Issue Price means the price (excluding any Preliminary Charge) per Share at which Shares are initially offered in a Fund during the Initial Offer Period as specified in the Supplement for the relevant Fund;

Initial Offer Period means the period during which Shares in a Fund are initially offered at the Initial Issue Price as specified in the Supplement for the relevant Fund;

Investment Account means (i) a separate temporary investment account or (ii) a separate disinvestment account as described in further detail under “Subscription for Shares” and “Repurchase of Shares”;

Investment Manager means, unless specifically stated in the Supplement for the relevant Fund, Barclays Bank PLC, acting through its Wealth and Investment Management division or any successor thereto duly appointed in accordance with the requirements of the Central Bank Notices as the investment manager to the Company;

Investment Management Agreement means the amended and restated investment management agreement dated 10 August 2007 between the Company and the Investment Manager as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank Notices;

Investment Management Fee means the investment management fee as further described in the section headed “Fees and Expenses”;

Investment Restrictions means the restrictions detailed under the heading “Investment Restrictions” under the section entitled “Funds”;

Irish Resident means any person resident in Ireland or ordinarily resident in Ireland other than an Exempt Irish Shareholder.

Irish Stock Exchange means The Irish Stock Exchanges Limited;

Irish Tax Authorities means the Irish Revenue Commissioners;

Launch Date means the date on which the Company issues Shares relating to a Fund in exchange for the subscription proceeds;

Market Maker means the persons described in the section headed “Risk Factors – Potential Conflicts of Interest”;

Markets means the stock exchanges and regulated markets set out in Appendix I;

Minimum Additional Investment Amount means such minimum cash amount or minimum number of Shares as the case may be (if any) as the Directors may from time to time require to be invested in any Fund by each Shareholder (after investing the Minimum Initial Investment Amount) and as such is specified in the Supplement for the relevant Fund;

Minimum Fund Size means such amount (if any) as the Directors may consider for each Fund and as set out in the Supplement for the relevant Fund;

Minimum Initial Investment Amount means such minimum initial cash amount or minimum number of Shares as the case may be (if any) as the Directors may from time to time require to be invested by each Shareholder as its initial investment for Shares of each Class in a Fund either during the Initial Offer Period or on any subsequent Dealing Day and as such is specified in the Supplement for the relevant Fund;

Minimum Repurchase Amount means such minimum number or minimum value of Shares of any Class as the case may be (if any) which may be repurchased at any time by the Company and as such is specified in the Supplement for the relevant Fund;

Minimum Shareholding means such minimum number or minimum value of Shares of any Class as the case may be (if any) which must be held at any time by a Shareholder which shall be greater at all times than the

Minimum Repurchase Amount and as such is specified in the Supplement for the relevant Share Class within a Fund;

Moody's means Moody's Investors Service or any successor thereto;

Month means a calendar month;

Net Asset Value means, in respect of the assets and liabilities of a Fund, a Class or the Shares representing interests in a Fund, the amount determined in accordance with the principles set out in the "Calculation of Net Asset Value/Valuation of Assets" section below as the Net Asset Value of the Fund, the Net Asset Value per Class or the Net Asset Value per Share;

Non-Voting Shares means a particular Share Class that do not carry the right to notice of or to attend or vote at general meetings of the Company of the relevant Fund;

OECD Member States means the member states of the Organisation for Economic Co-operation and Development, the current members being Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic), Luxembourg, Mexico, The Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States;

Option means a contract which gives a party the right to buy or sell a specific quantity of a specific asset at a pre-agreed fixed price at or before a specified future date. There are two forms of options: put or call options. Put options are contracts sold for a premium that give to the buyer the right, but not the obligation, to sell to the seller a specified quantity of a particular asset (or financial instrument) at a pre-agreed specified price. Call options are similar contracts sold for a premium that give the buyer the right, but not the obligation, to buy from the seller a specified quantity of a particular asset (or financial instrument) at a pre-agreed specified price;

OTC derivative means an FDI which is dealt in an "over-the-counter" market;

Other Administrative Expenses means the other administrative expenses as set out in the section headed "Fees and Expenses";

PRA means the UK Prudential Regulatory Authority and any successor authority;

Preliminary Charge means the charge, if any, payable to the Distributor on subscription for Shares as described under "Share Dealings – Subscription for Shares – Subscription Price" and specified in the relevant Supplement;

Promoter means Barclays Bank PLC;

Prospectus means the prospectus in respect of the creation of Funds issued from time to time by the Company as amended, supplemented, consolidated or otherwise modified from time to time;

Recognised Clearing System means Deutsche Bank AG, Depository and Clearing System, Central Moneymarkets Office; Clearstream Banking AG, Clearstream Banking SA, CREST, Depository Trust Company of New York, Euroclear; Japan Securities Depository Centre (JASDEC); Monte Titoli SPA; Netherlands Centraal Instituut voor Giraal Effectenverkeer BV; National Securities Clearing System, Sicovam SA, SIS Sega Intersettle AG; The Canadian Depository for Securities Ltd; VPC AB (Sweden) or any other system for clearing shares

which is designated for the purposes of Chapter 1A in Part 27 of the TCA, by the Irish Tax Authorities as a recognised clearing system;

Regulations mean the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended or restated and includes any conditions that may from time to time be imposed thereunder by the Central Bank whether by notice or otherwise affecting the Company;

Relevant Declaration means the declaration relevant to the Shareholder as set out in Schedule 2B of the TCA;

Relevant Institutions means credit institutions authorised in an EEA Member State 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;

Repurchase Charge means the charge, if any, to be paid out of the Repurchase Price (including any Contingent Deferred Sales Charge) to which Shares may be subject, as described under “Share Dealings - Repurchase of Shares” and specified in the relevant Supplement;

Repurchase Price means the price at which a Share are repurchased, as described under “Share Dealings - Repurchase of Shares” and as may be specified in the relevant Supplement;

Repurchase Proceeds means, in respect of a Share, the Repurchase Price less any Repurchase Charge and any charges, costs, expenses or taxes, as described under “Share Dealings – Repurchase of Shares”;

Revenue Commissioners means the Irish Revenue Commissioners;

Scheduled Maturity Date means, with respect to a Fund, the date indicated in the relevant Supplement on which the outstanding Shares will be repurchased and the Fund terminated, as more fully described under “Share Dealing - Repurchase of Shares”. Unless a Scheduled Maturity Date has been designated in the relevant Supplement, a Fund will not have a Scheduled Maturity Date;

Setting Up Costs means the costs as set out in the section headed “Fees and Expenses”;

Settlement Date means, in respect of receipt of monies for subscription for Shares or dispatch of monies for the repurchase of Shares, the date specified in the Supplement for the relevant Fund. In the case of repurchases this date will be no more than ten Banking Days after the relevant Dealing Deadline, or if later, the receipt of completed repurchase documentation;

Share Class(es) means all of the Shares issued by the Company as a particular Class of Shares relating to a Fund;

Shares means the participating shares in the Company representing interests in a Fund and where the context so permits or requires any Class of participating shares representing interests in a Fund, such Shares may be Voting Shares or Non-Voting Shares;

Shareholder means a holder of Shares;

Standard & Poor’s means Standard & Poor’s Corporation or any successor thereto;

State means the Republic of Ireland;

£, Sterling and Pound means the lawful currency of the United Kingdom;

Subscription Price means:

- (a) during the Initial Offer Period for each Fund, the Initial Issue Price for Shares in the relevant Fund which shall be the amount set out in the Supplement for the relevant Fund; or
- (b) on a Dealing Day after the Initial Offer Period, the issue price at which the Shares of any Fund will be issued which is calculated by ascertaining the Net Asset Value per Share of the relevant Class on the relevant Dealing Day,

in each case, as described in further detail under “Share Dealings-Subscription for Shares-Subscription Price”

Sub-Distributor means any sub-distributor appointed by the Distributor in accordance with the requirements of the Central Bank Notices as a sub-distributor to the Company;

Supplement means any supplement to the Prospectus issued on behalf of the Company in relation to a Fund as amended, supplemented or modified from time to time;

Swap means a contract between two counterparties to exchange cash flows in respect of an underlying asset on a notional amount for a set period of time. Swaps may be Funded or Unfunded Swaps and linked to any underlying asset or Index (or other Instrument);

Swaption means a contract whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (normally where future rates are set in relation to a fixed benchmark);

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

Transaction Fees means the fees defined as such under the section headed “Fees and Expenses”;

Transferable Securities means:

- i. shares in companies and other securities equivalent to shares in companies;
- ii. bonds and other forms of securitised debt; and
- iii. other negotiable securities which carry the right to acquire any such Transferable Securities by subscription or exchange, other than the techniques and instruments referred to in Regulation 48A of the Regulations.

UCITS means an undertaking for collective investment in transferable securities within the meaning of the Regulations;

Underlying means the underlying as described in the relevant Supplement in respect of which the investment objective relate;

Unfunded Swap means a swap entered into with an Approved Counterparty where the Approved Counterparty will pay to the Fund the performance of an underlying asset (net of any costs), if positive, and the Fund will pay to the Approved Counterparty the absolute value of the performance of the underlying asset if negative. No upfront payment is made by the Fund.

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

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

U.S. Dollars, Dollars and **\$** means the lawful currency of the United States;

U.S. Person means

- (i) Any natural person resident in the United States;
- (ii) Any partnership or corporation organized or incorporated under the laws of the United States;
- (iii) Any estate of which any executor or administrator is a U.S. person;
- (iv) Any trust of which any trustee is a U.S. person;
- (v) Any agency or branch of a foreign entity located in the United States;
- (vi) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (viii) Any partnership or corporation if:
 - A. Organized or incorporated under the laws of any foreign jurisdiction; and
 - B. Formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in [Rule 501\(a\)](#)) who are not natural persons, estates or trusts.

The following are not "U.S. Persons":

- (i) Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;
- (ii) Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if:
 - A. An executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and
 - B. The estate is governed by foreign law;

- (iii) Any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;
- (iv) An employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
- (v) Any agency or branch of a U.S. person located outside the United States if:
 - A. The agency or branch operates for valid business reasons; and
 - B. The agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
- (vi) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

Valuation Point means the time on any Business Day by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Fund provided that there shall be at least two Valuation Points in every Month (with at least one Valuation Point per fortnight of the relevant Month); and

Voting Shares means the Shares of a particular Class that carry the right to vote at general meetings of the Company and the relevant Fund.

EXECUTIVE SUMMARY

This section is a brief overview of certain of the important information set out in this Prospectus. It is not a complete description of all of the important information to be considered in connection with an investment in the Shares of a Fund and should be read in conjunction with, and is subject to the full provisions set out in this Prospectus and the Supplement relating to the relevant Shares of the Fund.

Company

The Company is an investment company with variable capital incorporated on 8 August 2005 and 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).

Funds

The Company is structured as an open-ended umbrella fund in that Shares representing interests in different Funds may be issued from time to time by the Directors. Shares of more than one Class may be issued in relation to a Fund. All Shares of each Class will rank *pari passu* save as provided for in the relevant Supplement. On the introduction of any new Fund (for which prior Central Bank approval is required) or any new Share Class (which must be issued in accordance with the requirements of the Central Bank Notices), the Company will prepare and the Directors will issue a Supplement setting out the relevant details of each such Fund or new Share Class. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each Share Class) and will be invested in accordance with the investment objective and policies applicable to such Fund. Particulars relating to individual Funds and the Share Classes available therein are set out in the relevant Supplement.

Investment Objective and Policies

The investment objective of a Fund shall be as set out in the Supplement. In general it will provide the investors with a return (either at the Scheduled Maturity Date or on each Dealing Day) linked to an Underlying (as is defined in the relevant Supplement) either through direct or indirect investment or a combination of the two.

There is no assurance that the investment objective of any Fund whose performance is linked to the Underlying will actually be achieved.

Share Classes

The Directors may decide to create within each Fund different Share Classes. All Share Classes relating to the same Fund will be commonly invested in accordance with such Fund's investment objective but may differ with regard to their fee structure, Minimum Initial Investment Amount, Minimum Additional Investment Amount, Minimum Shareholding, Minimum Repurchase Amount, dividend policy (including the dates and payments of any dividends), investor eligibility criteria or other particular feature(s) as the Directors will decide. A separate Net Asset Value per Share will be calculated for each issued Share Class in relation to each Fund. The different features of each Share Class available relating to a Fund are described in detail in the relevant Supplement.

The Company reserves the right to offer only one or several Share Classes for purchase by investors in any particular jurisdiction in order to conform to local law, custom or business practice. The Company also reserves the right to adopt standards applicable to certain classes of investors or transactions in respect of the purchase of a particular Share Class.

Dividend Policy

The Directors decide the dividend policy and arrangements relating to each Fund and details are set out where applicable in the relevant Supplement. Under the Articles, the Directors are entitled to declare dividends out of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund and/or (iii) the capital of the relevant Fund. **Where dividends will be paid out of the capital of the relevant Fund, this will be disclosed in the relevant Supplement.** The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them (to the extent permitted under the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund) *in specie* any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. A Shareholder may require the Company instead of transferring any assets *in specie* to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same. The Company will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Fund who is or is deemed to be an Irish Resident and pay such sum to the Irish Tax Authorities. Shareholders should note that the share capital of the Company relating to certain Funds will decrease over time as the Company on behalf of these Funds will make dividend payments out of the share capital of the Company relating to those Funds. Where Shares of a Fund are listed on the Irish Stock Exchange, dividends (if any) will be paid in accordance with Irish Stock Exchange policy.

Risk Factors

An investment in a Fund involves a number of risks, including a possible loss of the amount invested. Moreover, there can be no guarantee or

assurance that a Fund will achieve its investment objective. A more detailed description of certain risk factors relevant to investors in the Funds is set out under “Risk Factors” and the section of the relevant Supplement headed “Other Information – Risk Factors”.

Subscription of Shares

Shares will be offered for subscription during the Initial Offer Period at the Initial Issue Price plus the Preliminary Charge (if applicable) as described in “Share Dealings - Subscription for Shares”. Subsequent subscriptions will be made at the Net Asset Value per Share of the relevant Class plus the Preliminary Charge (if applicable) as described in “Subscription for Shares”.

Repurchase of Shares

Shares will be repurchased at the applicable Net Asset Value per Share of the relevant Class less any applicable Repurchase Charge and any applicable taxes as described in “Share Dealings - Repurchase of Shares”.

Exchanges of Shares

Exchanges of Shares of any Class of any Fund may be made into Shares of another Class which are being offered at that time (such Class being of the same Fund or different Fund) to the extent authorised in the Supplement and as described under “Exchange of Shares”.

Dealing Fees

(a) Preliminary Charge

Shares may be subject to a Preliminary Charge which will be calculated on the Initial Issue Price or the Net Asset Value per Share of the relevant Class as described under “Share Dealings - Subscription for Shares – Subscription Price”, as is specified in the Supplement for the relevant Fund.

(b) Repurchase Charge

Shares may be subject to a Repurchase Charge which will be calculated on the Initial Issue Price or the Net Asset Value per Share of the relevant Class as described under “Share Dealings – Repurchase of Shares – Repurchase Price”, as is specified in the Supplement for the relevant Fund.

The Repurchase Charge may be expressed in a Supplement as a Contingent Deferred Sales Charge (CDSC).

Where such CDSC is payable a charge of up to 4% of the Repurchase Price of Shares (depending on when the investor enters and exits the relevant Fund) being redeemed may be charged by the Company on the redemption of Shares, as is specified in the Supplement for the relevant Fund. Where a CDSC is charged, no Preliminary Charge will be payable on subscription for Shares in the relevant Fund.

(c) Exchange Charge

An Exchange Charge of up to 3% of the Repurchase Price of the Shares

being exchanged may be charged by the Company on the exchange of Shares, as is specified in the Supplement for the relevant Fund.

Other Fees and Expenses

Information on fees and expenses for each Fund can be found under the heading “Fees and Expenses” of this Prospectus and the relevant Supplement.

Reports and Accounts

The Company’s year end is 30 June in each year. The annual report and audited accounts of the Company will, if Shares of a Fund are listed on the Irish Stock Exchange, be sent to the Irish Stock Exchange and made available to Shareholders within four Months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The Company will also prepare unaudited semi-annual reports which will, if Shares of a Fund are listed on the Irish Stock Exchange, be sent to the Irish Stock Exchange and made available to Shareholders within two Months after 31 December in each year.

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

Listing

Application can be made to list certain Share Classes on the Irish Stock Exchange and/or any other stock exchange, as determined by the Directors.

FUNDS

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

Funds

The Company has adopted an “umbrella” structure to provide both institutional and individual investors with a choice of different Funds. Each Fund will be differentiated by its specific investment objective, policy, currency of denomination or other specific features as described in the relevant Supplement. A separate pool of assets is maintained for each Fund and is invested in accordance with each Fund’s respective investment objective.

Share Classes

The Directors may decide to create within each Fund different Share Classes. All Share Classes relating to the same Fund will be commonly invested in accordance with such Fund’s investment objective but may differ with regard to their fee structure, Minimum Initial Investment Amount, Minimum Additional Investment Amount, Minimum Shareholding, Minimum Repurchase Amount, dividend policy (including the dates and payments of any dividends), investor eligibility criteria or other particular feature(s) as the Directors will decide. A separate Net Asset Value per Share will be calculated for each issued Share Class in relation to each Fund. The different features of each Share Class available relating to a Fund are described in detail in the relevant Supplement.

The Company reserves the right to offer only one or several Share Classes for purchase by investors in any particular jurisdiction in order to conform to local law, custom or business practice. The Company also reserves the right to adopt standards applicable to certain classes of investors or transactions in respect of the purchase of a particular Share Class.

Investment Objective and Policies

The Articles provide that the investment objective and policy for each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policy for each Fund of the Company appear in the Supplement for the relevant Fund.

Any change in the investment objective or any material change to the investment policy of a Fund may only be made with the approval of an ordinary resolution of the holders of the Voting Shares of the Fund. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or policy of a Fund, a reasonable notification period must be given to each Shareholder of the Fund to enable a Shareholder to have its Shares repurchased prior to the implementation of such change.

Under the rules of the Irish Stock Exchange, in the absence of unforeseen circumstances, the investment objective and policy for each listed Fund must be adhered to for at least three years following the admission of the Shares of the relevant Fund to the Official List and traded on the Main Securities Market of the Irish Stock Exchange. The rules also provide that any material change in the investment objective of each listed Fund or its policy during the said period may only be made with the approval of the Irish Stock Exchange and an ordinary resolution of the Shareholders of the relevant Fund.

The investment objective of each Fund shall be as set out in the relevant Supplement. Generally the investment objective is to provide the investors with a return (either at the Scheduled Maturity Date or on each Dealing Day) linked to an Underlying (as is defined in the relevant Supplement).

In order to achieve the investment objective, the Shareholders of a Fund will be exposed to the performance of the Underlying, either through direct or indirect investment (through, for example, FDIs, or Transferable Securities) in the Underlying or a combination of the two.

The return that a Shareholder will receive will be dependent on the performance of the Fund Assets and thus the return Shareholders receive may not wholly correspond to the performance of the Underlying. **There is no assurance that the investment objective of any Fund whose performance is linked to the Underlying will actually be achieved.**

Where the Underlying consists of an Index, there may be an Index Sponsor or other agents. The identity of such Index Sponsor and/or agents will be specified in the relevant Supplement.

The Fund Assets will be managed by the Investment Manager.

Funds with a Scheduled Maturity Date will follow an investment policy that aims at providing investors with predefined distributions, if applicable, and a payout upon the Scheduled Maturity Date. The ability to provide investors with such a predefined payout is dependent upon a number of parameters, including market movements between the determination of the payout upon the structuring of the Fund and the Fund's Initial Issue Date. In order to mitigate these market movements which could affect the payout, the Fund may, in accordance with the Investment Restrictions, agree to take over pre-hedging arrangements (if any) into which the Approved Counterparty may have entered. The Fund will bear the costs and expenses relating to such pre-hedging arrangements.

Investment Restrictions

The investment restrictions applying to each Fund of the Company under the Regulations are set out below. These are, however, subject to the qualifications and exemptions contained in the Regulations and in the Central Bank Notices. Any additional investment restrictions for other Funds will be formulated by the Directors at the time of the creation of such Fund.

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

1. Permitted Investments

Investments of a Fund are confined to:

- 1.1. Transferable Securities and money market instruments which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State.
- 1.2. Recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3. Money market instruments, as defined in the Central Bank Notices, other than those dealt on a regulated market.
- 1.4. Units of UCITS.
- 1.5. Units of non-UCITS as set out in the Central Bank's Guidance Note 2/03.
- 1.6. Deposits with credit institutions as prescribed in the Central Bank Notices.
- 1.7. Financial derivative instruments as set out in the Central Bank Notices.

2. Investment Limits

- 2.1. A Fund may invest no more than 10% of its Net Asset Value in Transferable Securities and money market instruments other than those referred to in paragraph 1.
- 2.2. A Fund may invest no more than 10% of its Net Asset Value in recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.2) within a year. This restriction will not apply in relation to investment by the Fund in certain U.S. securities known as Rule 144A securities provided that:
 - 2.2.1. the securities are issued with an undertaking to register with the U.S. Securities and Exchanges Commission within one year of issue; and
 - 2.2.2. the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3. A Fund may invest no more than 10% of its Net Asset Value in Transferable Securities or money market instruments issued by the same body provided that the total value of Transferable Securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4. Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bond-

- holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.
- 2.5. The limit of 10% (in 2.3) is raised to 35% if the Transferable Securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU Member States are members.
- 2.6. The Transferable Securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7. A Fund may not invest more than 20% of its Net Asset Value in deposits made with the same credit institution.
- Deposits with any one credit institution, other than with Relevant Institutions held as ancillary liquidity, must not exceed 10% of the Net Asset Value of a Fund.
- This limit may be raised to 20% in the case of deposits made with the Custodian.
- 2.8. The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of its Net Asset Value.
- This limit is raised to 10% in the case of Relevant Institutions.
- 2.9. Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of the Net Asset Value of a Fund:
- 2.9.1. investments in Transferable Securities or money market instruments;
- 2.9.2. deposits, and/or
- 2.9.3. risk exposures arising from OTC derivative transactions.
- 2.10. The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of the Net Asset Value of a Fund.
- 2.11. Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of the Net Asset Value of a Fund may be applied to investment in Transferable Securities and money market instruments within the same group.
- 2.12. A Fund may invest up to 100% of its Net Asset Value in different Transferable Securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members or by Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States or any of the following:
- OECD Member States, excluding those listed above (provided the relevant issues are investment grade)

European Investment Bank

European Bank for Reconstruction and Development

International Finance Corporation

International Monetary Fund

Euratom

The Asian Development Bank

European Central Bank

Council of Europe

Eurofima

African Development Bank

International Bank for Reconstruction and Development (The World Bank)

The Inter American Development Bank

European Union

Federal National Mortgage Association (Fannie Mae)

Federal Home Loan Mortgage Corporation (Freddie Mac)

Government National Mortgage Association (Ginnie Mae)

Student Loan Marketing Association (Sallie Mae)

Federal Home Loan Bank

Federal Farm Credit Bank

Tennessee Valley Authority

Government of Brazil (provided the issues are of investment grade)

Government of India (provided the issues are of investment grade)

Government of Singapore (provided the issues are of investment grade)

Straight-A Funding LLC

The Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its Net Asset Value.

3. Investment in Collective Investment Schemes (CIS)

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

- 3.2. Investment in non-UCITS may not, in aggregate, exceed 30% of the Net Asset Value of a Fund.
- 3.3. When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the management company of the Company or by any other company with which the management company of the Company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS.
- 3.4. Where a commission (including a rebated commission) is received by the Fund manager/investment manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

4. Index Replicating UCITS

- 4.1. A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank Notices and is recognised by the Central Bank.
- 4.2. The limit in 4.1 may be raised to 35% of the Net Asset Value of the Fund, and applied to a single issuer, where this is justified by exceptional market conditions.

5. General Provisions

- 5.1. An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 5.2. A Fund may acquire no more than:
 - 5.2.1. 10% of the non-voting shares of any single issuing body;
 - 5.2.2. 10% of the debt securities of any single issuing body;
 - 5.2.3. 25% of the units of any single CIS;
 - 5.2.4. 10% of the money market instruments of any single issuing body.

The limits laid down in 5.2.2, 5.2.3 and 5.2.4 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.

- 5.3. 5.1 and 5.2 shall not be applicable to:
- 5.3.1. Transferable Securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
 - 5.3.2. Transferable Securities and money market instruments issued or guaranteed by a non-EU Member State;
 - 5.3.3. Transferable Securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
 - 5.3.4. shares held by a Fund in the capital of a company incorporated in a non-EU member state which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed;
 - 5.3.5. Shares held by an investment company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.
- 5.4. A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to Transferable Securities or money market instruments which form part of their assets.
- 5.5. The Central Bank may allow a recently authorised Fund to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2 4.1 and 4.2 for six Months following the date of its authorisation, provided it observes the principle of risk spreading.
- 5.6. If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
- 5.7. A Fund may not carry out uncovered sales of:
- 5.7.1. Transferable Securities;
 - 5.7.2. money market instruments;
 - 5.7.3. units of CIS; or
 - 5.7.4. FDIs.

5.8. A Fund may hold ancillary liquid assets.

6. Financial Derivative Instruments (FDIs)

6.1. A Fund's global exposure (as prescribed in the Central Bank Notices) relating to FDI must not exceed its Net Asset Value.

6.2. Position exposure to the Underlyings 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 Notices. (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 Notices.)

6.3. A Fund may invest in OTC derivatives provided that the counterparties to the OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

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

Master Feeder Funds

A Fund may be authorised as a master fund or as a feeder fund under the provisions of the Regulations.

Where a Fund is authorised as a master fund, it must be a Fund which:

- has, among its Shareholders, at least one feeder fund;
- is not itself a feeder fund; and
- does not hold any shares/units of a feeder fund.

Where a Fund is authorised as a feeder fund, it must invest a minimum of 85% of its Net Asset Value in the master fund and may invest up to 15% of its Net Asset Value in one or more of the following instruments:

- ancillary or liquid assets;
- FDI; and
- moveable and immoveable property which is essential for the pursuit of business.

Cross-Investment

Investors should note that, subject to the requirements of the Central Bank, each of the Funds may invest in the other Funds of the Company where such investment is appropriate to the investment objectives and policies of the relevant Fund. Any commission received by the Investment Manager in respect of such investment will be paid into the assets of the relevant Fund. In addition, no Preliminary Charge, Repurchase Charge or Exchange Charge may be charged on the cross-investing Fund's investment.

In order to avoid double-charging of management and/or performance fees, any Fund that is invested in another Fund may not be charged an Investment Management Fee or performance fee in respect of that part

of its assets invested in other Funds unless such investment in another Fund is made into a Class of Shares that does not attract any Investment Management Fee or performance fee. Investment may not be made by a Fund in a Fund which itself cross-invests in another Fund within the Company.

Efficient Portfolio Management

The Company on behalf of a Fund may (but is not obliged to) employ techniques and instruments relating to Transferable Securities and/or Other Financial Instruments in which it invests for efficient portfolio management purposes, details in respect of which (if any) shall be set out in the relevant Supplement.

The use of such techniques and instruments must be realised in a cost-effective way and must not result in a change to the investment objective of the Fund or add supplementary risks not covered in this Prospectus. Please refer to the section of this Prospectus entitled “Risk Factors; EPM Risk” for more details. The risks arising from the use of such techniques and instruments shall be adequately captured in the Company’s risk management process.

Efficient portfolio management techniques may only be effected in accordance with normal market practice. All assets received in the context of efficient portfolio management techniques should be considered as collateral and should comply with the criteria set out above in relation to collateral. All the revenues arising from efficient portfolio management techniques employed shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees, (which are all fully transparent) which shall not include hidden revenue, shall include fees and expenses payable to counterparties engaged by the Company, in respect of the relevant Fund from time to time.

Repurchase / Reverse Repurchase Agreements and Securities Lending

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

Any Fund that enters into a reverse repurchase agreement should ensure that it is 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 of the Fund.

A Fund that enters into a repurchase agreement should ensure that it is 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 and reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

As set out above, all the revenues arising from efficient portfolio management techniques shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent), which shall not include hidden revenue, shall include fees and expenses payable to repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the Company from time to time. Such fees and expenses of any repurchase transaction counterparties and/or securities lending agents engaged by the Company, which will be at normal commercial rates together with VAT, if any, thereon, will be borne by the Company or the Fund in respect of which the relevant party has been engaged. Details of Fund revenues

arising and attendant direct and indirect operational costs and fees as well as the identity of any specific repurchase transaction counterparties and/or securities lending agents engaged by the Company from time to time shall be included in the Company's semi-annual and annual reports.

From time to time, a Fund may engage repurchase transaction counterparties and/or securities lending agents that are related parties to the Investment Manager, Custodian or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Investment Manager, Custodian or other service provider in respect of the Company. Please refer to section "Potential Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Repurchase transactions or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.

The Investment Manager will, at least annually, review and/or confirm the arrangements for securities lending and repurchase transactions and associated fees invoiced to the relevant Fund, if any.

Collateral Policy

In the context of efficient portfolio management techniques for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of the Company. Any receipt or posting of collateral by the Company will be conducted in accordance with the requirements of the Central Bank and the terms of the Company's collateral policy outlined below.

Collateral – Received by the Fund

Collateral posted by the counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. The Fund will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time.

The Investment Manager will liaise with the Custodian in order to manage all aspects of the counterparty collateral process.

Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the Investment Manager's risk management process. If the Fund receives collateral for at least 30% of its assets it will put in place an appropriate stress testing policy to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Company to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the following:

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

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Fund may transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund in accordance with normal market practice.

Non-Cash Collateral

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

- (i) **Liquidity:** Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.
- (ii) **Valuation:** Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- (iii) **Issuer credit quality:** Collateral received should be of high quality.
- (iv) **Correlation:** Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- (v) **Diversification (asset concentration):** Collateral should be sufficiently diversified in terms of country, markets and issuers.
- (vi) **Immediately available:** Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- (vii) **Safe-keeping:** Collateral received on a title transfer basis should be held by the Custodian or its agent. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- (viii) **Haircuts:** The Investment Manager, on behalf of the Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests performed as referred to above. The Investment Manager has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Investment Manager on an ongoing basis. However, the application of such a haircut will be determined on a case by case basis, depending on the exact details of the assessment of the collateral. The Investment Manager, in its discretion, may consider it appropriate in certain circumstances to resolve to accept certain collateral with more conservative, less conservative or no haircuts applied if it so determines, on an objectively justifiable basis. Any extenuating circumstances that warrant the acceptance of relevant collateral with haircut provisions other than the guideline levels must be outlined in writing. Documentation of the rationale behind this is imperative.

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

Cash Collateral

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

- (i) deposits with relevant institutions;
- (ii) high-quality government bonds; and
- (iii) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral outlined above in (v) above under the heading "Non-Cash Collateral". Invested cash collateral may not be placed on deposit with the counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund. Please refer to the section of the Supplement "Risk Factors; Reinvestment of Cash Collateral Risk" for more details.

Collateral – Posted by the Fund

Collateral posted to a counterparty by or on behalf of the Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the Fund is able to legally enforce netting arrangements with the counterparty.

Currency Hedging

The Company may (but is not obliged to) enter into certain currency-related transactions in order to hedge the currency exposure of a Fund where the Fund invests in assets denominated in currencies other than the Base Currency. In addition, a Class designated in a currency other than the Base Currency may be hedged against exchange rate fluctuation risks between the designated currency of the Class and the Base Currency. Any financial instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on, and the costs of, the relevant financial instruments will accrue solely to the relevant Class. However, investors should note that there is no segregation of liability between Share Classes. Shareholders are therefore exposed to the risk that hedging transactions undertaken in one class may impact negatively on the Net Asset Value of another Class.

Where a Class of Shares is to be hedged, this will be disclosed in the Supplement for the Fund in which such Class is issued. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. Where the Investment Manager seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, over-hedged positions will not exceed 105% of the Net Asset Value and hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level which review will also incorporate a procedure to ensure that positions in excess of 100% of Net Asset Value will not be carried forward from month to month. To the extent that hedging is successful for a particular Class, the performance of the Class is likely to move in line with the performance of the underlying assets, with the result that investors in that Class will not gain/ lose if the Class currency falls/ rises against the Base Currency.

Uncovered Sales

A Fund may not engage in uncovered sales at any time. The Company will apply rules (as detailed below) with respect to transactions with both listed and 'over-the-counter' FDIs so as to ensure that each Fund retains appropriate cover for all transactions entered into on its behalf. These rules will be applied to each Fund respectively.

Physically Settled Trades

When the relevant FDI provides for, either automatically or at the choice of the Fund's counterparty, physical delivery of the underlying financial instrument on maturity or exercise of the FDI, and provided that physical delivery of such underlying financial instrument is common practice, the Fund will hold such underlying financial instrument as cover in its investment portfolio. Any such investment held as cover must also satisfy Central Bank's requirements in respect of collateral as further set out below.

In cases where the risks of the financial instrument underlying a FDI can be appropriately represented by another underlying financial instrument and such other underlying financial instrument is highly liquid (an "Alternative Financial Instrument"), the Fund may, in exceptional circumstances, hold such Alternative Financial Instruments as cover. In such circumstances, the Company shall ensure that such Alternative Financial Instruments can be used at any time to purchase the underlying financial instrument to be delivered and that the additional market risk which is associated with that type of transaction is adequately measured.

Cash-Settled Trades

Where the relevant FDI is cash-settled automatically or at the Company's discretion, a Fund may elect not to hold the specific financial instrument underlying the FDI as cover. In such circumstances, such Fund will consider the following categories as acceptable cover:

- (a) cash;
- (b) liquid debt instruments (e.g. government bonds rated AAA by Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), or any successor thereto ("S&P") or Aaa by Moody's Investors Service Inc., or any successor thereto ("Moody's")) with appropriate safeguards (in particular, haircuts);
- (c) other highly liquid assets as recognised by the relevant competent authorities, subject to appropriate safeguards (e.g. haircuts where relevant).

In the context of the application of cover rules, the Company will consider as 'liquid' those instruments which can be converted into cash in no more than seven business days at a price closely corresponding to the current valuation of the financial instrument on its own market. The Company will ensure that the respective cash amount be at the relevant Fund's disposal at the maturity/expiry or exercise date of the FDI.

The level of cover will be calculated in line with the commitment approach, under which the Company will, in relation to each Fund, convert the positions of each FDI into equivalent positions in the asset underlying such FDIs.

The Company will require that the underlying financial instrument of FDIs, whether they provide for cash-settlement or physical delivery, as well as the financial instruments held for cover have to be compliant with the Regulations and the individual investment policy of the Fund.

Borrowing and Lending Powers

The Company may only borrow, for the account of a Fund, up to 10% of the Net Asset Value of a Fund provided that such borrowing is for a period of up to one Month to cover a cash shortfall caused by mismatched settlement dates on purchase and sale transactions or on a temporary basis to finance repurchases. The assets of such Fund may be charged as security for any such borrowings. The Company may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the above mentioned 10% limit provided that the offsetting deposit (a) is denominated in the Base Currency of the Fund and (b) equals or exceeds the value of the foreign currency loan outstanding.

The Company may not borrow for investment purposes.

Without prejudice to the powers of the Company to invest in Transferable Securities, the Company may not lend cash, or act as guarantor on behalf of third parties.

Any special borrowing restrictions relating to a Fund will be formulated by the Directors at the time of the creation of a Fund. There are no special borrowing restrictions currently in operation.

Charges and Expenses

When the Company on behalf of a Fund invests in the shares of other UCITS or collective investment undertakings or both and those other UCITS or collective investment undertakings are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company shall not charge subscription or repurchase fees on account of the investment by the Company on behalf of the Fund in the shares of such other UCITS or collective investment undertakings or both, as the case may be.

If the Company on behalf of a Fund invests a substantial proportion of its net assets in other UCITS or non-UCITS collective investment undertakings or both, the maximum level of the management fees that may be charged to the Fund by such UCITS or non-UCITS collective investment undertakings or both, as the case may be, will be set out in the relevant Supplement. Details of such fees will also be contained in the Company's annual report.

Dividend Policy

The Directors decide the dividend policy and arrangements relating to each Fund and details are set out where applicable in the relevant Supplement. Under the Articles, the Directors are entitled to declare dividends out of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund and/or (iii) the capital of the relevant Fund. **Where dividends will be paid out of the capital of the relevant Fund, this will be disclosed in the relevant Supplement.** The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them (to the extent permitted under prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund) *in specie*

any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. A Shareholder may require the Company instead of transferring any assets *in specie* to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same. The Company will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Fund who is or is deemed to be an Irish Resident and pay such sum to the Irish Tax Authorities. Shareholders should note that the share capital of the Company relating to certain Funds will decrease over time as the Company on behalf of these Funds will make dividend payments out of the share capital of the Company relating to those Funds. Where Shares of a Fund are listed on the Irish Stock Exchange, dividends (if any) will be paid in accordance with Irish Stock Exchange policy.

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

Dividends payable to Shareholders will be paid by electronic transfer to the bank account designated by the Shareholder in which case the dividend will be paid at the expense of the payee and will be paid within four Months of the date the Directors declared the dividend.

The dividend policy for each Fund is set out in the Supplement for the relevant Fund.

RISK FACTORS

The discussion below is of general nature and is intended to describe various risk factors which may be associated with an investment in the Shares of a Fund to which the attention of investors is drawn. See also the section of the relevant Supplement headed “Other Information – Risk Factors” for a discussion of any additional risks particular to Shares of that Fund. However, these are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment. Investors should consult their own advisors before considering an investment in the Shares of a particular Fund. What factors will be of relevance to the Shares of a particular Fund will depend upon a number of interrelated matters including, but not limited to, the nature of the Shares, the Underlying (if applicable), the Fund Assets (if applicable) and the techniques used to link the Fund Assets to the Underlying (if applicable).

No investment should be made in the Shares of a particular Fund until careful consideration of all those factors has been made.

Introduction

The investments of the Company 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 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 the investments to diminish or increase. **Due to the Preliminary Charge and/or Repurchase Charge which may be payable on the Shares, an investment in Shares should be viewed as medium to long term. An investment in a Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

An investment in the Shares involves risks. These risks may include or relate to, among others, equity market, bond market, foreign exchange, interest rate, credit, market volatility and political risks and any combination of these and other risks. Some of these risk factors are briefly discussed below. Prospective investors should be experienced with respect to transactions in instruments such as the Shares, the Fund Assets (if applicable), the Underlying (if applicable) and the techniques used to link the Fund Assets to the Underlying (if applicable). Investors should understand the risks associated with an investment in the Shares and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisors of (i) the suitability of an investment in the Shares in the light of their own particular financial, fiscal and other circumstances, (ii) the information set out in this Prospectus and the relevant Supplement, (iii) the nature of the Underlying (if applicable), (iv) the risks associated with the use by the Fund of derivative techniques (if applicable), (v) the nature of the Fund Assets (if applicable), and (vi) information set out in the relevant Supplement.

Investors in the Shares should recognise that the Shares may decline in value and should be prepared to sustain a total loss of their investment in the Shares. Even where the Shares contain some form of capital protection feature via the investment in the Fund Assets (such form of capital protection feature - if any - being described in the relevant Supplement), the protection feature may not be fully applicable to the initial investment made by an investor in the Shares, especially (i) when the purchase, sale or subscription of the Shares does not take place during the Initial Offer Period, (ii) when Shares are repurchased or sold before their Scheduled Maturity Date (if any) or (iii) when the Fund Assets or the techniques used to link the Fund Assets to the Underlying fail to deliver the expected returns. An investment in the Shares should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Underlying and the Fund Assets, as the return of any such investment will be dependent, *inter alia*, upon such changes.

Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Shares. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Shares.

While the provisions of the Companies Acts provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims.

General Risk Factors

Valuation of the Underlying and the Fund Assets

Investors in the Shares should be aware that such an investment involves assessing the risk of an investment linked to the Underlying and, where applicable, the Fund Assets and the techniques used to link the Fund Assets to the Underlying. Investors should be experienced with respect to transactions involving the purchase of Shares the value of which derives from an Underlying possibly in combination with a Fund Assets. The value of the Underlying and the Fund Assets and the value of the techniques used to link them may vary over time and may increase or decrease by reference to a variety of factors which may include, amongst others, corporate actions, macro economic factors and speculation. Where the Underlying is a basket of securities or one or more indices, the changes in the value of any one security or index may be offset or intensified by fluctuations in the value of other securities or indices which comprise such constituents of the Underlying or by changes in the value of the Fund Assets itself.

Exchange Rates

Investors in the Shares should be aware that an investment in the Shares may involve exchange rate risks. For example (i) the Underlying may directly or indirectly provide exposure to a number of different currencies of emerging market or developed countries; (ii) the Underlying and/or the Fund Assets may be denominated in a currency other than the Base Currency; (iii) the Shares may be denominated in a currency other than the currency of the investor's home jurisdiction; and/or (iv) the Shares may be denominated in a currency other than the currency in which an investor wishes to receive his monies. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Shares.

Interest Rate

Investors in the Shares should be aware that an investment in the Shares may involve interest rate risk in that there may be fluctuations in the currency of denomination of the Underlying and/or the Fund Assets (if applicable) and/or the Shares.

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Shares. Fluctuations in interest rates of the currency in which the Shares are denominated and/or fluctuations in interest rates of the currency or currencies in which the Underlying and/or the Fund Assets are denominated may affect the value of the Shares.

Market Volatility

Market volatility reflects the degree of instability and expected instability of the performance of the Shares, the Underlying and/or the Fund Assets, and/or the techniques to link the Fund Assets to the Underlying, where applicable. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro economic factors and speculation.

Credit Risk

Investors in the Shares should be aware that such an investment may involve credit risk. Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Share. Investors in any Fund whose performance is linked to an Underlying should be aware that the Fund Assets for any such Fund will generally include bonds or other debt instruments that involve credit risk. Moreover, where such Fund provides for a capital protection feature, the functioning of such feature will often be dependent on the due payment of the interest and principal amounts on the bonds or other debt instruments in which the Fund is invested as the Fund Assets.

Non-Voting Shares

The Non-Voting Shares do not carry voting rights and changes may be made to the Company or a Fund which affect the holders of such Shares without such Shareholders being entitled to vote on such matters. Such Shareholders would be bound by the changes made.

Credit Ratings

Credit ratings are assigned by rating agencies such as Standard & Poor's (S&P). It is important to understand the nature of credit ratings in order to understand the nature of the Securities. The level of a credit rating is an indication of the probability that (in the opinion of the rating agency) payments will be made on the relevant bond(s) or other obligation(s) to which the credit rating relates. Bonds with a rating of AAA, AA, A or BBB by S&P are called "investment grade" bonds and this indicates that the risk of a failure to repay amounts

is limited. While credit ratings can be a useful tool for financial analysis, they are not a guarantee of quality or a guarantee of future performance in relation to the relevant obligations. Ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Ratings may also be withdrawn, upgraded or downgraded at any time.

Liquidity Risk

Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the components of the Underlying and may therefore affect the value of the Underlying. This may in turn affect the Net Asset Value per Share.

Repurchase Transactions and Securities Lending Arrangements

The Company may engage in securities lending or repurchase transactions over a period of time with one or more counterparties (as further described in the section above headed "Repurchase/Reverse Repurchase Agreements and Securities Lending"). Collateral which meets the requirements of the Collateral Policy will be posted by the relevant counterparty. A default by the counterparty to such a securities lending arrangement or repurchase transaction, or a fall in the value of the Collateral posted in connection with such transactions below that of the value of the securities lent or the cash leg of the repurchase transaction may result in a reduction in the value of the relevant Fund and the Fund may suffer loss as a result. The Company will use reasonable endeavours to ensure that any Collateral transferred to it in connection with such transactions will be segregated from the bankruptcy estate of the counterparty and not available to the creditors of the counterparty. Shareholders are advised, however, that third parties may seek to challenge such segregation which, if successful, would result in a total loss of both the Collateral and the assets of the Fund that were lent or otherwise transferred. In the case of cash Collateral, as a matter of applicable law, such cash Collateral might not be held in a segregated manner in favour of the Company, which may result in a total loss of cash Collateral upon insolvency of the relevant counterparty.

Details of any such securities lending agent will be set out in the Supplement for the relevant Fund.

Reinvestment of Cash Collateral Risk

As a Fund may reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund reinvesting cash collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

Market Risk

This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to a Fund's interests.

Use of Derivatives

As a Fund whose performance is linked to an Underlying will often be invested in FDIs which give exposure to the Underlying, derivative techniques will be used to link the value of the Shares to the performance of the Underlying. While the prudent use of such derivatives can be beneficial, derivatives 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 derivatives that investors should understand before investing in Shares of a Fund.

Legal Risk

The Company must comply with regulatory constraints or changes in the laws affecting it, the Shares, or the Investment Restrictions, which might require a change in the investment policy and objectives followed by a Fund. The Fund Assets, the Underlying and the derivative techniques used to link the two may also be subject to changes in law or regulations and/or regulatory actions which may affect their value.

Control and Monitoring

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the Underlying but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity Risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous price, or at all.

Counterparty Risk

The Company on behalf of a Fund may enter into transactions in over-the-counter markets, which will expose the Fund to the credit of its Approved Counterparties with whom they transact or place margins or collateral in respect of such transactions and their ability to satisfy the terms of such contracts. For example, the Company on behalf of the Fund may enter into repurchase agreements, forward contracts, options and swap arrangements or other derivative techniques, each of which expose a Fund to the risk that the Approved Counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, a Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company 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 the above agreements and derivative techniques are 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. In such circumstances, investors may be unable to cover any losses incurred. FDIs such as swap contracts entered into by the Company on behalf of a Fund on the advice of the Investment Manager are subject to the credit risk of each Approved Counterparty (but as the risk exposure to such Approved Counterparty is collateralised to the extent required by the Central Bank, the risk exposure to such Approved Counterparty is limited to 10% of the Net Asset Value of the Fund).

Additional risks associated with an Underlying linked to specific types of securities or assets

There are special risk considerations associated with an Underlying of which the performance is linked directly or indirectly to the following types of securities or assets. The degree of exposure to such factors will depend on the precise way in which the Underlying is linked to such assets.

- *Futures and Options*

There are special risk considerations associated with an Underlying of which the performance is linked to futures, options or other FDIs. Depending on the nature of the Underlyings, reference rates or other derivatives to which they relate and on the liquidity in the relevant contract, the prices of such instruments may be highly volatile and hence risky in nature.

- *Structured Finance Securities*

Structured finance securities include, without limitation, asset-backed securities and portfolio credit-linked notes.

Asset-backed securities are securities primarily serviced, or secured, by the cash flows of a pool of receivables (whether present or future) or other Underlyings, either fixed or revolving. Such Underlyings may include, without limitation, residential and commercial mortgages, leases, credit card receivables as well as consumer and corporate debt. Asset-backed securities can be structured in different ways, including “true sale” structures, where the Underlyings are transferred to a special purpose entity, which in turn issues the asset-backed securities, and “synthetic” structures, in which not the assets, but only the credit risks associated with them are transferred through the use of derivatives, to a special purpose entity, which issues the asset backed securities.

Portfolio credit-linked notes are securities in respect of which the payment of principal and interest is linked directly or indirectly to one or more managed or unmanaged portfolios of reference entities and/or assets (**reference credits**). Upon the occurrence of a credit-related trigger event (**credit event**) with respect to a

reference credit (such as a bankruptcy or a payment default), a loss amount will be calculated (equal to, for example, the difference between the par value of an asset and its recovery value).

Asset-backed securities and portfolio credit-linked notes are usually issued in different tranches. Any losses realised in relation to the Underlyings or, as the case may be, calculated in relation to the reference credits are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so forth.

Accordingly, in the event that (a) in relation to asset-backed securities, the Underlyings do not perform and/or (b) in relation to portfolio credit-linked notes, any one of the specified credit events occurs with respect to one or more of the Underlyings or reference credits, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Share. In addition the value of structured finance securities from time to time, and consequently the Net Asset Value per Share, may be adversely affected by macro economic factors such as adverse changes affecting the sector to which the Underlyings or reference credits belong (including industry sectors, services and real estate), economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets (for example, project finance loans are subject to risks connected to the respective project). The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the Underlyings or reference credits. The degree to which any particular asset-backed security or portfolio credit linked note is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

Exposure to structured finance securities may entail a higher liquidity risk than exposure to sovereign or corporate bonds. In the absence of a liquid market for the respective structured finance securities, they may only be traded at a discount from face value and not at the fair value, which may in turn affect the Net Asset Value per Share.

- *Real Estate*

There are special risk considerations associated with an Underlying of which the performance is linked to securities of companies principally engaged in the real estate industry. These 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 the Underlying and thus the Fund's investments.

- *Commodities*

Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events.

- *Emerging Market Assets*

Exposure to emerging markets assets generally entails greater risks than exposure to well-developed markets, including potentially significant legal economic and political risks.

Emerging markets are by definition “in transformation” and are therefore exposed to the risk of swift political change and economic downturn. In recent years, many emerging market countries have undergone significant political, economic and social change. In many cases, political concerns have resulted in significant economic and social tensions and in some cases both political and economic instability has occurred. Political or economic instability may have a negative impact on the prices of emerging market exchange rates, securities or other assets.

The prices of emerging market exchange rates, securities or other assets are often highly volatile. Movements in such prices are influenced by, among other things, interest rates, changing market supply and demand, external market forces (particularly in relation to major trading partners), trade, fiscal, monetary programmes, policies of governments, and international political and economic events and policies.

In emerging markets, the development of securities markets usually is at an early stage. This could lead to risks and practises (such as increased volatility) that are not common in more developed securities markets, which may negatively affect the value of securities listed on the exchanges of such countries. In addition, markets of emerging market countries are often characterised by illiquidity in the form of a low turnover of some or all of the listed securities.

It is important to note that, during times of global economic slowdown, emerging market exchange rates, securities and other assets are more likely than other forms of investment with lower risks to be sold during any “flight to quality”, and their value may decrease accordingly.

Risks associated with the Underlying

Where the Underlying is a financial index, there is no assurance that the Underlying will continue to be calculated and, if relevant, published on the basis described in the relevant Supplement or that it will not be amended significantly. Any change to the Underlying may adversely affect the value of the Shares. The past performance of an Underlying is not necessarily a guide to its future performance.

Where the Underlying consists of an Index it will not be actively managed and the selection of the component indices, assets or securities will be made in accordance with the relevant Index composition rules and eligibility criteria and not by reference to any performance criteria or performance outlook. Accordingly, the composition of the Index is not designed to follow recommendations or research reports issued by the Index Sponsor, its affiliates or any other person. No Index Sponsor has any obligation to take the needs of the Company or the investors into consideration in determining, composing or calculating any Underlying.

Specific risks relating to Funds whose performance is linked to an Underlying

The following factors may adversely affect the value of the Shares of such Funds:

- the Fund must pay various expenses, such as fees, costs, taxes, commissions, charges and dividends (if applicable);
- the Company must comply with regulatory constraints, such as the Investment Restrictions, that may lead to a restructuring of a Fund's investments;
- the Fund may not always continuously be exposed to the Underlying;

- the Company may purchase Debt Securities the value of which will increase or decrease over time by reference to a variety of factors including, amongst others, corporate actions, macro economic factors and speculation;
- the Company will enter into FDIs with a maturity date which may be different from the Scheduled Maturity Date of the relevant Shares. There can be no assurance that any new Derivative Contracts entered into will have terms similar to those previously entered into; and
- the existence of a cash position held by the Fund.

Valuation and Other Risks

Investors should note that FDIs may be terminated early in accordance with their specific terms upon the occurrence of certain events, including but not limited to, disruption in any hedging (which for example may occur where the Approved Counterparty is unable, after using commercially reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transactions or assets it deems necessary to hedge the price risk of entering into and performing its obligations with respect to the relevant transaction, or to realize, recover or remit the proceeds of any such transactions or assets) in relation to the Approved Counterparty or the relevant Fund, or failure to pay, insolvency or the imposition of certain taxes on the payments due by either party. Upon such early termination, the relevant Fund (except in the case of Funded Swaps) or the Approved Counterparty may be liable to make a termination payment (regardless of which party may have caused such termination) based on the mark to market value of the derivative at the relevant time as determined by the Calculation Agent.

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular over-the-counter derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Fund. Derivatives do not always perfectly or even highly correlate or replicate the value of the securities, rates or indices they are designed to replicate. Consequently, a Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, such Fund's investment objective.

EPM Risk

The Company on behalf of a Fund may employ techniques and instruments relating to Transferable Securities, money market instruments and/or other financial instruments in which it invests for efficient portfolio management purposes. Many of the risks attendant in utilising derivatives, as disclosed in the section entitled "Use of Derivatives" above, will be equally relevant when employing such efficient portfolio management techniques. In addition to the sub-section entitled "General", particular attention is drawn to the sub-sections entitled "Credit Risk" and "Counterparty Risk" and "Repurchase Transactions and Securities Lending Arrangements". Investors should also be aware that from time to time, a Fund may engage with repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Custodian or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Custodian or other service provider in respect of the Company. Please refer to section "Potential Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Additional Risk Factors when investing in Shares listed on a Stock Exchange

Listing Procedure

The Company may apply for the listing of certain Classes of the Shares on the Irish Stock Exchange and/or any other stock exchange as determined by the Directors. There can be no certainty, however, that a listing on such stock exchange will be achieved.

Liquidity and Secondary Trading

Even if the Shares are listed on one or more stock exchanges, there can be no certainty that there will be liquidity in the Shares on one or more of the stock exchanges or that the market price at which the Shares may be traded on a stock exchange will be the same as the Net Asset Value per Share. There can be no guarantee that once the Shares are listed on a stock exchange they will remain listed or that the conditions of listing will not change.

Trading in Shares on a stock exchange may be halted due to market conditions or, because in the stock exchange's view, trading the Shares is inadvisable. In addition, trading in the Shares may be subject to a halt in trading caused by extraordinary market volatility pursuant to the stock exchange's rules. If trading on a stock exchange is halted, investors in Shares may not be able to sell their Shares until trading resumes. Although, where applicable, the Shares are listed on a stock exchange, it may be that the principal market for some Shares may be in the over-the-counter market. The existence of a liquid trading market for the Shares may in such case depend on whether broker-dealers will make a market in such Shares.

Although as a condition precedent to listing on certain stock exchanges one or more market makers, being financial institutions, might be appointed to offer prices for the Shares, there can be no assurance that a market will continually be made for any of the Shares or that such market will be or remain liquid. The price at which Shares may be sold will be adversely affected if trading markets for the Shares are limited or absent.

Variation of Net Asset Value per Share and Trading Prices on the Secondary Market

The Net Asset Value per Share will fluctuate with changes in the market value of the Underlying, the derivative techniques used and where applicable the Fund Assets and changes in the exchange rate between the Base Currency or, if different, the listing currency of a Share and any relevant foreign currency of such Underlying and/or Fund Assets. The market price of the Shares will fluctuate in accordance with the changes in the Net Asset Value per Share and the supply and demand on the stock exchange on which the Shares are listed. The Company cannot predict whether the Shares will trade below, at or above their Net Asset Value per Share. Price differences may be due, in large part, to the fact that supply and demand forces in the secondary market for the Shares will be closely related, but not identical to the same forces influencing the trading prices of the Underlying and where applicable the Fund Assets, individually or in the aggregate, at any point in time. The trading process may be subject to brokerage commissions and/or transfer taxes associated with the trading and settlement through the relevant stock exchange. There can be no further guarantee that once the Shares are listed on a stock exchange they will remain listed. Furthermore, the listing on multiple exchanges of the Shares may result in price differences between such exchanges because of fiscal, regulatory or other market factors.

A broker-dealer, in considering the price at which it would be able to sell the Shares (known as the offer price) on the secondary market, or to buy Shares (known as the bid price) may seek arbitrage opportunities through

anomalies or variations in the pricing of the Shares on the secondary market compared to the relative Net Asset Value per Share. The broker-dealer seeking to arbitrage such anomalies or variations, will take account of the notional price at which it could (i) purchase (when Shares in the secondary market are being priced above the Net Asset Value per Share) the building blocks providing the (combined) return of the Underlying (and as the case may be the Fund Assets); or (ii) sell (when Shares in the secondary market are being priced below the Net Asset Value per Share) such building blocks generating the (combined) return of the Underlying (and as the case may be the Fund Assets) including in each case the associated transaction costs and any taxation.

International Tax Risk

Ireland may enter into international tax agreements with another country or jurisdiction which may be required by legislation, regulation, order or by agreement with tax authorities of another country or jurisdiction to report on an ongoing basis certain information about the Shareholders and their accounts and other products they hold with the Company on an individual or aggregated basis. All Shareholders should consult with their own tax advisors regarding the possible implications of any international tax agreements on an investment in the Company.

Certain Hedging Considerations

Investors intending to purchase the Shares for the purpose of hedging their exposure to the Underlying should be aware of the risks of utilising the Shares in such manner. No assurance is or can be given that the value of the Shares will correlate with movements in the value of the Underlying. This risk is especially prevalent if the Fund's performance is linked to an Underlying, as the Fund will generally be investing in the Fund Assets and not in the Underlying. Furthermore, it may not be possible to liquidate the Shares at a price which directly reflects the value of the Underlying. Therefore, it is possible that investors could suffer substantial losses in the Shares notwithstanding losses suffered with respect to direct investments in or direct exposure to the Underlying. Investors in the Shares should be aware that hedging transactions, in order to limit the risks associated with the Shares, might not be successful.

Specific Restrictions in Connection with the Shares

Investors should note that there may be restrictions in connection with the subscription, holding and repurchase of and trading in the Shares. Such restrictions may have the effect of preventing the investor from freely subscribing, holding, trading and/or repurchasing the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as the Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding.

Maximum Repurchase Amount

The Company will have the option to limit the number of Shares of any Fund repurchased on any Dealing Day (other than at the Scheduled Maturity Date, where applicable) to 10% of the total Net Asset Value of that Fund on that Dealing Day and, in conjunction with such limitation, to pro rata limit the number of Shares repurchased by any Shareholder on such Dealing Day so that all Shareholders wishing to have Shares of that Fund repurchased on that Dealing Day realise the same proportion of such Shares. In the event the Company elects to limit the number of Shares repurchased on such date to 10% of the Net Asset Value of the Fund, a Shareholder may not be able to repurchase on such Dealing Day all the Shares that it desires to repurchase. Investors should review this Prospectus and the relevant Supplement to ascertain whether and how such provisions apply.

Repurchase Notice and Certifications

If the Shares are subject to provisions concerning delivery of a repurchase notice, as mentioned under “Share Dealings - Repurchase of Shares” of this Prospectus and/or in the relevant Supplement, and such notice is received by the Administrator after the Dealing Deadline, it will not be deemed to be duly delivered until the next following Dealing Day. Such delay may increase or decrease the Repurchase Price from what it would have been but for such late delivery of the repurchase notice. The failure to deliver any repurchase documentation required could result in the loss or inability to receive amounts or deliveries otherwise due under the Shares. Investors should review this Prospectus and the relevant Supplement to ascertain whether and how such provisions apply to the Shares.

Market Disruption Events & Settlement Disruption Events

A determination of a market disruption event or a settlement disruption event in connection with any Fund Assets or Underlying (as may be further described in any Supplement) may have an effect on the value of the Shares and, may delay the occurrence of a Scheduled Maturity Date and/or may delay settlement in respect of the Fund Assets, Underlying and/or the Shares.

Potential Conflicts of Interest

The Directors, the Investment Manager, the Custodian, the Administrator, the relevant Index Sponsor, the Distributor, the Sub-Distributors, any Shareholder, any market maker which has been appointed to offer prices for the Shares on any exchange on which the Classes to which the Shares belong are listed (for the purposes hereof, a **Market Maker**) and any of their respective subsidiaries, affiliates, associates, agents or delegates (for the purposes hereof, **Connected Persons** and each a **Connected Person**) may:

1. contract or enter into any financial, banking or other transactions or arrangements with one another or with the Company including, without limitation, investment by the Company in securities or investment issued by any Connected Persons in any company or body any of whose investments form part of the assets of the Company or be interested in any such contracts or transactions or investment by the Company in any CIS managed by a Connected Person;
2. invest in and deal with Shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and
3. deal as agent or principal in the sale or purchase of securities and other investments to or from the Company through or with any Connected Person.

Any assets of the Company in the form of cash or securities may be deposited with any Connected Person. Any assets of the Company in the form of cash may be invested in certificates of deposit or banking investments issued by any Connected Person. Banking or similar transactions may also be undertaken with or through a Connected Person.

An Approved Counterparty is also likely to act as Calculation Agent under an FDI. In such circumstances, Shareholders should note that there may be potential conflicts of interest in the performance of the function of Calculation Agent by such entity. In circumstances, where an Approved Counterparty acts as Calculation Agent, such Approved Counterparty will use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Company and the Shareholders are not unfairly prejudiced. In addition, and to the extent that Barclays Bank PLC acts as an Approved Counterparty and Calculation Agent if permitted under applicable law and

regulations, the operational risks arising from any such potential lack of independence are in part reduced by the fact that different departments within Barclays Bank PLC will be responsible for the different roles.

In addition, in many cases the Approved Counterparty may be required to provide valuations of such FDIs. These valuations may form the basis upon which the value of certain assets of the Company is calculated. The Directors acknowledges that Barclays Bank PLC or the relevant Affiliates may have a potential conflict of interest by virtue of acting as the Approved Counterparty and/or providing such valuations. However, the Directors believe that such conflicts can be adequately managed, and expect that Barclays Bank PLC or one of its Affiliates will be suitable and competent to provide such valuations and will do so at no further cost to the Company which would be the case if the services of a third party were engaged to provide valuations.

Barclays Bank PLC or one of its Affiliates acts as the Distributor and may also act as the Index Sponsor, the Market Maker and/or the sub-custodian to the Company all in accordance with the relevant agreements which are in place. The Directors acknowledge that, by virtue of the functions which Barclays Bank PLC and/or its Affiliate will perform in connection with the Company, potential conflicts of interest are likely to arise. In such circumstances, each of Barclays Bank PLC and the Affiliate has undertaken to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Company and the Shareholders are not unfairly prejudiced. The Directors believes that Barclays Bank PLC and/or the Affiliate are suitable and competent to perform such functions.

Further information in respect of the management of conflicts of interest is set out under the heading "Conflicts of Interest"..

Taxation

Investors in the Shares should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Fund, capital gains within the Fund, whether or not realised, income received or accrued or deemed received within the Fund etc., and this will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Investors should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in the Fund in relation to the Fund Assets, whereas the performance of the Fund, and subsequently the return investors receive after redemption of the Shares, might partially or fully depend on the performance of the Underlying. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

The income and capital gains received by the Company from securities issued in countries other than Ireland or assets located in countries other than Ireland may be subject to taxes including withholding tax in the countries where such income and gains arise. The Company may not be able to benefit from reduced rates of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries.

The Directors will have sole discretion as to whether the Company will apply for such benefits and may decide not to apply for such benefits if they determine that it may be administratively burdensome, cost prohibitive or otherwise impractical.

Any such taxation, or any change in taxation law, or any change in the rate, basis of calculation or application of taxation law may affect the returns received by the Company and the Net Asset Value per Share.

FATCA Risk Factor

The United States and Ireland have entered into an intergovernmental agreement to implement FATCA (the "IGA"). Under the IGA, an entity classified as a Foreign Financial Institution (an "FFI") that is treated as resident in Ireland is expected to provide the Irish tax authorities with certain information in respect of its "account" holders (i.e. Shareholders). The IGA further provides for the automatic reporting and exchange of information between the Irish tax authorities and the IRS in relation to accounts held in Irish FFIs by U.S. persons, and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents. The Company expects to be treated as an FFI and provided it complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and may not be required to withhold on payments which it makes.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. In order to satisfy its FATCA obligations, the Company will require certain information from investors in respect of their FATCA status. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by all Shareholders may be materially affected.

All prospective investors / shareholders should consult with their own tax advisors regarding the possible FATCA implications of an investment in the Company.

Change of Law

The Company must comply with regulatory constraints, such as a change in the laws affecting the Investment Restrictions, which might require a change in the investment policy and objectives followed by a Fund.

Political Factors

The performance of the Shares or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

Liability for Fees and Expenses

The fees and expenses relating to a Fund will be paid by the Company out of the assets of the relevant Fund as set out in the relevant Supplement. However, to the extent that:

- (a) the arrangements, including any Fixed Fee Arrangement, for funding the payment by the Company of the fees and expenses do not generate the necessary funds to discharge all of the Company's liabilities in respect of the Fund; or
- (b) the Company incurs any fees, expenses or other liabilities which are not budgeted for by the Company and accordingly fall outside the scope of the arrangements referred to in (a) above,

the Company will pay such fees, expenses or liabilities from the Funds' assets. The Company's liability in respect of such amounts will be borne by the relevant Fund as more fully described under "Cross Liability between Classes" below.

Cross Liability between Classes

Allocation of shortfalls among Classes of a Fund

The right of holders of any Share Class to participate in the assets of the Company is limited to the assets (if any) of the relevant Fund and all the assets comprising a Fund will be available to meet all of the liabilities of the Fund, regardless of the different amounts stated to be payable on the separate Classes (as set out in the relevant Supplement).

For example, if (i) on a winding-up of the Company or (ii) as at the Scheduled Maturity Date (if any), the amounts received by the Company under the relevant Fund Assets (after payment of all fees, expenses and other liabilities which are to be borne by the relevant Fund) are insufficient to pay the full Repurchase Proceeds payable in respect of all Share Classes of the relevant Fund, each Share Class of the Fund will rank *pari passu* with each other Share Class of the relevant Fund, and the proceeds of the relevant Fund will be distributed equally amongst each Shareholder of that Fund *pro rata* to the amount paid up on the Shares held by each Shareholder. The relevant Shareholders will have no further right of payment in respect of their Shares or any claim against any other Fund or any other assets of the Company.

This may mean that the overall return (taking account of any dividends already paid) to Shareholders who hold Shares paying dividends quarterly or more frequently may be higher than the overall return to Shareholders who hold Shares paying dividends annually and that the overall return to Shareholders who hold Shares paying dividends may be higher than the overall return to Shareholders who hold Shares paying no dividends.

In practice, cross liability between Classes is only likely to arise where the aggregate amounts payable in respect of any Class exceed the assets of the Fund notionally allocated to that Class, that is, those amounts (if any) received by the Company under the relevant Fund Assets (after payment of all fees, expenses and other liabilities which are to be borne by such Fund) that are intended to fund payments in respect of such Class or are otherwise attributable to that Class. Such a situation could arise if, for example, there is a default by an Approved Counterparty in respect of the relevant Fund Assets or in the circumstances described under "Liability for Fees and Expenses" above. In these circumstances, the remaining assets of the Fund notionally allocated to any other Class of the same Fund may be available to meet such payments and may accordingly not be available to meet any amounts that otherwise would have been payable on such other Class.

Consequences of winding-up proceedings

If the Company fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Company. The commencement of such proceedings may entitle creditors (including Approved Counterparties) to terminate contracts with the Company (including Fund Assets) and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Company being dissolved at a time and its assets (including the assets of all Funds) being realised and applied to pay the fees and expenses of the appointed liquidator or other insolvency officer, then in satisfaction of debts preferred by law and then in payment of the Company's liabilities, before any surplus is distributed to the shareholders of the Company. In the event

of proceedings being commenced, the Company may not be able to pay, in full or at all, the amounts anticipated by the Supplement in respect of any Class or Funds.

Nominee Arrangements

Where a Sub-Distributor and/or a nominee service provider is used by an investor to invest in the Shares of any Class or such investor holds interests in Shares of any Class through accounts with a Recognised Clearing System (including Euroclear or Clearstream, Luxembourg), such investor will only receive payments in respect of Repurchase Proceeds and/or any dividends attributable to the Shares on the basis of the arrangements entered into by the investor with the Sub-Distributor, nominee service provider or Recognised Clearing System, as the case may be. Furthermore, any such investor will not appear on the Register of the Company, will have no direct right of recourse against the Company and must look exclusively to the Sub-Distributor, nominee service provider or Recognised Clearing System for all payments attributable to the relevant Shares. The Company and the Directors will recognise as Shareholders only those persons who are at any time shown on the Register for the purposes of: (i) the payment of dividends and other payments due to be made to Shareholders (as applicable); (ii) the circulation of documents to Shareholders; (iii) the attendance and voting by Shareholders at any meetings of Shareholders; and (iv) all other rights of Shareholders attributable to the Shares. None of the Company, the Directors, the Investment Manager, the Administrator, the Custodian or any other person will be responsible for the acts or omissions of the Sub-Distributor, nominee service provider or Recognised Clearing System, nor make any representation or warranty, express or implied, as to the services provided by the Sub-Distributor, nominee service provider or Recognised Clearing System.

Global Considerations

There is a risk of market disruptions caused by (without limitation) unexpected political, economic, geographic, military and terrorist events on a global basis causing significant disruptions in global markets. The impact of any such potential events is unclear, but could have a material effect on general economic conditions and market liquidity and accordingly could cause dramatic losses for the relevant Fund.

Handling of mail

Mail addressed to the Company and received at its registered office will be forwarded unopened to the Investment Manager and Administrator/others to be dealt with. None of the Company, its directors or officers or other service providers will bear any responsibility for any delay howsoever caused in mail reaching the Investment Manager or Administrator. In particular the Directors will not receive, open or deal directly with mail addressed to the Company.

MANAGEMENT OF THE COMPANY

Directors of the Company

The Directors of the Company are described below:-

Jim Cleary

Mr. Cleary is the principal of Dublin-based Cleary Consulting, which was established in 2002 and provides consultancy services to the funds industry. In addition, he is a director on the boards of a number of mutual funds and has been a member of various industry associations. Previous positions have been within auditing, fund accounting and compliance until he was appointed managing director of SEI Investments - Global Fund Services in 1997. He is a Fellow of the Chartered Association of Certified Accountants and holds an MBA from University of Limerick.

Barry McGrath

Mr. McGrath, an Irish resident, is a solicitor and was a partner from May 2003 to June 2008 in a large Irish law firm and has been a partner since June 2008 in Maples and Calder. Mr. McGrath specialises in financial services and fund management law.

Charles McCreevy

Charles McCreevy was Minister of Social Welfare in Ireland from 1992 to 1993, Minister for Tourism and Trade from 1993 to 1994 and Minister of Finance from 1997 to 2004. Mr McCreevy was EU Commissioner for Internal Markets and Services from 2004 to 2010. He has been a non-executive director of Ryanair Holdings plc since May 2010 and a director at Ryanair Limited since May 2010. He also holds a number of other directorships in the financial services industry including BNY Mellon Clearing International Limited and Worldspreads Group PLC.

James De Salis

Mr de Salis is an experienced financial services professional. He is Head of Funds at Barclays Wealth & Investment Management, a division of Barclays Bank PLC, covering the UK, Ireland, Jersey and Luxembourg fund ranges. He joined Barclays in 2010. Previously he spent 8 years at Fidelity in a variety of roles. Most recently he was Head of Commercial and Strategy for Fidelity Funds Network. Prior to Fidelity Mr de Salis spent 6 years as a private clients director with Global Asset Management. He holds an MBA from Cranfield School of Management and qualified as a chartered accountant with PricewaterhouseCoopers.

No Director has:

- (i) any unspent convictions in relation to indictable offences; or
- (ii) been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director; or

- (iii) been a director of any company which, while he was a director with an executive function or within 12 Months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or
- (iv) been a partner of any partnership, which while he was a partner or within 12 Months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
- (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
- (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of the affairs of any company.

Save for the information disclosed herein, if any Shares are listed, no further information is required to be given in respect of the Directors pursuant to the listing requirements of the Irish Stock Exchange.

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

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles. The Directors have delegated the day to day investment management, administration and distribution of the Shares of the Company to the Investment Manager, the Administrator and the Distributor respectively and the custody of the assets of each Fund to the Custodian. Consequently, all Directors of the Company in relation to the Company are non-executive.

Investment Managers

The Company has, unless specifically stated in the Supplement for the relevant Fund, appointed Barclays Bank PLC, acting through its Wealth and Investment Management division to provide certain investment related services to the Company. A principal activity of the Wealth and Investment Management division of Barclays Bank PLC is the provision of investment management services. Barclays Bank PLC is authorised by the PRA and regulated by the FCA and the PRA.

Details of any sub-investment manager appointed by an Investment Manager will be provided to Shareholders on request and will be disclosed in the periodic reports issued by the Company.

Promoter

The Promoter of the Company is Barclays Bank PLC which is authorised by the PRA and regulated by the FCA and the PRA and a member of the London Stock Exchange. Its address is at 5 The North Colonnade, Canary Wharf, London E14 4BB, United Kingdom.

Custodian

The Company has appointed Northern Trust Fiduciary Services (Ireland) Limited to act as custodian of the assets of each Fund and to provide trustee services to each Fund in accordance with the Regulations.

The Custodian is a private limited company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Custodian is an indirect wholly owned subsidiary of Northern Trust Corporation, a part of the Northern Trust Group.

Under the terms of the Custodian Agreement, the Custodian may, however, appoint any person or persons to be the sub-custodian of the assets of the Company. The liability of the Custodian shall not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. In order to discharge its responsibilities under the Central Bank Notices, the parties agree that the Central Bank considers that the Custodian must exercise care and diligence in choosing and appointing a third party as a safekeeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned. The Custodian must maintain an appropriate level of supervision over the third party and make appropriate enquiries from time to time to confirm that the obligations of the third party continue to be competently discharged. This does not purport to be a legal interpretation of the Regulations.

As the Company may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Company which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risk in circumstances whereby the Custodian will have no liability. Potential investors are referred to the “Risk Factors” section.

The Custodian Agreement specifies the conditions to be followed with respect to the replacement of the Custodian with another custodian and contains provisions to ensure the protection of Shareholders in the event of any such replacement.

Administrator

The Company has appointed Northern Trust International Fund Administration Services (Ireland) Limited to act as administrator of each Fund.

The Administrator is responsible for performing the day to day administration of the Fund including the registrar and transfer agency function and for providing fund accounting for the Fund, including the calculation of the Net Asset Value of the Fund and the Net Asset Value per Share.

The Administrator is a private limited liability company incorporated in Ireland on 15 June 1990 and 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. The principal business activity of the Administrator is the administration of collective investment schemes.

Distributor

The Company has appointed Barclays Bank PLC as distributor of the Shares of the Company. Please see the “Promoter” section above for further information in relation to the Distributor.

Conflicts of Interest

Subject to the provisions of this section, each Connected Person may contract or enter into any financial, banking or other transaction with one another or with the Company. This includes, without limitation, investment by the Company in securities of any Connected Person or investment by any Connected Persons

in any company or bodies any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions. In addition, any Connected Person may invest in and deal in Shares relating to any Fund or any property of the kind included in the property of any Fund for their respective individual accounts or for the account of someone else.

Any cash of the Company may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 1998, of Ireland as amended by the Central Bank and Financial Services Regulatory Authority of Ireland Acts, 2003 to 2004 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.

Any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments (including foreign exchange and stocklending transactions) to or from the relevant Fund. There will be no obligation on the part of any Connected Person to account to the relevant Fund or to Shareholders of that Fund for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, are consistent with the best interests of the Shareholders of that Fund and:

- (i) a certified valuation of such transaction by a person approved by the Custodian (or in the case of any such transaction entered into by the Custodian, the Directors) as independent and competent has been obtained; or
- (ii) such transaction has been executed on best terms reasonably available on an organised investment exchange under its rules; or
- (iii) where (i) and (ii) are not reasonably practicable, such transaction has been executed on terms which the Custodian is (or in the case of any such transaction entered into by the Custodian, the Directors are) satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arm's length and are consistent with the best interests of the Shareholders

An Investment Manager may also, in the course of its business, have potential conflicts of interest with the Company in circumstances other than those referred to above. The Investment Manager will, however, have regard in such event to its obligations under the relevant Investment Management Agreement and, in particular, to its obligations to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise and will ensure that such conflicts are resolved fairly as between the Company, the relevant Funds and other clients. The Investment Manager will ensure that investment opportunities are allocated on a fair and equitable basis between the Company and its other clients. In the event that a conflict of interest does arise the directors of the Investment Manager will endeavour to ensure that such conflicts are resolved fairly.

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

Commissions and other arrangements

An Investment Manager may effect transactions through the agency of another person with whom the Investment Manager has an arrangement under which that party will, from time to time, provide or procure for the Investment Manager goods, services or other benefits such as research and advisory services, computer hardware associated with specialised software or research services and performance measures etc. Under such arrangements, no direct payment is made for such services or benefits, but instead pursuant to an agreement, the Investment Manager undertakes to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees salaries or direct money payments. In such case, the Investment Manager shall ensure that such arrangements shall assist in the provision of investment services to the relevant Fund and the broker/counterparty to the arrangement has agreed to provide best execution to the relevant Fund. Details of any such soft commission arrangements will be disclosed in the periodic reports of the relevant Funds.

Barclays Bank PLC or one of its Affiliates is likely to be the Approved Counterparty to the FDIs entered into by the Company. Barclays Bank PLC or one of its Affiliates which is such Approved Counterparty may also receive fees from third parties for holding securities or funds for the purpose of hedging the obligations under the FDIs. Barclays Bank PLC may also enter fee sharing arrangements with third parties as part of its business and trading activities.

SHARE DEALINGS

SUBSCRIPTION FOR SHARES

Subscription of Shares

Under the Articles, the Directors are given authority to effect the issue of Shares and to create new Share Classes (in accordance with the requirements of the Central Bank) and have absolute discretion to accept or reject in whole or in part any application for Shares. If an application is rejected, the Administrator at the risk of the applicant will return application monies or the balance thereof by electronic transfer to the account from which it was paid at the cost and risk of the applicant. For the avoidance of doubt, no interest will be payable on such amount before its return to the applicant.

The Directors may in their discretion decide, prior to the Initial Issue Date, to cancel the initial offering of Shares of any Class of a Fund. The Directors may also decide to cancel the offering of a new Share Class of a Fund. In such case, applicants having made an application for subscription will be duly informed and any subscription monies already paid will be returned in the manner set out in the preceding paragraph.

Fractions of Shares up to two decimal places may be issued. Subscription monies representing smaller fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund and accordingly available to Shareholders of the Fund on a pro rata basis based on each Shareholder's holding of Shares.

The Application Form contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Company, the relevant Fund, the Administrator, the Custodian and the other Shareholders for any loss suffered by them as a result of certain applicants acquiring or holding Shares.

Direct Subscriptions via the Company

If so specified in the relevant Supplement of a Fund, applications for the initial subscription of Shares should be submitted in writing or by facsimile to the Company care of the Administrator provided that an original Application Form (and original copies of the supporting documentation in relation to money laundering prevention checks) shall be submitted and received promptly in the case of an initial application for Shares.

Subsequent subscriptions for Shares in a Fund may be made by contacting the Administrator by telephone, by facsimile, in writing or by such other means as the Directors (with the consent of the Administrator) may prescribe from time to time (where such means are in accordance with the requirements of the Central Bank). A Shareholder who places an order by telephone is deemed to have consented to the recording of such telephone order and must provide the following information:

- the Shareholder's name and account number and the address and/or fax number to which the Contract Note is to be sent;

- the Fund name and Share Class being subscribed for;
- the amount of cash or Shares to be invested;
- a statement as to how settlement will be made; and
- confirmation that the application has been made in compliance with the terms and conditions of this Prospectus and the relevant Supplement.

This information will be confirmed to the Shareholder over a recorded telephone line.

Telephone requests will only be processed provided that the Shareholder's name and account number, and the name, address and/or fax number to which the Contract Note is to be sent corresponds to that listed as the Shareholder of record registered with the Administrator. Should the Shareholder designate that the Contract Note be sent to a name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator before the order will be processed.

Anti-Money Laundering Provisions for Direct Subscriptions via the Company

The Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 imposes obligations on both the Company and the Administrator to implement risk based and adequate measures to verify the identity of all Shareholders and any beneficial owner on whose behalf a Shareholder holds Shares. The application of this risk based approach dictates that in certain circumstances the Administrator will be required to apply enhanced customer due diligence to certain investor types. Accordingly, the Administrator reserves the right to request, at the time of subscription and at any time whilst the investor holds Shares, including at the time of redemption of such Shares, such information as may be necessary to verify the identity of that Shareholder and any beneficial owner on whose behalf such Shares are held.

In the majority of cases, the Administrator's customer due diligence procedures will require an individual to produce a copy of a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in his/her country of residence, together with evidence of his/her address such as a utility bill or bank statement. Similarly, for corporate applicants the Administrator will require a certified copy of its certificate of incorporation (and any change of name), a certified copy of its memorandum and articles of association (or equivalent), and names, occupations, dates of birth and residential and business addresses of all directors and certain beneficial owners together with certified copies of utility bills and passports.

Typically the Administrator will require customer due diligence documentation prior to the investor's first subscription for Shares, however as a result of regulatory changes or in relation to a redemption or otherwise the Administrator may require continuing due diligence to be carried out and accordingly the Administrator reserves the right to request any information at any time as may be necessary to verify the identity of a Shareholder or any beneficial owner of Shares.

In the event of delay or failure by the investor to produce any information required for verification purposes, subscription monies or redemption monies will be held in a non-interest bearing account until all requested documentation has been received and is in order and in the event of failure to produce the required information in a form acceptable to the Administrator the application for or redemption of Shares may be refused and the subscription monies returned to the bank account from which they were remitted or the

redemption monies retained for the account of the Fund. In addition, in the event that an investor has failed to comply with the Administrator's anti-money laundering procedures, any dividend payable by the Company to such investor will be automatically reinvested, notwithstanding any election to the contrary made by such investor.

Each applicant acknowledges and agrees that the Company, the Directors and the Administrator shall be held harmless against any loss arising as a result of a refusal to process such applicant's subscription application or any delay in the payment of redemption proceeds if such information and documentation as has been requested by the Administrator has not been provided by such applicant.

Subscriptions via the Distributor, a Sub-Distributor or Recognised Clearing System

Initial or subsequent subscriptions for Shares can also be made indirectly, that is through a Sub-Distributor or a Recognised Clearing System, if so specified in the relevant Supplement of a Fund, subscriptions may also be made via the Distributor. Such subscriptions will be transmitted onward to the Company care of the Administrator (the Distributor (if so specified in the relevant Supplement), Sub-Distributor or Recognised Clearing System must ensure that subscriptions are received by the Administrator by the relevant Dealing Deadline). In such case, the Administrator may, in its discretion, waive the above mentioned Identification Requirements in the following circumstances or in such other circumstances which are regarded as sufficient under current Irish money laundering rules:

(a) if and when a subscription is made via the Distributor, a Sub-Distributor or a Recognised Clearing System which is supervised by a regulatory authority which imposes a client identification obligation equivalent to that required under Irish law for the prevention of money laundering and to which the Distributor (if so specified in the relevant Supplement), the Sub-Distributor or the Recognised Clearing System is subject;

(b) if and when a subscription is made via the Distributor (if so specified in the relevant Supplement), a Sub-Distributor or a Recognised Clearing System whose parent is supervised by a regulatory authority imposing a client identification obligation equivalent to that required under Irish law for the prevention of money laundering and where the law applicable to the parent or the group policy imposes an equivalent obligation on its subsidiaries or branches.

The regulatory authorities of those countries, which have ratified the recommendations of the Financial Action Task Force (FATF), are generally deemed to impose on the professionals of the financial sector subject to their supervision a client identification obligation equivalent to that required under Irish law.

The Distributor (if so specified in the relevant Supplement), a Sub-Distributor or a Recognised Clearing System may provide a nominee service for investors purchasing Shares through them. Such investors may, at their discretion, elect to make use of such service pursuant to which the nominee will hold Shares in its name for and on behalf of the investors and who, in order to empower the nominee to vote at any general meeting of Shareholders, shall provide the nominee with specific or general voting instructions to that effect. Notwithstanding the above, the investors retain the ability to invest directly in the Company, without using such nominee services.

Shares may be issued to and registered in the name of a Recognised Clearing System (or its nominee) nominated by or on behalf of an investor, by the Distributor (if so specified in the relevant Supplement), the relevant Sub-Distributor or third party nominee service provider, as the case may be, that is recognised and

accepted by the Company. Accountholders may incur fees normally payable in respect of the maintenance and operation of accounts in such Recognised Clearing System (or nominee).

Deferral of Subscriptions

The Directors may, in their sole and absolute discretion, determine that in certain circumstances, it is detrimental for existing Shareholders to accept an application for Shares in cash or in specie, representing more than 5% of the Net Asset Value of a Fund. In such case, the Directors may postpone the application and, in consultation with the relevant investor, either require such investor to stagger the proposed application over an agreed period of time, or establish an Investment Account outside the structure of the Company in which to invest the investor's subscription monies. Such Investment Account will be used to acquire the Shares over a pre-agreed time schedule. The investor shall be liable for any transaction costs or reasonable expenses incurred in connection with the acquisition of such Shares. Any applicable Preliminary Charge will be deducted from the subscription monies before the investment of the subscription monies commences.

Processing of Direct Subscriptions to the Company

Issuances of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. Dealing Days and Dealing Deadlines relating to each Fund are specified in the relevant Supplement. Applications received after the Dealing Deadline for the relevant Dealing Day shall, unless the Administrator shall otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day, be deemed to have been received by the next Dealing Deadline. Applications will be irrevocable unless the Directors, or a delegatee, otherwise agree. If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Custodian, agree to designate additional Dealing Days and Valuation Points for the purchase of Shares relating to any Fund which will be open to all Shareholders.

Processing of Subscriptions via the Distributor, a Sub-Distributor or a Recognised Clearing System

Different subscription procedures and dealing deadlines may apply if applications for Shares are made via the Distributor, a Sub-Distributor or a Recognised Clearing System as the case may be although the ultimate deadlines with the Administrator referred to in the preceding paragraph remain unaffected. Full payment instructions for subscribing via the Distributor, a Sub-Distributor or a Recognised Clearing System may be obtained through the Distributor, the relevant Sub-Distributor or a Recognised Clearing System as the case may be.

None of the Distributor, a Sub-Distributor or a Recognised Clearing System is permitted to withhold subscription orders to benefit itself by a price change.

Investors should note that they may be unable to purchase Shares via the Distributor, a Sub-Distributor or a Recognised Clearing System on days that any such Distributor, Sub-Distributor or Recognised Clearing System is not open for business.

In circumstances in which the subscription proceeds are not received in a timely manner, the relevant allotment of Shares may be cancelled and the applicant may be required to compensate the Company for any costs and expenses thereby created.

Any investor who invests through the Distributor, a Sub-Distributor or a Recognised Clearing System should also read the section headed "Nominee Arrangements"..

Minimum Initial and Additional Investment Amount and Minimum Shareholding Requirements

The Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding of Shares of each Class of a Fund may vary and is set out in the Supplement for the relevant Fund. The Directors reserve the right from time to time to waive any requirements relating to the Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding as and when they determine at their reasonable discretion.

The Company may, at any time, repurchase all Shares from Shareholders whose holding is less than the Minimum Shareholding. In such case the Shareholder concerned will receive prior notice so as to be able to increase his holding above such amounts during such period to be determined by the Directors (and set out in the notice) following the receipt of such notice.

Subscription Price

During the Initial Offer Period for each Fund, the Initial Issue Price for Shares in the relevant Fund shall be the amount set out in the Supplement for the relevant Fund.

The issue price at which Shares of any Fund will be issued on a Dealing Day after the Initial Offer Period is calculated by ascertaining the Net Asset Value per Share of the relevant Class on the relevant Dealing Day.

A Preliminary Charge of up to 6% of the Initial Issue Price or the Net Asset Value per Share, as appropriate may be charged by the Company for payment to the Distributor on the issue of Shares, out of which the Distributor may, for example, pay commission to Sub-Distributors and other financial intermediaries. The amount of the Preliminary Charge, if any, will be set out in the relevant Supplement.

Payment for Shares

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by electronic transfer in cleared funds in the currency of denomination of the relevant Class of the Shares. The Administrator may, at its discretion, accept payment in other currencies, but such payments will be converted into the currency of denomination of the relevant Class of the Shares at the then prevailing exchange rate available to the Administrator and only the net proceeds (after deducting the conversion expenses) will be applied towards payment of the subscription moneys. This may result in a delay in processing the application.

If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, the allotment of Shares made in respect of such application may, at the discretion of the Administrator, be cancelled, or, alternatively, the Administrator may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Company may charge the applicant for any resulting bank charges or market losses incurred by the relevant Fund.

In Specie Issues

The Directors may in their absolute discretion, provided that they are satisfied that no material prejudice would result to any existing Shareholder and subject to the provisions of the Companies Acts (and the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund), allot Shares of any Fund against the vesting in the Custodian on behalf of the relevant Fund of investments, the nature of which would qualify as suitable investments of the relevant Fund in accordance with the investment objective, policy and restrictions of the Fund. The number of Shares to be issued in this way shall be the

number which would, on the day the investments are vested in the Custodian on behalf of the relevant Fund, have been issued for cash (together with the relevant Preliminary Charge) against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described below under the heading “Calculation of Net Asset Value/ Valuation of Assets.”

Limitations on Subscriptions

Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under “Suspension of Calculation of Net Asset Value” below. Applicants subscribing for Shares directly to the Company or the Administrator 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. Applicants subscribing for Shares via the Distributor, a Sub-Distributor or applicants seeking to become Accountholders through a Recognised Clearing System as the case may be have to contact directly the Distributor, the Sub-Distributor or the relevant Recognised Clearing System for arrangements regarding application to be made or pending during such suspension period. Applications made or pending during such suspension period via the Distributor, a Sub-Distributor or a Recognised Clearing System as the case may be, unless withdrawn, will be considered as at the next Dealing Day following the end of such suspension.

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for U.S. Persons (unless permitted under certain exceptions under the laws of the United States).

Anti-Dilution Levy

In calculating the Net Asset Value per Share, the Directors may, where there are net subscriptions, adjust the Net Asset Value per Share by adding an Anti-Dilution Levy of up to 1% the Net Asset Value per Share (will be described in the relevant Supplement) for retention as part of the assets of the relevant Fund, further details of which will be set out in the relevant Supplement. This Anti-Dilution Levy will cover dealing costs and preserve the value of the assets of the relevant Fund.

REPURCHASE OF SHARES

Procedure for Direct Repurchase

If so specified in the relevant Supplement of a Fund, requests for the repurchase of Shares should be made to the Company care of the Administrator in writing, by facsimile, by telephone or by such other means as the Directors may (with the consent of the Administrator) prescribe from time to time (where such means are in accordance with the requirements of the Central Bank) and must in the case of requests in writing or by facsimile quote the relevant account number, the relevant Fund(s), Class of Share and any other information which the Administrator reasonably requires, and be signed by or on behalf of the Shareholder before payment of Repurchase Proceeds can be made. Repurchase requests made by facsimile must be followed by subsequent confirmation in writing. A request by telephone may only be made if designated by the Shareholder on the account application. When making a redemption request by telephone, the Shareholder must also provide the following information:

- the Shareholder's name and the account number and the address and/or fax number to which the Contract Note is to be sent;
- the Share Class being repurchased; and
- confirmation that the repurchase request has been made in compliance with the terms and conditions of this Prospectus and the relevant Supplement.

This information will be confirmed to the Shareholder over a recorded telephone line.

Repurchase requests received by fax or telephone or such other means approved by the Directors in accordance with the requirements of the Central Bank (with the consent of the Administrator) will only be processed provided that the Shareholder's name and account number, and the name, address and/or fax number or applicable details to which the Contract Note is to be sent corresponds to that listed as the Shareholder of record registered with the Administrator. Should the Shareholder designate that the Contract Note be sent to the name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator (and the Administrator must have made the amendments to the Shareholder's registration details) before the order will be processed.

Processing of Direct Repurchases to the Company

Requests received on or prior to the relevant Dealing Deadline will, subject as mentioned in this section and in the relevant Supplement, normally be dealt with on the relevant Dealing Day. Repurchase requests received after the Dealing Deadline shall, unless the Directors shall otherwise agree and provided they are received before the relevant Valuation Point, be treated as having been received by the following Dealing Deadline.

In no event shall Redemption Proceeds be paid until the original Application Form has been received from the investor and all of the necessary anti-money laundering checks have been carried out.

A repurchase request will not be capable of withdrawal after acceptance by the Administrator. If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Custodian, agree to designate additional Dealing Days and Valuation Points for the repurchase of Shares relating to any Fund which will be open to all Shareholders.

Repurchase Procedure with the Distributor, a Sub-Distributor or a Recognised Clearing System

The repurchase procedures, dealing deadlines and settlement periods may be different if applications for repurchase are made to the Distributor, a Sub-Distributor or through a Recognised Clearing System, although the ultimate Dealing Deadlines. Settlement Dates and procedures referred to above and in the relevant Supplement will remain unaffected. Applicants for repurchases may obtain information on the repurchase procedure directly from the relevant Sub-Distributor or the relevant Recognised Clearing System or if so specified in the relevant Supplement, via the Distributor as the case may be and should also refer to the relevant Supplement.

Any investor who invests through the Distributor, a Sub-Distributor or a Recognised Clearing System should also read the section headed “Nominee Arrangements”.

Repurchase Size

An applicant may request the repurchase of all or part of its Shares of any Class of a Fund.

The Minimum Repurchase Amount may vary according to the Fund or the Class of Share.

For Funds having a Scheduled Maturity Date, all Shares for which no repurchase request has been made in respect of this Scheduled Maturity Date, will be compulsorily repurchased on such Scheduled Maturity Date at the Net Asset Value per Share calculated on the Scheduled Maturity Date. A Fund will have no Scheduled Maturity Date unless otherwise determined in the relevant Supplement. Funds for which no Scheduled Maturity Date has been designated may be closed in accordance with the procedures laid down in the Articles and Shares will be repurchased at the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses) calculated on the Dealing Day at which such decision shall take effect.

The Administrator may decline to effect a repurchase request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that Share Class of that Fund. Any repurchase request having such an effect may be treated by the Company or the Administrator as a request to repurchase the Shareholder’s entire holding of that Share Class.

The Administrator will not accept repurchase requests, which are incomplete, until all the necessary information is obtained.

Repurchase Price and Repurchase Proceeds

The Repurchase Price at which Shares will be repurchased on a Dealing Day is the Net Asset Value per Share of the relevant Class on the relevant Dealing Day. The Repurchase Proceeds are the Repurchase Price less any applicable Repurchase Charge and any applicable taxes. The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any Share Class in a Fund is set out in the Articles as described in this Prospectus under the heading “Calculation of Net Asset Value/Valuation of Assets” below.

When a repurchase request has been submitted by an investor who is or is deemed to be an Irish Resident or a person ordinarily resident in Ireland or is acting on behalf of an Irish Resident or a person ordinarily resident

in Ireland, the Company shall deduct from the Repurchase Proceeds an amount which is equal to the tax payable by the Company to the Irish Tax Authorities in respect of the relevant transaction.

Payment of Repurchase Proceeds

The amount due on repurchase of Shares will be paid by electronic transfer to the relevant Shareholder's account of record on the original Application Form in the currency of denomination of the relevant Share Class of the relevant Fund (or in such other currency as the Directors shall determine) by the Settlement Date. Payment of Repurchase Proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders as appropriate. The Repurchase Proceeds of the Shares will only be paid on receipt by the Administrator of a repurchase request together with such other documentation that the Administrator may reasonably require.

Limitations on Repurchases

The Company may not repurchase Shares of any Fund during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under "Suspension of Calculation of Net Asset Value" below. Applicants for repurchases 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. Applicants repurchasing Shares via the Distributor, a Sub-Distributor or a Recognised Clearing System as the case may be have to contact directly the Distributor, the Sub-Distributor or the relevant Recognised Clearing System for arrangements regarding repurchases to be made or pending during such suspension period. Applications made or pending during such suspension period via the Distributor, a Sub-Distributor or a Recognised Clearing System as the case may be, unless withdrawn, will be considered as at the next Dealing Day following the end of such suspension.

The Directors are entitled to limit the number of Shares in a Fund repurchased on any Dealing Day to Shares representing 10% of the total Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply *pro rata* so that all Shareholders wishing to have Shares of that Fund repurchased on that Dealing Day realise the same proportion of such Shares. Shares not repurchased, but which would otherwise have been repurchased, will be carried forward for repurchase on the next Dealing Day and will be dealt with in priority (on a rateable basis) to repurchase requests received subsequently. If requests for repurchase are so carried forward, the Administrator will inform the Shareholders affected.

The Articles contain special provisions where a repurchase request received from a Shareholder would result in Shares representing more than 5% of the Net Asset Value of any Fund being repurchased by the Company on any Dealing Day. In such a case, the Company may satisfy the repurchase request by a distribution of investments of the relevant Fund in specie provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund and complies with the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund. Where the Shareholder requesting such repurchase receives notice of the Company's intention to elect to satisfy the repurchase request by such a distribution of assets that Shareholder may require the Company, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale.

The Articles provide that the Company cannot effect a repurchase of Shares, if after payment of any amount in connection with such repurchase, the Net Asset Value of the issued share capital of the Company would be

equal to or less than Euro 300,000 or its foreign currency equivalent. This will not apply to a repurchase request accepted by the Directors in contemplation of the dissolution of the Company.

Mandatory Repurchases

The Company may compulsorily repurchase all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any) specified in the relevant Supplement.

The Company reserves the right to repurchase any Shares which are or become owned, directly or indirectly, by a U.S. Person (unless pursuant to an exemption under U.S. securities laws), by any individual under the age of 18 (or such other age as the Directors think fit) or if the holding of the Shares by any person is in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or might result in the Company incurring any liability to taxation or suffering other pecuniary legal or material administrative disadvantages which the Company might not otherwise have incurred, suffered or breached.

Where Irish Residents acquire and hold Shares, the Company shall, where necessary for the collection of Irish tax, repurchase and cancel Shares held by a person who is or is deemed to be an Irish Resident or is acting on behalf of an Irish Resident on the occurrence of a chargeable event for taxation purposes and to pay the proceeds thereof to the Irish Revenue Commissioners.

Anti-Dilution Levy

In calculating the Repurchase Price of Shares, the Directors may, where there are net repurchases, adjust the Repurchase Price by deducting an Anti-Dilution Levy of up to 1% of the Net Asset Value per Share (will be described in the relevant Supplement) for retention as part of the assets of the relevant Fund, further details of which will be set out in the relevant Supplement. This Anti-Dilution Levy will cover dealing costs and preserve the value of the assets of the relevant Fund.

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 any Fund (the **Original Class**) for Shares of another Class which are being offered at that time (the **New Class**) (such Class being of the same Fund or different Fund) provided that all the criteria for applying for Shares in the New Class have been met and by giving notice to the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day. The Administrator may however at its discretion agree to accept requests for exchange received after the relevant Dealing Deadline provided they are received prior to the relevant Valuation Point. The general provisions and procedures relating to the issue and repurchase of Shares will apply equally to exchanges, save in relation to charges payable, details of which are set out below and in the relevant Supplement.

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

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

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

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, the value of ER is 1. In any other case, the value of ER is the currency conversion factor determined by the Directors at the Valuation Point for the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets relating to the Original and New Share Classes after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;
- SP** = the subscription price per Share of the New Class as at the Valuation Point for the applicable Dealing Day; and
- F** = the Exchange Charge (if any) payable 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.

An Exchange Charge of up to 3% of the Repurchase Price of the Shares being exchanged may be charged by the Company on the exchange of Shares.

The exchange procedures and the dealing deadlines may be different if applications for exchange are made to the Distributor, a Sub-Distributor or through a Recognised Clearing System, although the ultimate Dealing Deadlines and procedures referred to above and in the relevant Supplement will remain unaffected. Applicants for exchange may obtain information on the exchange procedure directly from the Distributor, the relevant Sub-Distributor or the relevant Recognised Clearing System as the case may be and should also refer to the relevant Supplement.

Any investor who invests through the Distributor, a Sub-Distributor or a Recognised Clearing System should read this section in conjunction with the section headed "Nominee Arrangements"..

Limitations on Exchange

Shares may not be exchanged for Shares of a different Class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under "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. Applicants exchanging Shares via the Distributor, a Sub-Distributor or

a Recognised Clearing System as the case may be have to contact directly the Distributor, the Sub-Distributor or a Recognised Clearing System for arrangements regarding exchanges to be made or pending during such suspension period. Applications made or pending during such suspension period via the Distributor, a Sub-Distributor or a Recognised Clearing System as the case may be, unless withdrawn, will be considered as at the next Dealing Day following the end of such suspension.

CALCULATION OF NET ASSET VALUE/VALUATION OF ASSETS

The Net Asset Value of a Fund shall be expressed in the currency in which the Shares are designated or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case, and shall be calculated by ascertaining the value of the assets of the Fund and deducting from such value the liabilities of the Fund (excluding Shareholders equity) as at the Valuation Point for such Dealing Day.

The Net Asset Value per Share of a Fund will be calculated by dividing the Net Asset Value of the Fund by the number of Shares in the Fund then in issue or deemed to be in issue as at the Valuation Point for such Dealing Day and rounding the result mathematically to two decimal places or such other number of decimal places as may be determined by the Directors from time to time.

In the event the Shares of any Fund are further divided into Classes, the Net Asset Value per Class shall be determined by notionally allocating the Net Asset Value of the Fund amongst the Classes making such adjustments for subscriptions, repurchases, fees, dividends accumulation or distribution of income and the expenses, liabilities or assets attributable to each such Class (including the gains/losses on and costs of financial instruments employed for currency hedging between the currencies in which the assets of the Fund are designated and the designated currency of the Class, which gains/losses and costs shall accrue solely to that Class) and any other factor differentiating the Classes as appropriate. The Net Asset Value of the Fund, as allocated between each Class, shall be divided by the number of Shares of the relevant Class which are in issue or deemed to be in issue and rounding the result mathematically to two decimal places as determined by the Directors or such other number of decimal places as may be determined by the Directors from time to time.

The Articles provide for the method of valuation of the assets and liabilities of each Fund and of the Net Asset Value of each Fund.

The assets and liabilities of a Fund will be valued as follows:-

- (a) Assets listed or traded on a stock exchange or over-the-counter market (other than those referred to at (e) and (g) below) for which market quotations are readily available shall be valued at the last quoted official close of business price on the principal exchange or market for such investment as at the Valuation Point for the relevant Dealing Day provided that the value of any investment listed on a stock exchange but acquired or traded at a premium or at a discount outside the relevant stock exchange may with the approval of the Custodian be valued taking into account the level of premium or discount as at the date of valuation of the investment. Such premiums or discounts thereon above shall be provided by an independent broker or market maker or if such premiums/discounts are unavailable, by the Investment Manager. However, the Directors in agreement with the Investment Manager, may adjust the value of investments traded on an over-the-counter market if it considers such adjustment is required to reflect the fair value thereof in the context of currency, marketability, dealing costs and/or such other considerations as are deemed relevant.

If for specific assets the official close of business prices do not, in the opinion of the Directors, reflect their fair value or are not available, the value shall be calculated with care and in good faith by the Directors, in consultation with the Investment Manager with a view to establishing the probable realisation value for such assets as at the Valuation Point for the relevant Dealing Day.

- (b) If the assets are listed or traded on several stock exchanges or over-the-counter markets, the official close of business prices on the stock exchange or over-the-counter market which, in the opinion of the Directors, constitutes the main market for such assets, will be used.
- (c) In the event that any of the investments as at the Valuation Point for the relevant Dealing Day are not listed or traded on any stock exchange or over-the-counter market, such securities shall be valued at their probable realisation value determined by the Directors with care and in good faith in consultation with the Investment Manager. Such probable realisation value will be determined:
 - (i) by using the original purchase price;
 - (ii) where there have been subsequent trades with substantial volumes, by using the last traded price provided the Directors in consultation with the Investment Manager considers such trades to be at arm's length;
 - (iii) where the Directors in consultation with the Investment Manager believe the investment has suffered a diminution in value, by using the original purchase price which shall be discounted to reflect such a diminution;
 - (iv) if the Directors in consultation with the Investment Manager believe a mid-quotation from a broker is reliable, by using such a mid-quotation or, if unavailable, a bid quotation.

Alternatively, the Directors in consultation with the Investment Manager, may use such probable realisation value estimated with care and in good faith and as may be recommended by a competent professional appointed by the Directors and approved for such purpose by the Custodian. Due to the nature of such unquoted securities and the difficulty in obtaining a valuation from other sources, such competent professional may be related to the Investment Manager.

- (d) Cash and other liquid assets will be valued at their face value with interest accrued, where applicable.
- (e) Units or shares in open-ended collective investment schemes will be valued at the latest available net asset value as at the Valuation Point for the relevant Dealing Day; units or shares in closed-ended collective investment schemes will, if listed or traded on a stock exchange or regulated market, be valued at the official close of business price on the principal exchange or market for such investment as at the Valuation Point for the relevant Dealing Day or, if unavailable at the probable realisation value, as estimated with care and in good faith and as may be recommended by a competent professional appointed by the Directors or the Investment Manager and approved for the purpose by the Custodian.
- (f) Any value expressed otherwise than in the Base Currency of the relevant Fund (whether of an investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate (whether official or otherwise) which the Directors deem appropriate in the circumstances.

- (g) Exchange traded derivative instruments will be valued at the settlement price for such instruments on such market as at the Valuation Point for the relevant Dealing Day; if such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Directors. Over-the-counter derivative instruments will be valued at the latest valuation for such instruments as at the Valuation Point for the relevant Dealing Day as provided by the counterparty on a daily basis and verified on a weekly basis by a competent person (being independent from the counterparty), approved for such purpose by the Custodian. Forward foreign exchange contracts shall be valued as at the Valuation Point for the relevant Dealing Day by reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same size and maturity could be undertaken, or, if unavailable, they shall be valued at the settlement price as at the Valuation Point for the relevant Dealing Day as provided by the counterparty on a daily basis and verified on a weekly basis by a competent person (being independent from the counterparty), approved for such purpose by the Custodian.

Notwithstanding the provisions of paragraphs (a) to (g) above:-

- (iv) The Directors may, at their discretion in relation to any particular Fund which is a money market type Fund, value any investment with a known residual maturity of fifteen Months or less by using the amortised cost method of valuation whereby the investment is valued at its acquisition cost adjusted for amortisation of premium or accretion of discount on the investment. The Directors or their delegate shall review or cause a review to take place of deviations between the amortised method of valuation and the market value of investments, in accordance with the requirements of the Central Bank.
- (v) The Directors may value floating rate instruments by using the amortised cost method of valuation where such floating rate instruments:
- (1) have an annual or shorter reset date; and
 - (2) are determined by the Directors to have a market value that approximates the amortised cost valuation; and
 - (3) have a residual value of two years or less or, in the case of investment grade instruments, up to five years provided that procedures are adopted for instruments having a residual maturity of between two and five years to ensure that the valuation produced does not vary significantly from the true market value.
- (vi) The Directors may, at their discretion, in relation to any particular Fund which is not a money market type fund but which invests in money market type instruments, value bonds, interest rate swaps, commercial paper, floating rate notes or similar instruments on the basis of amortised cost provided that each such security being valued using the amortised cost basis of valuation shall have a residual maturity not exceeding 6 Months.
- (h) In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out in paragraphs (a) to (g) above, or if such valuation is not representative of the security's fair market value, the value shall be estimated by the Directors or their delegate with care and in good faith, or by a competent person approved for the purpose by the Custodian, using an alternative method approved by the Custodian.

If in any case a particular value is not ascertainable as provided above or if the Directors shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the Directors in their absolute discretion shall determine, such method of valuation to be approved by the Custodian.

SUSPENSION OF CALCULATION OF NET ASSET VALUE

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the subscription, repurchase and exchange of Shares and the payment of Repurchase Proceeds during:

- (i) any period when any of the Markets on which a substantial portion of the investments of the relevant Fund, from time to time, are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (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 a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
- (iii) any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the relevant Fund, or when, for any other reason the current prices on any Market of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or
- (iv) any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- (v) any period when the Directors are unable to repatriate funds required for the purpose of making payments due on the repurchase of Shares in the relevant Fund; or
- (vi) any period when the Directors consider it to be in the best interest of the relevant Fund; or
- (vii) following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the relevant Fund is to be considered.

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

Shareholders who have requested subscriptions or repurchases of Shares of any Class or exchanges of Shares of one Class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified on the same Business Day to the Central Bank and, in relation to applicable Shares, as requested by the Irish Stock Exchange and the competent authorities in the jurisdictions in which the Shares are marketed. Details of any such suspension will also be notified to all Shareholders and will be published in a newspaper circulating in an appropriate jurisdiction, or such other publications as the Directors may determine if, in the opinion of the Directors, it is likely to exceed 14 days.

NOTIFICATION OF PRICES

The issue price and Repurchase Price of each Share Class of each Fund will be available from the Administrator, will be notified without delay, if the relevant Shares are listed on the Irish Stock Exchange, to the Irish Stock Exchange and may be published on each Business Day in one or more financial newspapers in such countries where the Funds are distributed to the public. Such prices will usually be the prices applicable to the previous Dealing Day's trades and are therefore only indicative.

The Initial Issue Price and Repurchase Price of each Share Class of each Fund may be available on the following website (which will be kept up to date) www.barclays.com/fundsadvisory. Access may be restricted and is not available to all jurisdictions. Such website is not an invitation to subscribe for purchase, convert, sell or redeem Shares.

FORM OF SHARES, SHARE CERTIFICATES AND TRANSFER OF SHARES

Shares entered on the register of the Company will be in non-certificated form and share certificates will not be issued. Contract notes providing details of the trade will normally be issued within four Banking Days of the relevant Dealing Day. Confirmation of ownership evidencing entry in the register will normally be issued on a monthly basis upon receipt of all original documentation required by the Administrator.

If so specified in the relevant Supplement of a Fund, the transfer of interests in Shares registered in the name of a Recognised Clearing System may be arranged by the Accountholder directly with the relevant Recognised Clearing System. Accountholders who wish to transfer their interests in Shares out of a Recognised Clearing System must also apply directly to the relevant Recognised Clearing System. Transfers made by the Accountholders within any Recognised Clearing System may be made between Accountholders on the books of the Recognised Clearing System and will not be registered on the register as the relevant Recognised Clearing System (or its nominee) will remain the registered Shareholder. The transfer of Shares by a Shareholder shall be effected by an instrument in writing in common form or in any other form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor. Transferees will be required to complete an Application Form and provide any other documentation reasonably required by the Administrator. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders.

Shares may not be transferred to (i) a U.S. Person (unless permitted under certain exemptions under the laws of the United States); or (ii) any person who does not clear such money laundering checks as the Directors may determine; or (iii) any person who appears to be in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares; or (iv) 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 person or persons, connected or not, or any other circumstances appearing to the Directors to be related) which, in the opinion of the Directors might result in the Company incurring any liability to taxation or suffering any other pecuniary legal or material administrative disadvantages or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached; or (v) any individual under the age of 18 (or such other age as the Directors may think fit) or of unsound mind; or (vi) any person unless the transferee of such Shares would, following such transfer, be the holder of Shares equal to or greater than the Minimum Initial Investment Amount; or (vii) any person in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding; or (viii) any person where in respect of such transfer any payment of taxation remains outstanding; or (ix) is any other circumstances prohibited by the Articles as described herein. Registration of any transfer may be refused by the Directors if, following the transfer, either transferor or transferee would hold Shares having a value less than the Minimum Shareholding for that Share Class specified in the Supplement for the relevant Fund.

If the transferor is, or is deemed to be, or is acting on behalf of an Irish Resident or person ordinarily resident in Ireland, the Company is entitled to repurchase and cancel a sufficient portion of the transferor's Shares as will enable the Company to pay the tax payable in respect of the transfer to the Irish Tax Authorities.

FEES AND EXPENSES

Fees and Expenses Payable by the Company

The Company will pay out of the assets of each Fund the fees and expenses payable to the Investment Manager, Distributor, extraordinary expenses and the Fixed Fee to the Investment Manager as described below.

Investment Management Fee

In accordance with and subject to the terms of the Investment Management Agreement, the annual Investment Management Fee will be a percentage of the net assets of each Fund or Share Class or the Initial Issue Price (as will be indicated in the Supplement). Investment Management Fees are payable periodically at a rate which is within a range specified in the relevant Supplement of each Fund. The Investment Management Fee will be calculated upon each Dealing Day. Fees payable to the Distributor will be payable out of the Investment Management Fee in accordance with the relevant Distribution Agreement.

Extraordinary Expenses

The Company shall be liable for Extraordinary Expenses. This means expenses (including, without limitation) relating to litigation costs and any tax, levy, duty or similar charge imposed on the Company or its assets that would otherwise not qualify as ordinary expenses. Extraordinary Expenses are accounted for on a cash basis and are paid when incurred or invoiced on the basis of the Net Asset Value of each Fund to which they are attributable. Extraordinary Expenses are allocated across each Share Class.

Fixed Fees

Fixed Fees means the fees payable by the Company for each Fund in respect of the ordinary fees, expenses and costs incurred by that Fund that include Transaction Fees (unless otherwise specified in the relevant Supplement) and Administrative Expenses which means the Administrator's Fees, the Custodian's Fees, the Setting Up Costs and Other Administrative Expenses) as further described below:

- ***Administrator's Fees***

The Administrator's Fees which are normally due under the Administration Agreement. According to the Administration Agreement, the Company shall pay to the Administrator a fee for its services as central administration agent, domiciliary agent, registrar and transfer agent.

- ***Custodian's Fees***

The Custodian's Fees, which are normally due under the Custodian Agreement. According to the Custodian Agreement, the Company pays to the Custodian a fee for its services as custodian of the assets of each Fund of the Company (which will also include the fees and expenses of sub-custodians which will be at

normal commercial rates). The fee will be calculated on the basis of a percentage of the net assets of each Fund under the custody of the Custodian.

- **Directors Fees**

Directors will receive an annual fee that is consistent with market rates. Directors that are associated with Barclays Bank PLC will not receive any fees.

- **Other Administrative Expenses**

Other Administrative Expenses shall mean the other administrative costs and expenses other than the Administrator's Fee, Custodian Fee, Setting Up Costs and (unless otherwise specified in the relevant Supplement) Transaction Fees in respect of the Fund, including but not limited to, organisation and registration costs, licence fees payable to licence holders of an index, expenses for legal and auditing services, stamp duties, all taxes and VAT, company secretarial fees, any costs incurred in respect of meetings of Shareholders, investment transaction charges, costs incurred in respect of the distribution of income to Shareholders, the fees and expenses of any paying agent or representative appointed in compliance with the requirements of another jurisdiction, any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company, cost of any proposed listings and maintaining such listings, all reasonable out-of-pocket expenses of the Board of Directors, foreign registration and passporting fees and fees relating to the maintenance of such registrations and passporting including translation costs and local legal costs and other expenses due to supervisory authorities in various jurisdictions and local representatives' remunerations in foreign jurisdictions, insurance, interest, the costs of printing and distributing this Prospectus and any Key Investor Information Document and any costs incurred as a result of periodic updates of this Prospectus or the relevant Supplement, reports, accounts and any explanatory memoranda, any necessary translation fees, any fees in respect of circulating details of the Net Asset Value and such other information which is required to be published in the different jurisdictions, 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) or, to the extent permitted by applicable laws and regulations, marketing and distribution costs may also be paid out of the assets of the Company.

- **Setting Up Costs**

Setting Up Costs means all costs relating to establishing the Company and new Funds.

- **Transaction Fees**

Transaction Fees are any fees and expenses incurred in buying and selling securities or other investments held by a Fund, e.g. brokerage costs and commissions and correspondence fees for transferring securities or investments or other interests, unless otherwise specified in the relevant Supplement.

Fixed Fee Arrangement

The Company may in respect of each Fund (as specified in the relevant Supplement) enter into an arrangement with the Investment Manager, where the Investment Manager will in exchange for a Fixed Fee Payment (as defined in the relevant Supplement), finances the payment of the Fixed Fees described above. Where applicable, the Fixed Fee Payment is calculated on the average daily Net Asset Value per Fund or per Share Class or the Initial Issue Price (as will be indicated in the Supplement) and is payable periodically.

As the Fixed Fee is determined in advance on an annual basis by the Company and the Investment Manager, investors should note that the amount paid to the Investment Manager may at the end of the year be greater than if the Company would have directly paid these expenses. Conversely, the expenses the Company would have had to pay might be greater than the Fixed Fee and the effective amount paid by the Company to the Investment Manager would be less. The Fixed Fee will be determined and is intended to represent the expected costs to be incurred, on an arm's length basis by the Company and the Investment Manager and will be disclosed in the relevant Supplement.

The Fixed Fee covers payments provided these do not exceed an annual threshold (as described in the relevant Supplement) and the Company may be liable to pay for any amount that exceeds this threshold. The Company will pay this amount out of the relevant Fund's assets to which the specific costs are attributed.

TAXATION

General

The following statements on taxation are with regard to the law and practice in force in Ireland at the date of this document and do not constitute legal or tax advice to Shareholders or prospective Shareholders. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely, as the basis for and rates of taxation can fluctuate.

Prospective Shareholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and repurchase of, Shares in the places of their citizenship, residence and domicile.

The Directors recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares.

Ireland

(a) Taxation of the Company

The Directors have been advised that the Company is an investment undertaking within the meaning of section 739B TCA and therefore is not chargeable to Irish tax on its relevant income or relevant gains so long as the Company is resident for tax purposes in Ireland. The Company will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. It is intended that the Directors of the Company will conduct the affairs of the Company in a manner that will allow for this.

The income and capital gains received by the Company from securities issued in countries other than Ireland or assets located in countries other than Ireland may be subject to taxes including withholding tax in the countries where such income and gains arise. The Company may not be able to benefit from reduced rates of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries. The Directors will have sole discretion as to whether the Company will apply for such benefits and may decide not to apply for such benefits if they determine that it may be administratively burdensome, cost prohibitive or otherwise impractical.

In the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the Company will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of repayment.

Notwithstanding the above, a charge to tax may arise for the Company in respect of Shareholders on the happening of a "Chargeable Event" in the Company.

A Chargeable Event includes:

- (i) any payment to a Shareholder by the Company in respect of their Shares;
- (ii) any transfer, cancellation, redemption or repurchase of Shares; and
- (iii) any deemed disposal by a Shareholder of their Shares at the end of a "relevant period" (a "**Deemed Disposal**").

A "relevant period" is a period of eight years beginning with the acquisition of Shares by a Shareholder and each subsequent period of eight years beginning immediately after the preceding relevant period.

A Chargeable Event does not include:

- (i) any transaction in relation to Shares held in a recognised clearing system;
- (ii) any exchange by a Shareholder effected by way of a bargain made at arms length by the Company, of Shares in the Company for other Shares in the Company;
- (iii) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another Irish investment undertaking; or
- (v) the cancellation of shares in the company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA).

On the happening of a Chargeable Event, the Company shall be entitled to deduct the appropriate amount of tax on any payment made to a Shareholder in respect of the Chargeable Event. On the occurrence of a Chargeable Event where no payment is made by the Company to the Shareholder, the Company may appropriate or cancel the required number of Shares to meet the tax liability.

Where the Chargeable Event is a Deemed Disposal and the value of Shares held by Irish Resident Shareholders in the Company is less than 10% of the total value of Shares in the Company (or a sub-fund) and the Company has made an election to the Irish Tax Authorities to report annually certain details for each Irish Resident Shareholder, the Company will not be required to deduct the appropriate tax and the Irish Resident Shareholder (and not the Company) must pay the tax on the Deemed Disposal on a self-assessment basis. Credit is available against appropriate tax relating to the Chargeable Event for appropriate tax paid by the Company or the Shareholder on any previous Deemed Disposal. On the eventual disposal by the Shareholder of the Shares, a refund of any unutilised credit will be payable.

(b) **Taxation of Shareholders**

Non-Irish Resident Shareholders

Non-Irish Resident Shareholders will not be chargeable to Irish tax on the happening of a Chargeable Event provided that either:

- (i) the Company is in possession of a completed Relevant Declaration to the effect that the Shareholder is not an Irish Resident, or
- (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide a Relevant Declaration is deemed to have been complied with in respect of that Shareholder and the written notice of approval has not been withdrawn by the Revenue Commissioners.

If the Company is not in possession of a Relevant Declaration or the Company is in possession of information which would reasonably suggest that the Relevant Declaration is not or is no longer materially correct, the Company must deduct tax on the happening of a Chargeable Event in relation to such Shareholder. The tax deducted will generally not be refunded.

Intermediaries acting on behalf of non-Irish Resident Shareholders can claim the same exemption on behalf of the Shareholders for whom they are acting. The intermediary must complete a Relevant Declaration that it is acting on behalf of a non-Irish Resident Shareholder.

A non-Irish Resident corporate Shareholder which holds Shares directly or indirectly by or for a trading branch or agency of the Shareholder in Ireland, will be liable for Irish corporation tax on income from the Shares or gains made on the disposal of the Shares.

Exempt Irish Shareholder

The Company is not required to deduct tax in respect of an Exempt Irish Shareholder so long as the Company is in possession of a completed Relevant Declaration from those persons and the Company has no reason to believe that the Relevant Declaration is materially incorrect. The Exempt Irish Shareholder must notify the Company if it ceases to be an Exempt Irish Shareholder. Exempt Irish Shareholders in respect of whom the Company is not in possession of a Relevant Declaration will be treated by the Company as if they are not Exempt Irish Shareholders.

Exempt Irish Shareholders may be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of Shares or dividends or distributions or other payments in respect of their Shares. It is the obligation of the Exempt Irish Shareholders to account for tax to the Irish Tax Authorities.

Irish-Resident Shareholders

Irish Resident Shareholders (who are not Exempt Irish Shareholders) will be liable to tax on the happening of a Chargeable Event. Tax at the rate of 41% will be deducted by the Company on payments made to the Shareholder in relation to the Shares or on the sale, transfer,

Deemed Disposal (subject to the 10% threshold outlined above), cancellation, redemption or repurchase an Irish Resident Shareholder who is not a company and is not an Exempt Irish Shareholder will not be liable to any further income or capital gains tax in respect of any sale, transfer, Deemed Disposal, cancellation, redemption or repurchase, of Shares or the making of any other payment in respect of their Shares.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is not taxable as trading income under Schedule D Case I, the amount received will be treated as the net amount of an annual payment chargeable to tax under Schedule D Case IV from the gross amount of which income tax has been deducted at 25%.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is taxable as trading income under Schedule D Case I, the following provisions apply:

- (i) the amount received by the Shareholder is increased by any amount of tax deducted by the Company and will be treated as income of the Shareholder for the chargeable period in which the payment is made;
- (ii) where the payment is made on the sale, transfer, Deemed Disposal, cancellation, redemption or repurchase of Shares, such income will be reduced by the amount of consideration in money or money's worth given by the Shareholder for the acquisition of those Shares; and
- (iii) the amount of tax deducted by the Company will be set off against the Irish corporation tax assessable on the Shareholder in respect of the chargeable period in which the payment is made.

Personal Portfolio Investment Undertaking

An investment undertaking will be considered to be a personal portfolio investment undertaking (PPIU) in relation to a specific Irish Resident Shareholder where that Irish Resident Shareholder can influence the selection of some or all of the property of the undertaking. The undertaking will only be a PPIU in respect of those Irish Resident Shareholders who can influence the selection. A gain arising on a chargeable event in relation to a PPIU will be taxed at the rate of 60%. An undertaking will not be considered to be a PPIU where certain conditions are complied with as set out in section 739BA TCA.

Currency Gains

Where a currency gain is made by an Irish Resident Shareholder on the disposal of Shares, that Shareholder may be liable to capital gains tax in respect of any chargeable gain made on the disposal.

Stamp Duty

On the basis that the Company qualifies as an investment undertaking within the meaning of section 739B TCA, no Irish stamp duty will be payable on the subscription, transfer or

repurchase of Shares. The stamp duty implications for subscriptions for Shares or transfer or repurchase of Shares in specie should be considered on a case by case basis.

Capital Acquisitions Tax

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

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

EU Savings Directive

In accordance with EC Council Directive 2003/48/EC regarding the taxation of interest income (the "EUSD"), a paying agent (within the meaning of the EUSD) who makes a payment of interest (which may include an income or capital distribution payment) on behalf of the Company to an individual who is resident in another Member State or a residual entity established in another Member State, is required to provide details of those payments (which includes certain payments made by collective investment undertakings) and certain details relating to the Shareholders of the Company to the Revenue Commissioners. The Revenue Commissioners are obliged to provide such information to the competent authorities of the Member State of residence of the individual or residual entity concerned.

The paying agent shall be entitled to require Shareholders to provide information regarding tax status, identity or residency in order to satisfy the disclosure requirements in the EUSD. Shareholders will be deemed by their subscription for Shares in respect of the Company to have authorised the automatic disclosure of such information by the paying agent to the relevant tax authorities.

On 24 March 2014, the Council of the European Union adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1 January 2016 (which national legislation must apply from 1 January 2017).

FATCA Implementation in Ireland

On 21 December 2012, the governments of Ireland and the U.S. signed the IGA.

The IGA will significantly increase the amount of tax information automatically exchanged between Ireland and the U.S. It provides for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S. persons and the

reciprocal exchange of information regarding U.S. financial accounts held by Irish Residents. The Company will be subject to these rules beginning 1 July 2014. Complying with such requirements will require the Company to request and obtain certain information and documentation from its Shareholders, other account holders and (where applicable) the beneficial owners of its Shareholders and to provide any information and documentation indicating direct or indirect ownership by U.S. Persons to the competent authorities in Ireland. Shareholders and other account holders will be required to comply with these requirements, and non-complying Shareholders may be subject to compulsory redemption and/ or U.S withholding tax of 30% on withholdable payments and/or other monetary penalties.

The IGA provides that Irish financial institutions will report to the Revenue Commissioners in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the IRS in respect of any Irish-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The Company (and/or any of its duly appointed agents) shall be entitled to require Shareholders to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Company may have as a result of the IGA or any legislation promulgated in connection with the agreement and Shareholders will be deemed, by their subscription for or holding of Shares to have authorised the automatic disclosure of such information by the Company or any other person to the relevant tax authorities.

International Taxation Arrangements

If the Shareholders (or a person with whom the Shareholders hold a joint account) are subject to tax or reporting in another country or jurisdiction (or the Company has reason to believe or is required to presume that this may be the case), the Company and other companies in the Barclays Group may be required by legislation, regulation, order or by agreement with tax authorities of that country or jurisdiction to report on an ongoing basis certain information about the Shareholders and their accounts and other products they hold with the Company on an individual or aggregated basis:

- (i) to a relevant tax authority which may then pass that information to the tax authorities where the investors are subject to tax; or
- (ii) directly to the tax authorities in that country.

If the Shareholders are not an individual, the Company may also have to report information about their direct and indirect shareholders or other owners or interest holders and, if they are a trust, their beneficiaries, settlors or trustees.

If the Company is required to report information about the Shareholders, this would include (but is not limited to) information about the Shareholders, their accounts, for example their account number(s), the amounts of payments including interest paid or credited to the account(s), the account balance(s) or asset value(s), their name, address and country of residence and their social security number/taxpayer identification number or similar (if

applicable). The Shareholders may need to provide the Company with further information, if the Company asks for it, about the Shareholders' identity and status.

If some of the Shareholders' income is reportable and some is not, the Company will report all income unless the Company can reasonably determine the reportable amount.

If a withholding tax under the EUSD or any similar or equivalent measures applies in the jurisdiction where the Shareholders' account is booked the Company will withhold tax at the rate specified in the EUSD (currently 35% for most jurisdictions), unless the Shareholders elect for the Company to report information instead or provide it with evidence that the Shareholders qualify for an exemption from the EUSD. If the Shareholders hold an account in Jersey, they agree that the Company may report to the Comptroller of Income Tax all interest payments made by the Company to the Shareholders, unless the Shareholders provide the Company with a certificate confirming that they are exempt from EUSD. If the Shareholders hold an account in Gibraltar, a withholding tax will only be the default position if they are a UK resident. If the Shareholders hold an account in Guernsey or the Isle of Man, there is currently no withholding tax.

To the greatest extent permitted by applicable law, the Company will not be liable to the Shareholders for any losses they may suffer as a result of the Company's complying with legislation, regulations, orders or agreements with tax authorities in accordance with this condition, or if the Company makes an incorrect determination as to whether or not the Shareholders should be treated as being subject to tax or tax reporting obligations where the incorrect determination results from the Company's reliance on incorrect information provided to the Company by the Shareholders or any third party, unless that loss is caused by the Company's gross negligence, wilful default of this clause or fraud.

If the Shareholders ask the Company to make a payment to an account based at a financial institution which does not participate or comply with relevant tax legislation, regulations, orders or agreements with tax authorities the Company may be required, and the Shareholders authorise the Company, to withhold certain amounts from the payment (but the Company will tell the Shareholders if this is the case).

Certain Irish Tax Definitions

Residence – Company

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

- (i) t(i) the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in Member States or, in countries with which Ireland has a double taxation treaty (a "taxation treaty country"), or the company or a related company are quoted companies on a recognised stock exchange in the European Union or in a taxation treaty country provided that, in each case, the company is not managed and controlled in a

jurisdiction which does not apply a residency test based on central management and control; or

- (ii) the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

Residence – Individual

The Irish tax year operates on a calendar year basis.

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

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

Presence in a tax year by an individual of not more than 30 days in Ireland, will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any point in time during the particular day in question.

Ordinary Residence – Individual

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

An individual who has been resident in 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 that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2009 will remain ordinarily resident in Ireland until the end of the tax year 2012.

Intermediary

means a person who:-

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

United Kingdom

General

The following summary of the anticipated tax treatment in the United Kingdom, which applies only to persons holding Shares as an investment, does not constitute legal or tax advice and is based on taxation law and practice at the date of this Prospectus. Prospective investors should consult their own professional advisors on the implications of making an investment in, and holding or disposing of, Shares under the laws of the countries in which they are liable to taxation. Levels and bases of, and reliefs from, taxation are subject to change.

The Company

The Directors intend to conduct the affairs of the Company in such a manner as to minimise, so far as they consider reasonably practicable, taxation suffered by the Company. This will include conducting the affairs of the Company so that it does not become resident in the United Kingdom for taxation purposes. Provided that the Company is not resident in the United Kingdom for tax purposes, and does not carry on a trade in the United Kingdom through a fixed place of business or agent situated therein that constitutes a permanent establishment for United Kingdom taxation purposes and that all its trading transactions are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business, the Company will not be subject to United Kingdom income tax or corporation tax other than on certain United Kingdom source income and gains to the extent that tax is deducted at source or such amounts are otherwise subject to UK taxation.

Dividends, interest and other income as well as capital gains received by the Company may be subject to withholding or other taxes imposed by the country in which such dividends, interest, other income or capital gains originate.

Shareholders

Each Class is an "offshore fund" for the purposes of United Kingdom taxation and some Classes were previously classified as distributing funds. Share Classes that had distributor status have now moved into the reporting fund regime. There can be no guarantee that such status will be obtained or that, once obtained, will continue to be available for future periods of account of the Fund.

The Offshore Funds (Tax) Regulations 2009 (the "Regulations") provide that if an investor who is resident or ordinarily resident in the UK for taxation purposes holds an interest in an "offshore fund", and that offshore fund has not been a "reporting fund" (or previously a "distributing fund") continuously throughout the period during which the investor holds the interest, any gain accruing to the investor upon the sale, redemption or other disposal of that interest will be taxed on such sale, redemption or disposal as an "offshore income gain" subject to tax as income, rather than as a capital gain. The Shares will constitute interests in an offshore fund for the purposes of the Regulations, and accordingly if a Class were not to qualify as a reporting fund (or previously a distributing fund) throughout the Shareholder's period of investment, any gain realised by a Shareholder on the sale, disposal or redemption of Shares would be treated for UK tax purposes as an income receipt rather than a capital gain.

Conversely, if a Class were to qualify throughout a Shareholder's period of investment, any gain realised by the Shareholder on the sale, disposal or redemption of the Shares would be subject to tax as a capital gain.

As set out below, it is currently the intention of the Directors to comply with such requirements as may be necessary in order that the relevant Classes should continue to hold reporting fund status (or previously, to have obtained distributing status).

UK individual investors

Subject to their personal circumstances, Shareholders resident in the UK for taxation purposes will be liable to UK income tax in respect of dividends or other distributions of income paid or treated as paid by each Class, whether or not such distributions are reinvested. This may result in tax being payable on amounts which are treated as distributed for the purposes of UK taxation but are not in fact distributed. The tax treatment set out below is given on the basis that the Shares are held as an investment and not as trading stock. If a Shareholder holds Shares as trading stock they may not be taxed according to these principles.

Any dividends received or treated as received by individuals domiciled and ordinarily resident in the UK will be taxed at either the dividend ordinary rate (currently 10%), the dividend upper rate (currently 32.5%) or the dividend additional rate (currently 42.5%), depending on the individual's total income. A 10% tax credit is available in relation to dividends paid or deemed to be paid by the Fund, resulting in effective rates of 0%, 25% and 36.11% respectively, provided that the distribution is not reclassified as an interest distribution for UK tax purposes (see below).

Interest distributions

An offshore fund making an actual or deemed distribution will be treated as making an interest distribution if the fund fails to meet the qualifying investments test at any point during the relevant period. An offshore fund fails to meet the qualifying investments test if the market value of the fund's qualifying investments (broadly speaking interest bearing securities) exceeds 60% of the market value of all the assets of the fund (excluding cash awaiting investment). Any interest distributions received by individuals domiciled and ordinarily resident will be taxed as savings income, at rates of 10%, 20%, 40% or 50% currently, depending on total income.

Reporting fund status

The Directors may (in their sole discretion) apply for UK reporting fund status for any Class for which they consider it to be beneficial. Such applications will be valid for all future periods until revoked. The Directors intend to comply with the requirements of the reporting fund regime for such share Classes going forward. There can, however, be no guarantee that this status will continue to be available for future periods of account of each Fund.

Should the Directors decide to withdraw from the reporting fund regime, they will be required to notify all Shareholders in affected Classes prior to that withdrawal coming into effect. In such an event, it may be possible for a UK resident or ordinarily resident individual to make an election for a deemed disposal and reacquisition of their Shares, such that they may benefit from the capital gains treatment afforded by reporting fund status up to the date that each Fund leaves the regime.

Reporting fund status and the taxation of gains on disposal

Provided that each Fund has been accepted as a reporting fund (or, formerly, certified as a distributing fund) throughout the Shareholder's period of investment, and provided the Shares are not held as trading stock, the gain on disposal (by sale, transfer or redemption) of Shares by UK resident Shareholders should be subject to capital gains tax in the case of an individual Shareholder. Individuals may have their gains reduced by annual exemptions.

Reporting fund status and the taxation of income

For such time as each Class remains a reporting fund, it will be required to calculate on an annual basis its income (excluding capital gains) as set out in the Regulations and, to the extent that the income has not been distributed to Shareholders, “report” that income to them. Income reported to Shareholders in this way will be treated for UK tax purposes as though it were in fact distributed, such that Shareholders on the register on the last day of the period who are resident or ordinarily resident in the UK will be subject to income tax on this deemed distribution as at the “reporting date”. Provided that the reports of income are provided to investors within 6 months of the end of the period, the “reporting date” should be the date such reports are provided.

Relief will be available for these reported but undistributed amounts when the Shareholder ultimately calculates their capital gain on disposal of Shares, such that these amounts will not be subject to UK taxation a second time.

Non-domiciled individual investors

The Finance Act 2008 brought in new provisions which require individuals resident or ordinarily resident but not domiciled in the UK who have been tax resident in the UK for at least seven of the nine tax years immediately preceding the relevant tax year and who wish to claim the remittance basis of taxation, to pay an annual charge of £30,000. It was confirmed in Budget 2012 that legislation would be introduced in Finance Act 2012 to introduce from 6 April 2012 a higher annual charge of £50,000 for those non-domiciles who claim the remittance basis in a tax year and have been resident in at least 12 of the previous 14 tax years. The new rules apply from 6 April 2008 (6 April 2012 in the case of the £50,000 charge), but previous years’ residence will count towards the seven years. If no claim for the remittance basis to apply is made by the individual Shareholder, this will result in such individuals becoming subject to UK tax on their worldwide income and gains. Individuals who are resident or ordinarily resident but not domiciled in the UK should note that the appointment of a UK person as a nominee Shareholder may result in income or gains from the redemption of Shares being remitted to the UK. In addition, the Finance Act 2008 contains legislation which changes the rules relating to the remittance basis of taxation by introducing a new definition of remittance and bringing non-domiciled individuals within the scope of certain tax provisions from which they were previously excluded. UK resident, non-domiciled prospective investors should take their own tax advice in relation to these changes and the investment they may make in the Fund.

UK resident Shareholders who are not domiciled or not ordinarily resident in the UK and who claim the remittance basis of taxation will only be liable to UK income tax on dividends received from the Fund if the dividend is remitted to the UK. The relevant rate of taxation on dividends paid by the Fund and remitted by such a person is now 20%, 40% or 50% less a 10% tax credit. Where an investor receives an interest distribution the relevant tax rate is 20%, 40% or 50%.

Corporate investors

Dividend distributions from an offshore fund made to companies resident in the UK are likely to fall within one of a number of exemptions from UK corporation tax on dividends received from the Company.

Under the rules for the taxation of corporate and government debt contained in the Corporation Tax Act 2009 (the **Loan Relationship Rules**), if any Fund fails to meet the **Qualifying Investments Test**, i.e. it has more than 60% by market value of its investments in Qualifying Investments (see below), holders of Shares issued in relation to such Fund that are within the charge to corporation tax in the United Kingdom will be subject to

tax as income on all profits and gains arising from and fluctuations in the value of the Shares (calculated at the end of each accounting period of the investor and at the date of disposal of the interest) on a "fair value accounting" basis (as such term is defined under the Loan Relationship Rules). These rules will apply to such investors if the 60% limit is exceeded at any time during the investor's accounting period, even if the investor was not holding Shares at that time.

Qualifying Investments include:

- (i) money placed at interest (other than cash awaiting investment);
- (ii) securities (not including shares in a company);
- (iii) shares in a building society;
- (iv) (broadly) interests in other investment funds which fail to meet the Qualifying Investments Test;
- (v) certain FDIs whose subject matter consists wholly of any one or more of the matters referred to in (i) to (iv); and
- (vi) contracts for differences whose underlying subject matter consists wholly of interest rates or creditworthiness or both.

Whether or not UK authorised unit trusts, investment trusts and open ended investment companies are subject to tax under the provisions described above will depend upon the application of special rules contained in the Corporation Tax Act 2009.

Investors – UK Insurance Companies – material interests

Investors that are life insurance companies within the charge to United Kingdom taxation holding their Shares in the Company for the purposes of their long-term business (other than their pensions business) may be deemed to dispose of and immediately reacquire their Shares at the end of each accounting period. Such Shareholders should seek their own professional advice as to the tax consequences of such deemed disposal.

Anti-avoidance

The attention of individuals ordinarily resident in the United Kingdom is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to taxation in respect of undistributed income profits of the Company on an annual basis.

Chapter IV of Part XVII of the Income and Corporation Tax Act 1988 also contains provisions which subject certain companies resident for tax purposes in the United Kingdom to corporation tax on profits of companies not so resident for tax purposes in which they have an interest. The provisions affect companies resident for tax purposes in the United Kingdom, which are deemed to be interested in at least 25% of the profits of a non-resident company which is controlled by residents of the United Kingdom and which is resident in a low tax jurisdiction. The legislation is not directed towards the taxation of capital gains. The controlled foreign companies (CFC) regime is currently under review by the UK Government, and legislation is expected to be introduced in Finance Act 2012, introducing a new CFC regime, which is expected to apply for accounting periods beginning or after 1 January 2013.

It is anticipated that the shareholdings in the Company will be such as to ensure that the Company would not be a "close" company if resident for tax purposes in the United Kingdom. If, however, the shareholdings in the Company were to be such that it would be "close" if resident for tax purposes in the United Kingdom, gains accruing to it may be apportioned under Section 13 of the Taxation of Chargeable Gains Act 1992 (**Section 13**) to Shareholders who may thereby become chargeable to United Kingdom capital gains tax or corporation tax on chargeable gains on the gains apportioned to them. From 6 April 2009 Section 13 also applies to Shareholders who are individuals domiciled outside the United Kingdom, subject to the remittance basis in particular circumstances.

UK stamp taxes

Transfers of Shares will not be liable to United Kingdom stamp duty unless the instrument of transfer is executed within the United Kingdom when the transfer will be liable to United Kingdom ad valorem stamp duty at the rate of 0.5 per cent of the consideration paid rounded up to the nearest £5. No United Kingdom stamp duty reserve tax is payable on transfers of Shares, or agreements to transfer Shares.

GENERAL INFORMATION

Reports and Accounts

The Company's year end is 30 June in each year. The annual report and audited accounts of the Company will, if Shares of a Fund are listed on the Irish Stock Exchange, be sent to the Irish Stock Exchange and made available to Shareholders within four Months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The Company will also prepare unaudited semi-annual reports which will, if Shares of a Fund are listed on the Irish Stock Exchange, be sent to the Irish Stock Exchange and made available to Shareholders within two Months after 31 December in each year.

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

The Directors may send such reports and accounts electronically to Shareholders in accordance with the requirements of the Central Bank.

Incorporation and Share Capital

The Company was incorporated and registered in Ireland under the Companies Acts as an open-ended umbrella investment company with variable capital and with segregated liability between sub funds on 8 August 2005 with registered number 406351.

At the date hereof, the authorised share capital of the Company is 1,000,000,000,000 Shares of no par value initially designated as unclassified shares. The issued share capital of the Company is €300,002 represented by 300,002 shares (the **subscriber shares**) issued for the purposes of the incorporation of the Company at an issue price of €1 per Share which are fully paid up and which are beneficially owned by Barclays Bank PLC and issued Shares in each of the existing Funds.

The unclassified shares are available for issue as Shares. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the Shares in the Company.

Subject to the exceptions set out under "Transfer of Shares" below and any further restrictions as set out in the Supplement of the relevant Fund, the Shares issued by the Company are freely transferable.

Limited Recourse

The right of holders of any Shares to participate in the assets of the Company is limited to the assets (if any) of the Fund relating to such Shares. If the realised net assets of any Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the Supplement and the Articles, the relevant Shareholders will have no further right of payment in respect of such Shares or any claim against any other

Fund or any other assets of the Company. Each Shareholder's right to any return of capital or income on the Shares is subject to this Prospectus, the relevant Supplement and the Articles generally.

If a Fund has two or more Share Classes, the claims of the holders of such Classes to the assets of the relevant Fund will, subject to the terms of the relevant Fund, rank *pari passu* with each other, and, on a winding-up of the Company, the holders of each such Class will participate in the assets (if any) comprised in such Fund *pro rata* to the amount paid up on the Shares of each such Class. Each separate Class relating to one Fund will have recourse only to the assets comprised within the relevant Fund. Consequently, if on any Scheduled Maturity Date or on the winding-up of the Company, the assets of a Fund (after payment of all fees, expenses and other liabilities (other than amounts owing to Shareholders) which are to be borne by such Fund) are insufficient to pay the full Repurchase Proceeds payable in respect of all Share Classes relating to the relevant Fund, the proceeds of the relevant Fund will be distributed equally amongst each Shareholder of the relevant Fund *pro rata* to the amount paid up on the Shares held by each Shareholder. See "Risk Factors – Cross Liability between Classes".

Memorandum and Articles of Association

Clause 2 of the Memorandum of Association provides that the sole object of the Company is the collective investment in Transferable Securities and/or 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:

- 1. Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company;
- 2. Variation of rights.** The rights attached to any Class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the Class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up but such consent or sanction will not be required in the case of a variation, amendment or abrogation of the rights attached to any Shares of any Class if, in the view of the Directors, such variation, amendment or abrogation does not materially prejudice the interests of the relevant Shareholders or any of them. Any such variation, amendment or abrogation will be set out in a supplement to (or restatement of) the relevant Supplement originally issued in connection with the relevant Shares, a copy of which will be sent to the relevant Shareholders entered on the Register on the date of issue of such document and will be binding on the relevant Shareholders. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the Class in question and the quorum at an adjourned meeting shall be two persons holding or representing by proxy 20% of the issued Shares of the Class in question or his proxy;
- 3. Voting Rights.** The Company may issue Voting Shares and Non-Voting Shares. The Non-Voting Shares carrying no right to notice of, attend or vote at general meetings of the Company or any Fund. In respect of the Voting Shares, subject to any rights or restrictions for the time being attached to any Class or Classes of Voting Shares, on a show of hands every holder who is present in person or by proxy shall have one vote and the holder(s) of subscriber shares present in person or by proxy shall

have one vote in respect of all the subscriber shares in issue and on a poll every holder present in person or by proxy shall have one vote for every Voting Share of which he is the holder and every holder of a subscriber share present in person or by proxy shall have one vote in respect of his holding of subscriber shares. Holders who hold a fraction of a Voting Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Voting Share. In accordance with the requirements of the Central Bank, the decision to subscribe for any Share Class in respect of which the voting rights are restricted shall be made solely by the investor and any Shareholder of Non-Voting Shares shall have the right to switch their holding to Voting Shares without incurring any fee or charge on such exchange;

- 4. Alteration of Share Capital.** The Company may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe.

The Company may also by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into Shares of larger amount;
- (ii) subdivide its Shares, or any of them, into Shares of smaller amount or value;
- (iii) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled; or
- (iv) redenominate the currency of any Share Class;

- 5. Directors' Interests.** Provided that the nature and extent of his interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the Company nor shall any such contract or any contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established;

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

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

- 6. Borrowing Powers.** The Directors may exercise all of the powers of the Company to borrow or raise money and to mortgage, or charge its undertaking, property and assets (both present and future) and

uncalled capital or any part thereof and to issue securities, whether outright or as collateral security for any debt, liability or obligation of the Company provided that all such borrowings shall be within the limits and conditions laid down by the Central Bank;

7. **Delegation to Committee.** The Directors may delegate any of their powers to any committee whether or not consisting of Directors. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles regulating the proceedings of Directors so far as they are capable of applying. Any such delegation will be in accordance with the requirements of the Central Bank.
8. **Retirement of Directors.** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age;
9. **Directors' Remuneration.** Unless and until otherwise determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who is appointed as an executive director (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of fees, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any Share Class of the Company or otherwise in connection with the discharge of their duties;
10. **Transfer of Shares.** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors in their absolute discretion and without assigning any reason therefore may decline to register any transfer of a Share to (i) a U.S. Person (unless permitted under certain exceptions under the laws of the United States) or; (ii) any person who does not clear such money laundering checks as the Directors may determine; or (iii) any person who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Shares; or (iv) 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 person or 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 Company incurring any liability to taxation or suffering any other pecuniary legal or material administrative disadvantages or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached; or (v) an individual under the age of 18 (or such other age as the Directors may think fit) or of unsound mind; or (vi) any person unless the transferee of such Shares would, following such transfer, be the holder of Shares equal to or greater than the Minimum Initial Investment Amount; or (vii) any person in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding; or (viii) any person where in respect of such transfer any payment of taxation remains outstanding.

The Directors may decline to recognise any instrument of transfer unless it is accompanied by the certificate for the Shares to which it relates (if issued), is in respect of one class of Share only, is in favour of not more than four transferees and is lodged at the registered office or at such other place as the Directors may appoint;

11. **Right of Repurchase.** Shareholders have the right to request the Company to repurchase their Shares in accordance with the provisions of the Articles;
12. **Dividends.** The Articles permit the Directors to declare such dividends on any Share Class as appear to the Directors to be justified by the profits of the relevant Fund and / or the capital of the relevant Fund. The Directors may satisfy any dividend due to holders of Shares in whole or in part by distributing to them (to the extent permitted under the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund) in specie any of the assets of the relevant Fund and, in particular, any investments to which the relevant Fund is entitled. A holder may require the Directors instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund;
13. **Funds.** The Directors are required to establish a separate portfolio of assets for each Fund created by the Company from time to time, to which the following shall apply:-
 - (i) for each Fund the Company shall keep separate books and records in which all transactions relating to the relevant Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each Class of the Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
 - (ii) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Fund, shall be applied in the books and records of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Fund;
 - (iii) no Shares will be issued on terms that entitle the Shareholders of any Fund to participate in the assets of the Company other than the assets (if any) of the Fund relating to such Shares. If the proceeds of the assets of the relevant Fund are not sufficient to fund the full repurchase proceeds payable to each Shareholder for the relevant Fund, the proceeds of the relevant Fund will, subject to the terms for the relevant Fund, be distributed equally among each Shareholder of the relevant Fund pro rata to the amount paid up on the Shares held by each Shareholder. If the realised net assets of any Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the terms of the relevant Fund, the relevant Shareholders of that Fund will have no further right of payment in respect of such Shares or any claim against the Company, any other Fund or any assets of the Company in respect of any shortfall;
 - (iv) each Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund; and

- (v) in the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of section 256E of the Companies Act 1990, shall apply.

14. Fund Exchanges. Subject to the provisions of the Articles, a Shareholder holding Shares in any Class of a Fund on any Dealing Day shall have the right from time to time to exchange all or any of such Shares for Shares of another Class (such Class being either an existing Class or a Class agreed by the Directors to be brought into existence with effect from that Dealing Day);

15. Termination of Funds

Any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Custodian in any of the following events:-

- (a) if at any time the Net Asset Value of the relevant Fund shall be less than such amount as may be determined by the Directors in respect of that Fund;
- (b) if any Fund shall cease to be authorised or otherwise officially approved;
- (c) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund;
- (d) if there is a change in material aspects of the business, in the economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the investments of the Fund; or
- (e) if the Directors shall have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions and the best interests of the Shareholders.

The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors shall be under no liability on account of any failure to terminate the relevant Fund pursuant to this section 15 or otherwise.

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

- (i) If the Company shall be wound up the liquidator shall, subject to the provisions of the Companies Acts and section 17 below, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund;
- (ii) The assets available for distribution amongst the Shareholders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Share Class 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 Share Class in issue as at the date of commencement to wind up; secondly, in the payment to the holder(s) of the subscriber shares of sums up to the notional amount paid thereon out of the assets of the Company not attributable to other Share Classes. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to each Class of Share; and thirdly, any balance then remaining and

- not attributable to any of the Share Classes shall be apportioned pro-rata as between the Share Classes based on the Net Asset Value attributable to each Share Class 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 Share Class held by them;
- (iii) A Fund may be wound up pursuant to section 256E of the Companies Act, 1990 and in such event the provisions reflected in this paragraph 16 shall apply mutatis mutandis in respect of that Fund;
 - (vii) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the Companies Acts, divide among the holders of Shares of any Class or Classes of a Fund in specie the whole or any part of the assets of the Company relating to that 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 holders of Shares of the Company or the holders of different Share Classes in a Fund. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may require the liquidator instead of transferring any asset in specie to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.

17. Segregation of Liability

- (i) Notwithstanding any statutory provision or rule of law to the contrary any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund, and no Director, receiver, examiner, liquidator, provisional liquidator or other person shall apply nor be obliged to apply the assets of any such Fund in satisfaction of any liability incurred on behalf of or attributable to any other Fund.
- (ii) The assets allocated to a Fund shall be applied solely in respect of the Shares of such Fund and no Shareholder relating to such Fund shall have any claim or right to any asset allocated to any other Fund.
- (iii) Any asset or sum recovered by the Company by any means whatsoever or wheresoever shall, after the deduction or payment of any costs of recovery, be applied to the Fund affected. In the event that assets attributable to a Fund are taken in execution of a liability not attributable to that Fund, and in so far as such assets or compensation in respect hereof cannot otherwise be restored to that Fund, the Directors with the consent of the Custodian, shall certify or cause to be certified, the value of the assets lost to the Fund affected and transfer or pay from the assets of the Fund or Funds to which the liability was attributable, in priority to all other claims against such Fund or Funds, assets or sums sufficient to restore to the Fund affected, the value of the assets or sums lost to it.
- (iv) The Company may sue and be sued in respect of a particular Fund and may exercise the same rights of set-off, if any, as between its Funds as apply at law in respect of companies and the

property of a Fund is subject to orders of the Irish courts as it would have been if the Fund were a separate legal person.

- (v) In any proceedings brought by any Shareholder of a particular Fund, any liability of the Company to such Shareholder in respect of such proceeding can only be settled out of the assets of the Fund corresponding to such Shares without recourse in respect of such liability or any allocation of such liability to any other Fund of the Company.
- (vi) Nothing in this section shall prevent the application of any enactment or rule of law which would require the application of the assets of any Fund in discharge of some or all of the liabilities of any other Fund on the grounds of fraud or misrepresentation and, in particular, by reason of the application of sections 139 and 286 of the Companies Act, 1963.

18. Share Qualification. The Articles do not contain a share qualification for Directors.

Litigation and Arbitration

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

Directors' Interests

- (a) There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.
- (b) At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as provided in 4 below no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.
- (c) At the date of this Prospectus neither the Directors nor any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of such capital.
- (d) Barry McGrath is a Director of the Company and a partner of Maples and Calder.

Material Contracts

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

1. ***The Custodian Agreement*** datd 10 July 2015 with effect from 14 July 2015 between the Company and the Custodian. The Custodian Agreement provides that the appointment of the Custodian will continue unless terminated by either party giving to the other party 90 days' written notice, although in certain circumstances the Custodian Agreement may be terminated forthwith by notice in writing by either party to the other. Any successor custodian must be acceptable to the Company and must be an entity approved by the Central Bank. In addition, the appointment of the successor custodian must be approved by the Central Bank. If no successor is appointed at the end of the 90 day notice period or such other periods as may be agreed between the parties from the giving of such notice, the Custodian may require the Company to be wound up. In such case, the Directors shall apply in

writing to the Central Bank for revocation of the Company's authorisation and the Custodian shall remain as the Custodian, notwithstanding the expiration of the notice period, until such time as the Central Bank has revoked the Company's authorisation. The Custodian Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Custodian which are restricted to exclude matters arising as a result of the Custodian's unjustifiable failure to perform its obligations, or the improper performance of them (which shall include negligence, bad faith, fraud, wilful default or recklessness on the part of the Custodian).

The Custodian Agreement contains limited recourse provisions under which the recourse against the Company of the Custodian in respect of any claims arising under or in relation to the Custodian Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Custodian will have no recourse to any other assets of the Company. If following the realisation of all of the assets of the relevant Fund and subject to the application of such realisation proceeds in payment of all claims of the Custodian relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which have recourse to the relevant Fund, such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Custodian will have no further right of payment in respect thereof and (c) the Custodian will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.

2. **The Administration Agreement** dated 10 July 2015 with effect from 14 July 2015 between the Company and the Administrator. The Administration Agreement provides that the appointment of the Administrator will be for an initial period of six months and will thereafter continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Administration Agreement may be terminated forthwith by notice in writing by either party to the other. The Administration Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Administrator which are restricted to exclude matters arising by reason of the negligence, fraud, bad faith, wilful default or recklessness of the Administrator, its directors, officers or employees in the performance of its or their obligations and duties.

The Administration Agreement contains limited recourse provisions under which the recourse against the Company of the Administrator in respect of any claims arising under or in relation to the Administration Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Administrator will have no recourse to any other assets of the Company. If following the realisation of all of the assets of the relevant Fund and subject to the application of such realisation proceeds in payment of all claims of the Administrator relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which have recourse to the relevant Fund, such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Administrator will have no further right of payment in respect thereof and (c) the Administrator will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.]

3. **The Investment Management Agreement** dated 10 August 2007 between the Company and the Investment Manager. The Investment Management Agreement provides that the appointment of the Investment Manager will continue unless and until terminated by either party giving to the other not less than 90 days' written notice (provided that the Company may not other than as outlined below

terminate the appointment of the Investment Manager for three years from the date of authorisation of the Company by the Central Bank) although in certain circumstances the Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Investment Manager which are restricted to exclude matters resulting from the fraud, wilful default or negligence of the Investment Manager in the performance or non-performance of its obligations and duties.

The Investment Management Agreement contains limited recourse provisions under which the recourse against the Company of the Investment Manager in respect of any claims arising under or in relation to the Investment Management Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Investment Manager will have no recourse to any other assets of the Company. If following the realisation of the relevant Fund and the application of such realisation proceeds in payment of all claims of the Investment Manager relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which have recourse to the relevant Fund(s), such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Investment Manager will have no further right of payment in respect thereof and (c) the Investment Manager will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.

4. ***The Distribution Agreement*** dated 10 August 2007 between the Company and the Distributor. The Distribution Agreement provides that the appointment of the Distributor will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Distribution Agreement may be terminated forthwith by notice in writing by either party to the other; the Distribution Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Distributor which are restricted to exclude matters resulting from the wilful misfeasance, bad faith, fraud, wilful default or negligence of the Distributor in the performance or non-performance of its obligations and duties.

The Distribution Agreement contains limited recourse provisions under which the recourse against the Company of the Distributor in respect of any claims arising under or in relation to the Distribution Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Distributor will have no recourse to any other assets of the Company. If following the realisation of the relevant Fund and the application of such realisation proceeds in payment of all claims of the Distributor relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which have recourse to the relevant Fund(s), such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Distributor will have no further right of payment in respect thereof and (c) the Distributor will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.

Please refer to each Supplement for details of other relevant material contracts (if any) in respect of a Fund.

Miscellaneous

Save as disclosed under the "Incorporation and Share Capital" section above, no share or loan capital of the Company has been issued or agreed to be issued, is under option or otherwise. As of the date of this

Prospectus, the Company does not have any loan capital (including term loans) outstanding or created but unissued or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptance or acceptance credits, hire purchase or finance lease commitments, guarantee or other contingent liabilities which are material in nature.

Save as may result from the entry by the Company into the agreements listed under “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 Company.

Save as disclosed under the “Conflicts of Interest” section above, no commissions, discounts, brokerages or other special terms have been paid or granted or are payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or loan capital of the Company.

Documents for Inspection

Copies of the Prospectus (as amended and supplemented), the Supplements and the key investor information document (if appropriate) will be available on www.barclays.com/fundsadvisory¹.

Copies of the following documents may be obtained from the Company and inspected at the registered office of the Company during usual business hours during a Business Day at the address shown in the Directory section below:

- the Articles;
- the Prospectus (as amended and supplemented), the Supplements and the key investor information document (if appropriate);
- the annual and semi-annual reports relating to the Company most recently prepared by the Administrator;
- details of notices sent to Shareholders;
- the material contracts referred to above;
- the Regulations;
- the Central Bank Notices; and
- a list of any directorships or partnerships, past or present, held by the Directors in the last five years.

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

¹ Access to such website may be restricted, is not available to all jurisdictions and is subject to acceptance of such website's terms and conditions.

APPENDIX I

MARKETS

Subject to the provisions of the Central Bank Notices and with the exception of permitted investments in unlisted securities (as may be set out in the Supplement for the relevant Fund), the Company will only invest in securities listed or traded on the following stock exchanges and regulated markets which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public) or otherwise as permitted by the Regulations:

- 1 (a) any stock exchange which is:
 - located in an EEA Member State; or
 - located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America; or
- (b) any stock exchange included in the following list:-
 - Argentina - Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza, Rosario and La Plata Stock Exchange;
 - Bahrain - Bahrain Stock Exchange;
 - Bangladesh - Chittangong Stock Exchange and Dhaka Stock Exchange;
 - Bolivia - Mercada La Paz Stock Exchange and Santa Cruz Stock Exchange;
 - Botswana - Botswana Stock Exchange;
 - Brazil - Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro;
 - Channel Islands (Guernsey,

Jersey &		
Isle of Man)	-	Channel Islands Stock Exchange;
Chile	-	Santiago Stock Exchange and Valparaiso Stock Exchange;
China	-	Shanghai Stock Exchange, Fujian Stock Exchange, Hainan Stock Exchange and Shenzhen Stock Exchange;
Colombia	-	Bolsa de Bogota and Bolsa de Medellin;
Ecuador	-	Quito Stock Exchange and Guayaquil Stock Exchange;
Egypt	-	Cairo Stock Exchange and Alexandria Stock Exchange;
Ghana	-	Ghana Stock Exchange;
India	-	Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabab Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;
Indonesia	-	Jakarta Stock Exchange and Surabaya Stock Exchange;
Jordan	-	Amman Stock Exchange;
Kazakstan	-	Kazakhstan Stock Exchange;
Kenya	-	Nairobi Stock Exchange;
Korea	-	Korean Stock Exchange;
Kuwait	-	Kuwait Stock Exchange;
Lebanon	-	Beirut Stock Exchange;
Malaysia	-	Kuala Lumpur Stock Exchange;
Mauritius	-	Stock Exchange of Mauritius;
Mexico	-	Bolsa Mexicana de Valores;
Morocco	-	Casablanca Stock Exchange;
Namibia	-	Namibian Stock Exchange;
Nigeria	-	Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange;
Oman	-	Muscat Securities Market;

Pakistan	-	Lahore Stock Exchange and Karachi Stock Exchange;
Palestine	-	Palestine Stock Exchange;
Peru	-	Bolsa de Valores de Lima;
Philippines	-	Philippines Stock Exchange;
Qatar	-	Doha Stock Exchange;
Russia	-	RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange);
Saudi Arabia	-	Riyadh Stock Exchange;
Singapore	-	The Stock Exchange of Singapore;
South Africa	-	Johannesburg Stock Exchange;
Swaziland	-	Swaziland Stock Exchange;
Sri Lanka	-	Colombo Stock Exchange;
Taiwan	-	Taipei Stock Exchange Corporation;
Thailand	-	The Stock Exchange of Thailand;
Turkey	-	Istanbul Stock Exchange;
Ukraine	-	Ukrainian Stock Exchange;
Uruguay	-	Montevideo Stock Exchange;
Venezuela	-	Caracas Stock Exchange and Maracaibo Stock Exchange;
Zambia	-	Lusaka Stock Exchange;

(c) any of the following:

The market organised by the International Securities Market Association;

The (i) market conducted by banks and other institutions regulated by the FCA and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non Investment Products Code drawn up by the participants in the London market, including the FCA and the Bank of England;

The market in U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the U.S. Securities and Exchange Commission;

The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

KOSDAQ;

NASDAQ;

SESDAQ;

TAISDAQ/Gretai Market;

The Chicago Board of Trade;

The Chicago Mercantile Exchange;

The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;

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

- 2 In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in an EEA Member State, (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland or the United States, (iii) the Channel Islands Stock Exchange, or (iv) listed at (c) above.

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

DIRECTORY

CELSIUS FUNDS PLC

BEAUX LANE HOUSE

2ND FLOOR

MERCER STREET LOWER

DUBLIN 2

IRELAND

PROMOTER

BARCLAYS BANK PLC

1 CHURCHILL PLACE

CANARY WHARF

LONDON E14 5HP

ENGLAND

DIRECTORS

JIM CLEARY

BARRY MCGRATH

CHARLES MCCREEVY

JAMES DE SALIS

INVESTMENT MANAGER

BARCLAYS BANK PLC ACTING THROUGH
ITS WEALTH AND INVESTMENT MANAGEMENT DIVISION

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ENGLAND

DISTRIBUTOR

BARCLAYS BANK PLC

1 CHURCHILL PLACE

CANARY WHARF

LONDON E14 5HP

ENGLAND

CUSTODIAN

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

AUDITORS

PRICEWATERHOUSECOOPERS

ONE SPENCER DOCK

NORTH WALL QUAY

DUBLIN 1

IRELAND

LEGAL ADVISORS TO THE COMPANY AS TO IRISH LAW

MAPLES AND CALDER

75 ST STEPHENS GREEN

DUBLIN 2

IRELAND

SECRETARY

MFD SECRETARIES LIMITED

2ND FLOOR

BEAUX LANE HOUSE

MERCER STREET LOWER

DUBLIN 2

IRELAND