

PROSPECTUS

IMPORTANT: IF YOU ARE IN ANY DOUBT AS TO THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR ACCOUNTANT OR OTHER FINANCIAL ADVISER.

The Directors, whose names appear on page (ix), accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

PENSATO CAPITAL FUNDS PLC

(An investment company with variable capital structured as an umbrella fund with segregated liability between sub-funds and incorporated pursuant to the Companies Acts 1963 to 2009 with limited liability in Ireland under registered number 481027 and authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as may be amended).

PENSATO CAPITAL LLP
(INVESTMENT MANAGER)

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23 December, 2011

IMPORTANT INFORMATION

Pensato Capital Funds PLC (the “Company”) is both authorised and supervised by the Central Bank. The authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. The authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus.

No person has been authorised by the Company to give any information or make any representations in connection with the offering of Shares other than those contained in this Prospectus, and, if given or made, such information or representations must not be relied on as having been made by the Company.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This Prospectus may only be issued with one or more supplements (each a “Supplement”), each containing information relating to a separate Fund. The creation of new Funds requires the prior approval of the Central Bank. If there are different classes of Shares representing a Fund, details relating to the separate classes may be dealt with in the same Supplement or in a separate Supplement for each class. The creation of further classes of Shares will be effected in accordance with the requirements of the Central Bank. This Prospectus and the relevant Supplement should be read and construed as one document. To the extent that there is any inconsistency between this Prospectus and the relevant Supplement, the relevant Supplement shall prevail.

Applications for Shares will only be considered on the basis of this Prospectus (and any relevant Supplement). The latest audited annual report and accounts and the latest unaudited semi-annual report may be obtained from the offices of the Administrator. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Company’s Articles are binding on each of its Shareholders (who are taken to have notice of them).

This Prospectus is based on information, law and practice currently in force in Ireland (which may be subject to change) at the date hereof. The Company cannot be bound by an out of date Prospectus when it has issued a new Prospectus, and investors should check with the Investment Manager that this is the most recently published Prospectus.

The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in a Fund.

All or part of the fees and expenses may be charged to the capital of the Company. This will have the effect of lowering the capital value of your investment.

As the Fund of the Company may be subject to subscription, redemption and exchanging charges (which, in the case of redemption charges shall not exceed 3 per cent. of the Net Asset Value per Share), the difference at any one time between the sale and repurchase price of Shares in any Fund means that an investment in any Fund should be viewed as a medium to long-term investment.

In particular, investors in any Fund with an emerging markets exposure should note that as the Fund may invest more than 20 per cent of their net assets in emerging markets, it is recommended that investment in the Fund should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors.

Austria:

Neither this Prospectus nor any other document in connection with the Shares is a Prospectus according to the Austrian Investment Funds Act (Investmentfondsgesetz, InvFG), the Austrian Capital Markets Act (Kapitalmarktgesetz, KMG) or the Austrian Stock Exchange Act (Börsegesetz, BörseG) and has therefore not been drawn up, audited, approved, pass-ported and/or published in accordance with the aforesaid acts. Neither the Company nor the Investment Manager is under the supervision of the Austrian Financial Market Authority or any other Austrian supervision authority.

Prospective purchasers of Shares should note that the Shares have not been and will not be offered in the Republic of Austria in the course of an offer to the public within the meaning of section 140 of the Austrian Investment Funds Act or section 176 of the Austrian Investment Funds Act or sec 1 para 1 no 1 of the Austrian Capital Markets Act but under circumstances which will not be considered as an offer to the public under any of the aforesaid acts. Therefore, the provisions of the Austrian Investment Funds Act and the provisions of the Austrian Capital Markets Act relating to registration requirements and to prospectus requirements do not apply and the Shares have thus neither been registered for public distribution in Austria with the Austrian Financial Market Authority (Finanzmarktaufsichtsbehörde) nor been the subject matter of a prospectus compliant with the Austrian Investment Funds Act or the Austrian Capital Markets Act.

This Prospectus is confidential and is being provided only to a limited number of recipients who have been individually selected in advance by certain criteria and are targeted in Austria exclusively by means of a private placement. This Prospectus is provided solely for the information of such recipients and must not be reproduced, published, distributed or made available to any other person (including the press and any other media), in whole or in part, for any purpose and no steps may be taken that would constitute a public offer of the Shares under either the Austrian Investment Fund Act or the Austrian Capital Markets Act (whether presently or in the future).

Belgium:

The offering of Shares has not been and will not be notified to the Belgian Financial Services and Markets Authority (Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers) nor has this Prospectus been, nor will it be, approved by the Belgian Financial Services and Markets Authority. The Shares may be offered in Belgium only to a maximum of 99 investors or to investors investing a minimum of €250,000 or to professional or institutional investors, in reliance on Article 5 of the Law of July 20, 2004. This Prospectus may be distributed in Belgium only to such investors for their personal use and exclusively for the purposes of this offering of Shares. Accordingly, this Prospectus may not be used for any other purpose nor passed on to any other investor in Belgium.

Denmark:

The Company has not completed the notification procedure in order to be permitted to market its Shares in Denmark pursuant to the Danish Act on Investment Associations etc. (Act No. 56 of 18 May 2011 (the "Act") and the Executive Order on Marketing Carried out by Foreign Investment Undertakings in Denmark (Executive Order No. 746 of 28 June 2011) (the "Executive Order") issued by the Danish Financial Supervisory Authority. The Shares of the Company have not been offered or sold and may not be offered, sold or delivered, directly or indirectly, to investors in Denmark. This implies, inter alia, that the Shares in the Company may not be offered or marketed to potential investors in Denmark unless the notification procedure in accordance with the Act has been completed.

Finland:

This Prospectus does not constitute an offer to the public in Finland. The Shares cannot be offered or sold in Finland by means of any document to any persons other than "Professional Investors" as defined by the Finnish Mutual Funds Act (Sijoitusrahastolaki 29.1.1999/48), as amended. No action has been taken to authorise an offering of the Shares to the public in Finland and the distribution of this Prospectus is not authorised by the Financial Supervisory Authority in Finland. This Prospectus is strictly for private use by its holder and may not be passed on to third parties or otherwise publicly distributed. Subscriptions will not be accepted from any persons other than the person to whom this Prospectus has been delivered by the Investment Manager or its representative. This Prospectus may not include all the information that is required to be included in a prospectus in connection with an offering to the public.

France:

The Shares may not be offered directly or indirectly in the Republic of France and neither this Prospectus, which has not been submitted to the *Autorité des Marchés Financiers*, nor any offering material or information contained therein relating to the Company, may be supplied in connection with any offer of the Shares in the Republic of France.

Hong Kong:**Warning:**

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This Prospectus has not been registered by the Registrar of Companies in Hong Kong. The Company is a collective investment scheme as defined in the Securities and Futures Ordinance of Hong Kong (the "Ordinance") but has not been authorised by the Securities and Futures Commission pursuant to the Ordinance. Accordingly, the Shares may only be offered or sold in Hong Kong to persons who are "professional investors" as defined in the Ordinance and any rules made under the Ordinance or in circumstances which are permitted under the Companies Ordinance of Hong Kong and the Ordinance. In addition, this Prospectus may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and the Shares may not be disposed of to any person unless such person is outside Hong Kong, such person is a "professional investor" as defined in the Ordinance and any rules made under the Ordinance or as otherwise may be permitted by the Ordinance.

Ireland:

The distribution of this Prospectus and the offering or purchase of Shares is restricted to the individual to whom it is addressed. Accordingly, it may not be reproduced in whole or in part, nor may its contents be distributed in writing or orally to any third party and it may be read solely by the person to whom it is addressed and his/her professional advisers.

Shares in the Company will not be offered or sold by any person:

(a) otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007, as amended; or

(b) otherwise than in conformity with the provisions of the Companies Acts 1963 - 2009.

Shares in the Company will not in any event be marketed in Ireland except in accordance with the requirements of the Central Bank of Ireland.

Isle of Man:

The Company is not subject to any form of regulation or approval in the Isle of Man. This document has not been registered or approved for distribution in the Isle of Man and may only be distributed in or into the Isle of Man by a person permitted under Isle of Man law to do so and in accordance with the Isle of Man Collective Investment Schemes Act 2008 and regulations made thereunder. The Shareholders in the Company are not protected by any statutory compensation scheme.

Italy:

The Shares may not be offered, sold or delivered and the Prospectus, or any circular, advertisement or other document or offering material relating to the Shares, may not be published, distributed or made available in the Republic of Italy unless: (i) the Shares have been previously registered with the Bank of Italy and, as appropriate, with the Italian Securities and Exchange Commission (Consob); and (ii) the offering, sale or delivery of the Shares and publication or distribution of the Prospectus or of any other document or offering material is made in accordance with relevant Italian laws and regulations.

Japan:

The Shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law no. 25 of 1948, as amended) and, accordingly, none of the Shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit, of any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, a "Japanese person" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Jersey:

This Prospectus relates to a private placement and does not constitute an offer to the public in Jersey to subscribe for the Shares offered hereby. No regulatory approval has been sought to the offer in Jersey and it must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Company. The offer of Shares is personal to the person to whom this

Prospectus is being delivered by or on behalf of the Company, and a subscription for the Shares will only be accepted from such person. The Prospectus may not be reproduced or used for any other purpose.

South Korea:

Neither Pensato Capital Funds plc nor Pensato Capital LLP is making any representation with respect to the eligibility of any recipients of this Prospectus to acquire the Shares therein under the laws of Korea, including but without limitation the Foreign Exchange Transaction Act and Regulations thereunder. The Shares have not been registered under the Financial Investment Services and Capital Markets Act of Korea, and none of the Shares may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea.

Netherlands:

This Prospectus is not addressed to or intended for any individual or legal entity in the Netherlands except (a) individuals or legal entities who qualify as qualified investors (as defined by article 2 paragraph 1(e) of the Prospectus Directive (2003/71/EC), as amended or (b) other persons to whom, or in circumstances where, an exemption or exception to the offering of interests in collective investment schemes (beleggingsinstellingen) applies pursuant to the Act on Financial Supervision (Wet op het financieel toezicht), and the rules and regulations promulgated pursuant thereto, as amended. Distribution of this Prospectus does not trigger a licence requirement for the Company in the Netherlands and consequently no supervision will be exercised over the Company by the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten).

Spain:

The Company has not been registered with the Spanish Securities Market Commission as a foreign UCITS in accordance with section 15.1 of Law 35/2003 of 4 November 2003 on Collective Investment Schemes (which implements into Spanish law the provisions of Directive 85/611 EEC, as amended). Accordingly, the Shares of the Company may not be offered or sold in Spain by means of any marketing activities as defined in section 2 of Law 35/2003, as amended by Law 25/2005, of 24 November 2005.

Sweden:

This Prospectus has not been approved by or registered with the Swedish Financial Supervisory Authority (Finansinspektionen) pursuant to the Swedish Financial Instruments Trading Act (lagen 1991:980) om handel med finansiella instrument). Accordingly, the Shares may only be offered in Sweden in circumstances that will not result in a requirement to prepare a prospectus pursuant to the Swedish Financial Instruments Trading Act.

The Company is not an Investment Fund (fondföretag) for the purpose of the Swedish Investment Funds Act (lag (2004:46) om investeringsfonder) and has therefore not been, nor will it be, approved or registered by the Swedish Financial Supervisory Authority pursuant to the Swedish Investment Funds Act.

Switzerland:

The Company has not been approved by the Swiss Financial Market Supervisory Authority (FINMA) as a foreign collective investment scheme pursuant to Article 120 of the Swiss Collective Investment Schemes Act of 23 June 2006 (the "CISA"). Accordingly, the Shares may not be offered to the public in or from Switzerland and neither this Prospectus nor any other offering

materials relating to the Shares may be made available through a public offering in or from Switzerland. The Shares may only be offered and this Prospectus may only be distributed in or from Switzerland by way of private placement to "Qualified Investors" (as defined in the CISA and its implementing ordinance) and / or to a limited circle of investors, without any public offering.

United States of America:

There will be no public offering of Shares in the United States. The Shares will not generally be available to US Persons, unless they are, among other things, "accredited investors" (as defined in Rule 501(a) of Regulation D under the US Securities Act of 1933, as amended (the "1933 Act")) and "qualified purchasers" (as defined in Section 2(a) (51) of the US Investment Company Act of 1940, as amended (the "1940 Act")).

The Shares have not been and will not be registered under the 1933 Act or the securities laws of any of the states of the United States, nor is such registration contemplated. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any US Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law.

There is no public market for the Shares in the United States and no such market is expected to develop in the future. The Shares offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Articles, the 1933 Act and applicable state securities law pursuant to registration or exemption therefrom. The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(2) thereof.

The Company has not been and will not be registered under the 1940 Act pursuant to the provisions of Section 3(c)(7) of the 1940 Act. Under Section 3(c)(7), a privately offered fund is excepted from the definition of "investment company" if US Person security holders consist exclusively of "qualified purchasers" and the Shares are only offered in the US on a private placement basis.

Restrictions on Distribution and Sale of Shares

The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorised or the person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this Prospectus and of any person wishing to apply for Shares to inform himself of and to observe all applicable laws and regulations of the countries of his nationality, residence, ordinary residence or domicile.

The Directors may restrict the ownership of Shares by any person, firm or corporation where such ownership would be in breach of any regulatory or legal requirement or may affect the tax status of the Company. Any person who is holding Shares in contravention of the restrictions set out above or, by virtue of his holding, is in breach of the laws and regulations of any competent jurisdiction or whose holding could, in the opinion of the Directors, cause the Company or any Shareholder to incur any liability to taxation or to suffer any pecuniary disadvantage which any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors believe might be prejudicial to the interests of the Shareholders, shall indemnify the Company, the Investment Manager, the Distributor, the Custodian, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the Company.

The Directors have the power under the Articles to compulsorily redeem and/or cancel any

Shares held or beneficially owned in contravention of the restrictions imposed by them as described herein.

Reliance on this Prospectus

Statements made in this Prospectus and any Supplement are based on the law and practice in force in the Republic of Ireland at the date of the Prospectus or Supplement as the case may be, which may be subject to change. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares in the Company shall under any circumstances constitute a representation that the affairs of the Company have not changed since the date hereof. This Prospectus will be updated by the Company to take into account any material changes from time to time and any such amendments will be notified in advance to the Central Bank. Any information or representation not contained herein or given or made by any broker, salesperson or other person should be regarded as unauthorised and should accordingly not be relied upon.

Investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or other matters. You should consult your stockbroker, accountant, solicitor, independent financial adviser or other professional adviser.

Risk Factors

Investors should read and consider the section entitled "Risk Factors" before investing in the Company.

Financial Derivative Instruments

The Company may engage in transactions in Financial Derivative Instruments on behalf of a Fund either for investment purposes or for the purposes of efficient portfolio management as more particularly disclosed in this Prospectus and the Supplement for the relevant Fund.

The Company will employ a risk management process which will enable it to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Company will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to and cleared by the Central Bank. The Company will provide on request to Shareholders supplementary information relating to the risk management methods employed by the Company including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The typical investor in the Fund will be an institutional investor who understands and appreciates the risks associated with investing in Shares of such funds as the Fund. The decision to invest in the Fund should be determined by the attitude to risk, wish for income or growth, intended investment time horizon and in the context of the investor's overall portfolio. Investors should seek professional advice before making investment decisions.

Translations

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

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PENSATO CAPITAL FUNDS PLC

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DEFINITIONS

"1933 Act"	the US Securities Act of 1933, as amended
"1940 Act"	the US Investment Company Act of 1940, as amended
"Accumulation Shares"	Shares in respect of which income is accumulated and added to the capital property of a Fund.
"Administration Agreement"	the agreement dated 16 September, 2010 between the Company and the Administrator.
"Administrator"	BNY Mellon Fund Services (Ireland) Limited.
"ADRs"	American Depositary Receipts.
"Articles"	Articles of Association of the Company.
"Auditor"	Ernst & Young.
"Business Day"	in relation to any Fund, as specified in the Supplement for the relevant Fund;
"Central Bank"	the Central Bank of Ireland or any successor;
"Class"	a class of Shares in a particular Fund.
"Company"	Pensato Capital Funds PLC.
"Custodian"	BNY Mellon Trust Company (Ireland) Limited.
"Custodian Agreement"	the agreement dated 16 September, 2010 between the Company and the Custodian.
"Dealing Day"	such Business Day or Business Days for each class of Shares being not less than one each fortnight as shall be specified in the relevant Supplement for that Fund or any such other day or days as the Directors may determine and notify in advance to the Shareholders provided there is at least one per fortnight.
"Directors"	the members of the board of directors of the Company for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time.
"Distribution Agreement"	the distribution agreement dated 16 September, 2010 between the Company and the Investment Manager.
"Distribution Shares"	Shares in respect of which income is distributed periodically to Shareholders.
"Distributor"	Pensato Capital LLP.

“EEA State”	the European Economic Area States (European Union, Member States, Norway, Iceland and Liechtenstein).
“ERISA”	the US Employee Retirement Income Security Act of 1974, as amended.
“Financial Derivative Instrument”	as set out in Appendix 3 attached hereto.
“FSA”	the Financial Services Authority of the United Kingdom.
“Fund”	a sub-fund of the Company representing the designation by the Directors of a particular class of Shares as a sub-fund the proceeds of issue of which are pooled separately and invested in accordance with the investment objective and investment policies applicable to such sub-fund and which is established by the Directors from time to time with the prior approval of the Central Bank.
“Funded Total Return Swap”	means a Total Return Swap whereby an investor pays the full value or notional value of the agreed underlying reference asset on the date of entry into the Total Return Swap. On maturity the investor receives back the notional value of the underlying reference asset (which may be greater or lesser than the original notional value).
“GDRs”	Global Depositary Receipts.
“IFRS”	International Financial Reporting Standards.
“Ineligible Applicant”	an ineligible applicant as described on pages 14 and 15.
“Initial Offer Period”	the period set out by the Directors in relation to any Fund or Class of Shares as the period during which Shares are initially on offer and as specified in the relevant Supplement.
“Initial Offer Price”	the initial price payable for a Share as specified in the relevant Supplement for each Fund.
“Investment Management Agreement”	the investment management agreement dated 16 September, 2010 between the Company and the Investment Manager.
“Investment Manager”	Pensato Capital LLP.
“Ireland”	the Republic of Ireland.
“Minimum Holding”	the minimum holding for each class of Shares as specified in the relevant Supplement for each Fund.
“Minimum Additional Subscription”	the minimum additional investment for each class of Shares as specified in the relevant Supplement for each Fund.
“Minimum Subscription”	the minimum investment for each class of Shares as specified in the relevant Supplement for each Fund.

“Money Market Instruments”	instruments normally dealt in on a money market which are liquid and have a value which can be accurately determined at any time and which comply with the requirements of the Central Bank.
“Net Asset Value”	the value of the Company, a Fund or a Class (as the context may require) less the liabilities of (or attributable to) the Company, Fund or Class concerned, determined in accordance with the Articles.
“Net Asset Value per Share”	the Net Asset Value in issue in respect of any Fund divided by the number of Shares of the relevant Fund in issue in that Fund.
“Non-United States Person”	a person other than a US Person.
“OECD”	the Organisation for Economic Co-operation and Development.
“Paying Agent”	any paying agent as may be appointed by the Company.
“Performance Fee”	means the performance fee payable in respect of certain shares in a Fund to the Investment Manager as specified in the relevant Supplement for that Fund.
“Promoter”	Pensato Capital LLP.
“Recognised Exchange”	the stock exchanges or regulated markets set out in Appendix 2.
“Recognised Rating Agency”	Standard & Poor’s Rating Group (“S&P”), Moody’s Investors Services (“Moody’s”), Fitch IBCA or an equivalent rating agency as the Directors may from time to time determine.
“Redemption Price”	the price per Share at which Shares are redeemed or calculated in the manner described on page 17.
“Redemption Request Deadline”	such time in respect of any relevant Dealing Day as shall be specified in the relevant Supplement for that Fund or such other time as the Directors may determine and notify to Shareholders in advance provided always that the Redemption Request Deadline is no later than the Valuation Point.
“Share” or “Shares”	Shares of any Class in the Company issued in respect of any Fund as the context requires.
“Share Class” or “Class of Shares” or “Class”	all of the Shares issued by the Company as a particular class of Shares relating to a single Fund.
“Shareholder”	a holder of Shares in the Company.
“Subscription Price”	the price per Share at which Shares may be issued after the close of the Initial Offer Period calculated in the manner

described on page 13.

“Subscription Request Deadline”	such time in respect of any relevant Dealing Day as shall be specified in the relevant Supplement for that Fund or such other time as the Directors may determine and notify to Shareholders in advance provided always that the Subscription Request Deadline is no later than the Valuation Point.
“Supplement”	a supplement to this Prospectus specifying certain information in respect of a Fund and/or one or more Classes.
“Total Return Swap”	a type of financial derivative instrument between two parties in which each party agrees to make a series of payments to the other at regular scheduled dates, with at least one set of payments determined by the return on an agreed underlying reference asset (such as a return on an equity or equity index) and which include, in addition, any income generated on the underlying reference asset (such as dividends and/or bonus shares).
“UCITS”	an undertaking for collective investment in transferable securities established pursuant to EC Council Directive no. 85/611/EEC of 20 December 1985 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended or recast from time to time.
“UCITS Regulations”	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as may be amended) and any regulations or notices issued by the Central Bank pursuant thereto for the time being in force including the UCITS Regulations.
“Unfunded Total Return Swap”	a Total Return Swap whereby an investor does not pay the full value or notional value of the agreed underlying reference asset on the date of entry into the Total Return Swap, but instead pays a set percentage of its full value or notional value (known as margin). On maturity the investor (i) receives the gain or pays the loss of the performance of the underlying reference asset; (ii) pays an interest rate payment which is equal to the funding cost of holding the underlying reference asset during the term of the Total Return Swap; and (iii) receives back the margin amount.
“US Tax-Exempt Investor”	a US person within the meaning of the United States Internal Revenue Code of 1986, as amended, that is subject to ERISA or is otherwise exempt from payment of US Federal income tax.
“US Person”	means a person described in one or more of the following: (a) with respect to any person, any individual or entity that would be a US Person under Regulation S of the 1933 Act; (b) with respect to individuals, any US citizen or "resident alien" within the meaning of US income tax laws as in effect from time to

time; or (c) with respect to persons other than individuals: (i) a corporation or partnership created or organised in the United States or under the laws of the United States or any state; (ii) a trust where (x) a US court is able to exercise primary supervision over the administration of the trust and (y) one or more US persons have the authority to control all substantial decisions of the trust; and (iii) an estate which is subject to US tax on its worldwide income from all sources.

“Valuation Point”

the point, whether on a periodic basis or for a particular valuation, as at which the Administrator carries out a valuation of the assets of the Company or a Fund (as the case may be) for the purpose of determining the price at which Shares of a Class may be issued, cancelled or redeemed as specified in the relevant Supplement for that Fund.

In this Prospectus the words and expressions set out in the first column above shall have the meanings set out opposite them unless the context requires otherwise. All references to “Euro” and “€” are to the unit of the European single currency, all references to “US\$” and “\$” are to the currency of the United States, and all references to “Sterling” and “£” are to the currency of the United Kingdom.

THE COMPANY AND THE FUND

The Company

The Company was incorporated in Ireland on 17 February, 2010 as an investment company with variable capital structured as an umbrella fund with segregated liability between sub-funds and with limited liability under registration number 481027. The Company is authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

At the date of this Prospectus, the Company consists of the following Fund, which has been approved by the Central Bank:

Pensato Europa Absolute Return Fund

The base currency of the Fund is set out in the relevant Supplement.

Subject to the UCITS Regulations and the Articles, the Directors may establish additional Funds from time to time in respect of which a Supplement or Supplements will be issued with the prior approval of the Central Bank.

The assets of each Fund will be segregated from one another and will be invested in accordance with the investment objectives and investment policies applicable to each such Fund and as set out in the relevant Supplement. A Fund may, subject to the conditions imposed by the Central Bank, invest in collective investment schemes, including other Funds of the Company (provided that the Fund in which the investments are made does not itself hold Shares in other Funds of the Company and subject to the conditions set out in Appendix I).

The liabilities of a particular Fund (in the event of a winding up of the Company or a repurchase of the Shares in the Company or all of the Shares of any Fund) shall be binding on the Company but only to the extent of the particular Fund's assets and in the event of a particular Fund's liabilities exceeding its assets, recourse shall not be made against the assets of another Fund to satisfy any such deficit.

Shareholders of Shares denominated in a currency other than the base currency of the relevant Fund ("Non Base Currency Shares") will be subject to the risk that the value of their Non Base Currency Shares will fluctuate against the base currency shares. The Company may, in respect of the Fund in question, at the discretion of the Investment Manager, attempt to reduce or minimise the effect of fluctuations in the exchange rate on the value of the Non Base Currency Shares. However, while not the intention, over-hedged or under-hedged positions may arise due to factors outside of the control of the Company. Any profit and loss resulting from foreign exchange hedging will be allocated only to the Non Base Currency Share Class to which the specific hedge relates. Due to the foregoing, each class of Shares may differ from each other in their overall performance and their performance is likely to move in line with the performance of the underlying assets and Shareholders in a hedged class will not benefit if the Non-Base Currency Share Class falls against the base currency of the relevant Fund. The Investment Manager will limit hedging to the extent of the relevant hedged Share Class currency exposure and shall monitor such hedging on at least a monthly basis to ensure that such hedging shall not exceed 105 per cent. of the Net Asset Value of the relevant hedged Share Class and to review hedged positions in excess of 100 per cent. of the Net Asset Value of the relevant hedged Share Class to ensure that they are not carried forward from month to month. In the event that the hedging in respect of a hedged Share Class exceeds 105 per cent. of the Net Asset Value of the relevant hedged Share Class due to market movements or redemptions of Shares, the Investment Manager shall reduce such hedging appropriately as soon as possible thereafter.

Subject to the above, each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund, and within the Funds charges will be allocated between

Classes in accordance with the terms of issue of Shares of those Classes. Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the Directors in a manner which they believe is fair to the Shareholders generally. This allocation will normally be pro rata to the Net Asset Value of the relevant Funds.

The Fund and its Investment Objectives and Investment Policies

Details of the investment objective, investment policies and certain terms relating to an investment in the Fund will be set out in the relevant Supplement.

The Recognised Exchanges in which the Fund may invest are set out in Appendix 2. These stock exchanges and markets are listed in accordance with the requirements of the Central Bank, it being noted that the Central Bank does not issue a list of approved exchanges or markets.

Any alteration to the investment objectives or a material alteration to the investment policies of any Fund at any time will be subject to the prior approval in writing of all the Shareholders of the relevant Fund, or, if a general meeting of the Shareholders of such Fund is convened, by a majority of the votes cast at such meeting. Shareholders will be given at least 14 calendar days' advance notice of the implementation of any alteration to the investment objectives or investment policies in a Fund to enable them to redeem their Shares prior to such implementation.

Derivatives, global exposure and use of VaR

Where deemed appropriate, and subject to the UCITS Regulations, the Fund may enter into derivative transactions. The Fund's global exposure created through the use of Financial Derivative Instruments will be measured using either the commitment approach or using a sophisticated risk measurement technique known as "value-at-risk" (VaR) depending on the risk profile of the strategies pursued by each Fund. The commitment approach calculates global exposure by measuring the market value of the underlying exposures of Financial Derivative Instruments. VaR is a statistical methodology that predicts, using historical data, the likely maximum daily loss that a Fund could suffer, calculated to a specific (e.g. 99%) confidence level. Using a 99% confidence interval, there is, therefore, a 1% statistical chance that the daily VaR limit may be exceeded. In accordance with the requirements of the Central Bank, the Fund may use an "absolute" VaR model where the measurement of VaR is relative to the Net Asset Value of the Fund or the Fund may use a relative VaR model where the measurement of VaR is relative to a derivatives free comparable benchmark or equivalent portfolio. Where an "absolute" VaR model is used, the VaR of the Fund may not exceed 20% of the Net Asset Value of the Fund, based on a 20 day holding period and a 99% confidence interval. Where a "relative" VaR model is used, the VaR may not exceed twice the VaR of the derivatives free benchmark or equivalent portfolio. The approach to the measurement of global exposure taken in respect of each Fund will be set out in the relevant Supplement.

Classes of Shares

Several Classes of Share may be issued in respect of each Fund, distinguished, inter alia, by their criteria for subscription, redemption, minimum holding, fee structure, currency and dividend policy. The Classes of Share currently available for each Fund are set out in the relevant Supplement. Further Classes may be created in accordance with the requirements of the Central Bank.

The limits for minimum subscription for any Fund or Class of Shares may be waived or reduced at the discretion of the Directors.

Investment Restrictions

Investment of the assets of each Fund must comply with the UCITS Regulations. The investment and borrowing restrictions applying to the Company and each Fund are set out in Appendix 1. The Directors may impose further restrictions in respect of any Fund. With the exception of permitted investments in unlisted securities or in units of open-ended collective investment schemes or in over-the-counter derivative contracts, investments will be made on Recognised Exchanges. Each Fund may also hold ancillary liquid assets.

Cross-Investment

Where it is appropriate to its investment objective and policies a Fund may invest in other Funds of the Company. A Fund may only invest in another Fund if the Fund in which it is investing does not itself hold Shares in any other Fund of the Company. A Fund shall not invest in its own Shares. Where a Fund invests in the Shares of another Fund of the Company: (i) the Investment Manager will waive the initial charge which it is entitled to charge for its own account; and (ii) the Investment Manager will waive that portion of its annual Investment Management Fee in order to avoid a double charge.

Changes to the UCITS Regulations

It is intended that the Company shall have the power (subject to the prior approval of the Central Bank and any applicable restrictions imposed by any exchange on which the Shares are listed) to avail itself of any change in the investment and borrowing restrictions specified in the UCITS Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations. The Company will give Shareholders at least 14 calendar days' prior written notice of its intention to avail itself of any change which is material in nature and will comply with the requirements set out above under the heading "The Fund and its Investment Objectives and Investment Policies", if applicable.

Financial Derivative Instruments

The Fund may to the extent set out in the relevant Supplement use Financial Derivative Instruments for direct investment purposes and/or for efficient portfolio management. The Fund will use Financial Derivative Instruments for such purposes as are deemed to be of benefit to the Fund for example, increasing the yield, generating additional returns or altering the risk exposure for a given Fund. Details of some of the strategies that may be employed through the use of Financial Derivative Instruments are set out in Appendix 3.

Reports and Financial Statements

The Company's accounting period will end on 30 September in each year.

The Company will prepare an annual report and audited annual accounts within four months of the financial period to which they relate i.e. by 31 January of each year. Copies of the unaudited half yearly reports (made up to 31 March in each year) will also be prepared within two months of the end of the half year period to which they relate i.e. by 30 June of each year.

All correspondence to Shareholders will be sent at their own risk. The annual and semi-annual reports will be sent to Shareholders and the Central Bank within four months and two months respectively of the end of the period to which they relate. The most recent audited annual and unaudited semi-annual reports will be sent to any Shareholder and any potential investor upon request.

Distribution Policy

Whether Accumulation or Distribution Shares will be issued in relation to a particular Fund will be described in the relevant Supplement. Each year the general meeting of Shareholders will decide, based on a proposal from the board of Directors, for each Fund and for both Distribution and Accumulation Shares, on the use of the balance of the year's net income of the investments, from which dividends may be paid. Where applicable, a dividend will be distributed, either in cash or Shares within 2 months of the relevant annual general meeting which is expected to be held in February of each year.

The year's net income of each Fund will be spread across, on the one hand, all the Distribution Shares and on the other hand, all Accumulation Shares, in proportion of the net income corresponding to the Class of Shares in question.

The part of the year's net income corresponding to Distribution Shares will be distributed to the holders of the Distribution Shares either in cash or Shares.

The part of the year's net income corresponding to Accumulation Shares will not be paid to shareholders and instead will be capitalised in the relevant Fund for the benefit of the Accumulation Shares.

At the same time that dividends are paid in respect of Distribution Shares, the part of the net assets of the Fund to be allocated to all the Distribution Shares will be reduced by the global amount of the dividends paid out while the part of the net assets of the Fund to be allocated to all Accumulation Shares will increase.

In addition to the dividends described in the preceding paragraphs, the board of Directors may decide to make a payment of interim dividends in accordance with the requirements of the Central Bank.

Payments will be made in the base currency of a Fund or any other currency as specified in the Supplement in relation to the relevant Fund. Dividends remaining unclaimed for five years after their declaration will be forfeited and revert to the relevant Fund.

Dividends may be declared separately in respect of each Fund by a resolution of the Shareholders of the Fund concerned at the annual general meeting of Shareholders.

Publication of Net Asset Value per Share

The most up-to-date Net Asset Value per Share will be published on www.ft.com/funds and will be published on Bloomberg and will be updated following each calculation of Net Asset Value. In addition, the Net Asset Value per Share may be obtained free of charge from, and will be available at, the offices of the Administrator or the Investment Manager during normal business hours.

DIRECTORS

Directors Functions

The Directors are responsible for the overall management and control of the Company in accordance with the Articles. The Directors review the operations of the Company at regular meetings and it is the current intention of the Directors to meet at least quarterly. For this purpose, the Directors receive periodic reports from the Investment Manager detailing the performance of the Company and the Fund and providing an analysis of the investment portfolios. The Investment Manager provides such other information as may from time to time be reasonably required by the Directors for the purpose of such meetings.

Directors of the Company

Paul Carroll

Paul Carroll is an Irish solicitor and is a former partner at A&L Goodbody, a leading corporate practice in Dublin, with a significant international client base. Mr. Carroll joined the firm in 1980, following a law degree from Trinity College Dublin and was the Managing Partner from 2001 until April 2010. He has specialised in particular in mergers and acquisitions and in advising a domestic and international client base on a range of corporate issues.

Glen MacMullin

Glen MacMullin is currently a Senior Vice President, Asset Management with Minto Group, Inc, an Ottawa based real estate development, construction and management company, since 2008. From 2004 to 2008, Mr. MacMullin was Managing Director and Chief Executive Officer of Xavier Sussex LLC, a New York based private equity firm affiliated with Deutsche Bank. From 2001 to 2003, Mr. MacMullin was a Director and Chief Operating Officer with DB Advisors, LLC, a multi-billion dollar hedge fund group based in New York and wholly owned by Deutsche Bank. Previously, he was Head of Investment Funds for Deutsche Bank Offshore in the Cayman Islands. He began his career in public accounting with Coopers & Lybrand (now PwC) in Canada and KPMG in the Cayman Islands. Mr. MacMullin holds a BBA in Accounting from St. Francis Xavier University in Canada and is a member of the Canadian Institute of Chartered Accountants.

Heinz Saner

Heinz Saner was one of the founding partners of NZB Neue Zürcher Bank, where he worked from 2000 until May 2008. Mr. Saner worked at Lombard Odier & Cie from 1997 to 2000, where he was responsible for building up the brokerage business. Mr. Saner was head of the sales team for brokerage in Switzerland at the Bank Sal. Oppenheim jr. & Cie, where he worked from 1991 to 1997. Prior to this, Mr. Saner worked for 10 years for the Swiss National Bank before moving to DG Bank (Switzerland) in Zurich. Mr. Saner holds a master of business administration from the College of Higher Vocational Education Diploma in Business Administration in Switzerland and a business degree from Wirtschafts-und Kaderschule KV in Switzerland.

Paddy Shanahan

Paddy Shanahan has been a non-executive partner of Pensato Cayman LP and Pensato Capital LLP since January 2008. Mr. Shanahan has also been a non-executive Director for Pilot View Capital since March 2006. Mr. Shanahan was a Managing Director in the Global Equities Division of Deutsche Bank New York from 2000 to 2003. Prior to joining Deutsche Bank in 2000, he was CEO of SGEEM (Holdings Ltd), an investment banking and asset management company he

founded in 1994 focused on European emerging markets. Previously he worked for over 18 years in both New York and London in a senior management capacity for Drexel Burnham Lambert, Cresvale Ltd, Arnhold & S.Bleichroeder and EF Hutton. Mr. Shanahan holds a B.Comm. from University College Dublin.

David Watson

Prior to joining Pensato Capital LLP as Chief Operating Officer, Mr. Watson was Chief Operating Officer at Collier Capital, a leading private equity secondaries firm. Prior to that, Mr. Watson had pursued a career in corporate finance with a specific focus on the Nordic region for some 15 years gaining significant experience in the management and development of businesses in the financial services sector. Mr. Watson read law at Cambridge then qualified as a chartered accountant with Price Waterhouse (now PWC).

All the Directors act in a non-executive capacity. For the purposes of this Prospectus, the address of each of the Directors is the registered office of the Fund.

The Secretary of the Company is Tudor Trust Limited.

INVESTMENT MANAGER, DISTRIBUTOR AND PROMOTER

Details of Investment Manager, Distributor and Promoter

The Company has delegated the performance of discretionary investment management of the Fund to Pensato Capital LLP. Pensato Capital LLP was incorporated as a limited liability partnership in England and Wales on 14 December 2007 and is authorised and regulated by the FSA.

Based in London, the Investment Manager manages the Pensato Europa Fund Limited. The Investment Manager also acts as Promoter of the Company.

Appointment of Investment Manager

The Investment Manager was appointed pursuant to the Investment Management Agreement. Under the Investment Management Agreement, the Investment Manager has full discretion (subject to the control of and review by the Directors) to invest the assets of the Fund in pursuit of the investment objective and policy described in each Supplement and subject to the investment restrictions.

The Company has also appointed the Investment Manager, pursuant to a Distribution Agreement, to act as a non-exclusive distributor to solicit subscriptions for Shares with power to appoint sales agents.

The Investment Manager (and/or its members, employees, related entities and connected persons) may subscribe, directly or indirectly, for Shares (and/or Management Shares).

THE ADMINISTRATOR

The Company has appointed BNY Mellon Fund Services (Ireland) Limited to act as administrator, registrar and transfer agent of the Company with responsibility for performing the day to day administration of the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share of each Fund. The Administrator is a private limited company incorporated in Ireland on 31st May 1994 and is engaged in the provision of fund administration, accounting, registration, transfer agency and related shareholders services to collective investment schemes

and investment funds. The Administrator is authorised by the Central Bank under the Investment Intermediaries Act, 1995.

The Administrator is a wholly-owned indirect subsidiary of The Bank of New York Mellon Corporation. BNY Mellon is a global financial services company focused on helping clients manage and service their financial assets, operating in 36 countries and serving more than 100 markets. BNY Mellon is a leading provider of financial services for institutions, corporations and high-net-worth individuals, offering superior investment management and investment services through a worldwide client-focused team. It has \$26.3 trillion in assets under custody and administration and \$1.3 trillion in assets under management, services \$11.8 trillion in outstanding debt and processes global payments averaging \$1.7 trillion per day. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation. Additional information is available at www.bnymellon.com and through Twitter @bnymellon.com.

THE CUSTODIAN

The Company has appointed BNY Mellon Trust Company (Ireland) Limited to act as the Custodian to the Company. The Custodian is a private limited liability company incorporated in Ireland on 13th October 1994. The principal activity of the Custodian is to act as the custodian and trustee of the assets of collective investment schemes. The Custodian is authorised by the Central Bank under the Investment Intermediaries Act, 1995.

The Custodian is a wholly-owned indirect subsidiary of The Bank of New York Mellon Corporation. Details of The Bank of New York Mellon Corporation are set out above under the section headed "The Administrator".

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

PAYING AGENTS

Local laws/regulations in EEA Member States may require the appointment of paying agents / representatives / distributors / correspondent banks and maintenance of accounts by such paying agents through which subscription and redemption monies or distributions may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or distributions via an intermediate entity rather than directly to or from the Administrator (e.g. a paying agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator for the account of the Company or the relevant Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder. Fees and expenses of paying agents appointed by the Company on behalf of a Sub-Fund which will be at normal commercial rates will be borne by the Company or the Fund in respect of which a paying agent has been appointed.

SUBSCRIPTIONS

Initial Offer

Shares in the Company may be subscribed for during the Initial Offer Period at the Initial Price and will be issued for the first time on the first Business Day following the close of the Initial Offer Period. The Directors may extend or shorten the Initial Offer Period at their discretion. Any such extension or shortening of the Initial Offer Period will be notified to the Central Bank in accordance with its requirements.

Cleared funds must be received prior to the end of the Initial Offer Period.

Subsequent Subscriptions

Following the close of the Initial Offer Period, Shares will be available for subscription at the Subscription Price on each Dealing Day on a forward pricing basis (see below under "Procedure"). The Subscription Price will be equal to the Net Asset Value per Share as at the relevant Valuation Point. The Investor may also be required to pay an initial charge on such a subscription for Shares as set out in "Fees and Expenses".

The Directors are authorised from time to time to resolve to close a Fund or any Class of Shares to new subscriptions on such basis and on such terms as the Directors may in their absolute discretion determine.

Procedure

Applicants for Shares during the Initial Offer Period should complete and sign an application form which may be obtained from the Administrator and send it to the Administrator, together with any information required in respect of anti-money laundering requirements as detailed in the application form, by mail or by facsimile so as to be received by the Administrator no later than 5.00 p.m. (Dublin time) on the last day of the Initial Offer Period. If an application form is sent by facsimile, the original application form (and supporting documentation in relation to money laundering prevention checks) must be received by the Administrator promptly thereafter. Cleared funds in the relevant currency in respect of the subscription monies must be received by the Administrator no later than 5.00 p.m. (Dublin time) on the last day of the Initial Offer Period. If the relevant application form and/or subscription monies is/are not received by these times, the application will be held over until the first Dealing Day after the close of the Initial Offer Period and Shares will then be issued at the relevant Subscription Price on that Dealing Day.

Thereafter, applicants for Shares, and Shareholders wishing to apply for additional Shares, must send their completed and signed application form by mail or by facsimile to the Administrator so as to be received before the relevant Subscription Request Deadline, together with any information required in respect of anti-money laundering requirements as detailed in the application form. If an application form is sent by facsimile, the original application form (and supporting documentation in relation to money laundering prevention checks) must be received by the Administrator promptly thereafter. Applications accepted prior to the Subscription Request Deadline for any particular Dealing Day will be processed on that Dealing Day. Cleared funds in the relevant currency in respect of the subscription monies must be received by the Administrator as outlined in the relevant Supplement. Any applications received after the Subscription Request Deadline for a particular Dealing Day will be processed on the following Dealing Day unless the Directors in their absolute discretion otherwise determine to accept one or more applications received after the Subscription Request Deadline for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for that particular Dealing Day.

Fractions of Shares to two decimal places will be issued if necessary. Interest on subscription monies will accrue to the Company.

The Company reserves the right to reject any application in whole or part at its absolute discretion, in which event the amount paid on application or the balance thereof (as the case may be) will be returned (without interest) as soon as practicable in the relevant currency at the risk and cost of the applicant.

The Administrator will issue a written confirmation via e-mail to successful applicants confirming acceptance of their application. A contract note will be issued to applicants once the Net Asset Value for the relevant Dealing Day is finalised and the Shares have been allocated. Once completed applications have been received by the Administrator, they are irrevocable.

The Company and/or the Administrator reserve the right to ask for the production of original documents or other information to authenticate the communication and to require communications to be re-sent in the event that such communication has not been properly received or has been corrupted. Facsimiles sent to the Administrator will be acknowledged by the Administrator. In the event that no acknowledgement is received from the Administrator within five (5) Business Days of submission of the request, the Applicant should contact the Administrator on telephone number + 353 1 790 3555 to confirm receipt by the Administrator of the request. The Applicant must use the form of document provided by the Administrator/Company in respect of subscriptions, redemptions, exchanges or transfers, unless such condition is waived by the Company in agreement with the Administrator. Subject thereto, Shares are deemed to be issued on the relevant Dealing Day.

An initial fee of up to 5 per cent of the Subscription Price may be payable by applicants for Shares at the discretion of the Directors.

Minimum Investment

The Minimum Holding, the Minimum Subscription and the Minimum Additional Subscription for each Class in respect of each Fund are set out in the relevant Supplement.

Ineligible Applicants

The application form requires each prospective applicant for Shares to represent and warrant to the Company that, among other things, it is able to acquire and hold Shares without violating applicable laws.

In particular, the Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantage which the Company might not otherwise incur or suffer, or would result in the Company being required to register under any applicable US securities laws

Shares may generally not be issued or transferred to any US Person, except that the Directors may authorise the issue or transfer of Shares to or for the account of a US Person provided that:

- (a) such US Person certifies that it is an “accredited investor” and a “qualified purchaser”, in each case as defined under applicable US federal securities laws;
- (b) such issue or transfer does not result in a violation of the 1933 Act or the securities laws of any of the states of the United States;

- (c) such issue or transfer will not require the Company to register under the 1940 Act or to file a prospectus with the US Commodity Futures Trading Commission or the US National Futures Association pursuant to regulations under the US Commodity Exchange Act ;
- (d) such issue or transfer will not cause any assets of the Fund to be “plan assets” for the purposes of ERISA; and
- (e) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or its Shareholders as a whole.

Each applicant for, and transferee of, Shares who is a US Person will be required to provide such representations, warranties or documentation as may be required by the Directors to ensure that these requirements are met prior to the issue or the registration of any transfer of Shares. If the transferee is not already a Shareholder, it will be required to complete the appropriate application form.

Form of Shares

All the Shares will be registered Shares and will only be issued in bookstock form, meaning that a Shareholder’s entitlement will be evidenced by an entry in the Company’s register of Shareholders, as maintained by the Administrator, and not by a share certificate.

Suspension

The Directors may declare a suspension of the issue of Shares in certain circumstances as described under “Suspension of Valuation of Assets” in the section “General Information”. No Shares will be issued during any such period of suspension.

Anti-Money Laundering

Measures aimed at the prevention of money laundering will, subject as set out below, require an applicant for Shares to verify its identity and/or the source of funds to the Administrator. Depending on the circumstances of each application, the Administrator may accept as partial or complete verification of identity or of the source of funds evidence that the application is made either through a regulated financial intermediary or by a regulated financial institution, provided that in each case such intermediary/institution is domiciled in a country which has been prescribed by the Irish Minister for Justice as having anti-money laundering regulations in place equivalent to those in force in Ireland.

By way of example an individual will be required to produce a copy of a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in his country of residence, together with two items of evidence of his address such as a utility bill or bank statement (but not a mobile telephone bill). In the case of corporate applicants this may require production of a certified copy of the Certificate of Incorporation (and any change of name) and of the Memorandum and Articles of Association (or equivalent), and of the names and residential and business addresses of all directors and beneficial owners.

The details given above are by way of example only and, regardless of the material produced by an applicant or its representatives, the Administrator will request such additional information and documentation as it, in its absolute discretion, considers necessary to fully verify the identity or source of funds of an applicant and to establish the circumstances of the application. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to accept the application and the subscription monies relating thereto, in which case the subscription monies may be returned without interest to the account from which the monies were originally debited, subject to any advice or request from the relevant

authorities that the subscription monies should be retained pending any further directions from them or the Administrator may refuse to withhold payment of a redemption request until full information has been provided, in each case without any liability whatsoever on the part of the Company, the Administrator or any service provider to the Company.

Each applicant for Shares acknowledges that the Company and the Administrator shall be held harmless against any loss arising as a result of a failure to process its application for Shares if such information and documentation as has been requested by the Administrator has not been provided by the applicant.

Each applicant for Shares will be required to make such representations as may be required by the Directors in connection with anti-money laundering programmes, including, without limitation, representations that such applicant is not a prohibited country, territory, individual or entity listed on the United States Department of Treasury's Office of Foreign Assets Control ("OFAC") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list, including the List of Specially Designated Nationals and Blocked Persons administered by OFAC, as such list may be amended from time to time, or prohibited by any OFAC sanctions programmes. Each applicant will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene United States federal or state, or international, laws and regulations, including anti-money laundering laws and regulations.

Data Protection

Applicants for Shares should note that by completing the application form they are providing personal information to the Company and its delegates, which may constitute personal data within the meaning of data protection legislation in Ireland. This data will be used for the purposes of client identification, administration, statistical analysis, market research, to comply with any applicable legal or regulatory requirements and, if an applicant's consent is given, for direct marketing purposes. Data may be disclosed to third parties including regulatory bodies, delegates, advisers and service providers to the Company and their duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified. By signing the application form, applicants for Shares consent to the obtaining, holding, use, disclosure and processing of data for any one or more of the purposes set out in the application form. Shareholders have a right to obtain a copy of their personal data kept by the Company on payment of a fee and the right to rectify any inaccuracies in personal data held by the Company.

REDEMPTIONS

Shares will be redeemable at the option of the Shareholder on each Dealing Day.

Shareholders should send a completed redemption request in the form available from the Administrator to be received by the Administrator before the relevant Redemption Request Deadline for any Dealing Day as outlined in the relevant Supplement, failing which the redemption request will be held over until the next following Dealing Day unless the Directors in their absolute discretion determine otherwise and Shares will be redeemed at the relevant Redemption Price applicable on that Dealing Day. Completed redemption requests may be submitted by facsimile, with the original to be received by the Administrator promptly thereafter.

No redemption payment will be made until the signed original redemption request has been received by the Administrator.

No redemption payment may be made until the original subscription application form has been received and all the documentation required by the Company (including any documents in connection with anti-money laundering procedures) and the anti-money-laundering procedures have been completed.

A request for a partial redemption of Shares may be refused, or the holding redeemed in its entirety, if, as a result of such partial redemption, the Net Asset Value of the Shares retained by the Shareholder would be less than the Minimum Holding.

A redemption request, once given, is irrevocable save with the consent of the Directors (which may be withheld in their discretion).

Redemption Price

The Redemption Price per Share will be equal to the Net Asset Value per Share as at the relevant Valuation Point less any redemption charge as set out in the Supplement for each Fund.

Settlement

Payment of redemption proceeds will be made as soon as practicable after the relevant Dealing Day and in any event within 10 Business Days of the relevant Redemption Request Deadline. Payment will be made in the currency of denomination of the Shares being redeemed by direct transfer in accordance with instructions given by the redeeming Shareholder to the Administrator and at the Shareholder's risk and expense. As mentioned above, no payments will be made until the original redemption request has been received by the Administrator.

Suspension

The Directors may declare a suspension of the redemption of Shares in certain circumstances as described under the heading "Suspension of Valuation of Assets" in the section "General Information". No Shares will be redeemed during any such period of suspension.

Compulsory Redemptions

The Directors have the right to require the compulsory redemption of all or part of the Shares held by or for the benefit of a Shareholder if the Directors determine that the Shares are held by or for the benefit of any Shareholder who is or becomes an Ineligible Applicant as described under "Subscriptions". The Company also reserves the right to require compulsory redemption of all Shares held by a Shareholder if the Net Asset Value of the Shares held by the Shareholder is less than the Minimum Holding. Where the Net Asset Value of the Shares held by a Shareholder

is less than the Minimum Holding and the Company decides to exercise its right to compulsorily redeem, the Company will notify the Shareholder in writing and allow such Shareholder 30 calendar days to purchase additional Shares to meet the minimum requirement. The Company also reserves the right to require compulsory redemption of all Shares where the Directors at any time and in their absolute discretion resolve that it would be in the best interests of the Shareholders to wind up the Company. The Secretary shall, at the Directors' request, convene an extraordinary general meeting of the Company where a proposal to appoint a liquidator to wind up the Company shall be presented and, if so appointed, the liquidator shall distribute the assets of the Company in accordance with the Articles. Notwithstanding the above, the Directors also have the right to compulsorily redeem all or part of the Shares held by or for the benefit of a Shareholder at any time for any or no reason by giving notice in writing to the Shareholders.

Deferred Redemptions

Subject to any statement to the contrary in respect of a particular Fund in the relevant Supplement, the Directors may defer redemptions at a particular Dealing Day to the next Dealing Day where the requested redemptions exceed 10 per cent. of a Fund's Net Asset Value. The Directors will ensure the consistent treatment of all Shareholders who have sought to redeem Shares at any Dealing Day at which redemptions are deferred. The Directors will pro-rate all such redemption requests to the stated level (i.e. 10 per cent. of the Fund's Net Asset Value) and will defer the remainder until the next Dealing Day. The Directors will also ensure that all deals relating to an earlier Dealing Day are completed before those relating to a later Dealing Day are considered.

The Directors currently expect not to exercise such power to defer redemptions except to the extent that they consider that existing Shareholders would otherwise be materially prejudiced or that such exercise is necessary to comply with applicable law or regulation.

In-Specie Redemptions

The Directors may, at the discretion of the Company and with the consent of the individual Shareholder concerned, satisfy any request for redemption of Shares by the transfer in specie to the Shareholder concerned of assets of the relevant Fund having a value equal to the Redemption Price for the Shares redeemed as if the redemption proceeds were paid in cash less any redemption charge and other expenses of the transfer. The Directors shall determine the nature and type of assets to be transferred to the Shareholder (subject to the approval of the Custodian as to the asset allocation) on such basis as they, in their absolute discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders in the relevant Fund or Class.

Anti-Money Laundering

Investors should note that the Directors may refuse to settle a redemption request if it is not accompanied by such additional information as they, or the Administrator on their behalf, may reasonably require. This power may, without limitation to the generality of the foregoing, be exercised where proper information has not been provided for anti-money laundering verification purposes as described under "Subscriptions".

EXCHANGING BETWEEN FUNDS OR CLASSES

Except when issues and redemptions of Shares have been suspended in the circumstances described under "Suspension of Valuation of Assets" in the section "General Information" and subject to the discretion of the Directors, holders of Shares may request an exchange of some or all of their Shares in one Class or Fund ("the Original Class") to Shares in another Class or Fund (the "New Class"). Such exchanges can only take place, if following the exchange, the Shareholder's holding in the New Class will satisfy the Minimum Subscription and Minimum Holding requirements and other criteria of that Class or Fund.

A Share exchange will be effected by way of a redemption of Shares of one Class or Fund (and thus will result in the payment of Performance Fee accrued in respect of such Shares, if any) and a simultaneous subscription (at the most recent Subscription Price) for Shares of the other Class or Fund and, accordingly, the general provisions and procedures relating to redemptions and subscriptions of Shares will apply. Redemption proceeds will be converted into the other currency at the rate of exchange available to the Administrator and the cost of conversion will be deducted from the amount applied in subscribing for Shares of the other Class.

The Articles authorise the Directors to charge a fee on the exchange of Shares in any Class or Fund for Shares in another Class or Fund up to a maximum of 5 per cent. of Net Asset Value of Shares in the original Fund. No exchange fee will be payable on the first exchange of Shares between Classes in any one Fund or for Shares in another Fund in any period of twelve months. However, an exchange fee of 1 per cent of the redemption proceeds of the Class of Shares which is being exchanged for another Class of Shares in that Fund or for Shares in another Fund will be payable on each exchange thereafter. The redemption proceeds of the Class of Shares which is being exchanged will be reduced by the amount of the exchange fee and the net amount applied in subscribing for Shares of the other Class or Fund. The Directors may waive the payment of the exchange fee or increase the amount of the exchange fee (up to a maximum of 5 per cent. of the Net Asset Value of the Shares) at their discretion. The exchange fee will be retained by the Fund from which the Shares are being redeemed.

Shareholders should send a completed exchange request in the form available from the Administrator to be received by the Administrator prior to the earlier of the Redemption Request Deadline for redemptions in the Original Class and the Subscription Request Deadline for subscriptions in the New Class. Any applications received after such time will be dealt with on the next Dealing Day, unless the Directors in their absolute discretion otherwise determine. Exchange requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

Fractions of Shares to two decimal places may be issued by the Company on exchange where the value of Shares exchanged from the Original Class is not sufficient to purchase an integral number of Shares in the New Class and any balances representing entitlements of less than a fraction of a Share to two decimal places will be retained by the Company in order to discharge administration costs.

An exchange request, once given, is irrevocable save with the consent of the Directors (which may be withheld in their discretion) or in the event of a suspension of calculation of the Net Asset Value of the Company in respect of which the exchange requests are made.

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

$$S = \frac{R \times NAV \times ER}{SP}$$

SP

where

S is the number of Shares of the New Class to be allotted.

R is the number of Shares in the Original Class to be redeemed.

NAV is the Net Asset Value per Share of the Original Class as at the relevant Valuation Point for the relevant Dealing Day.

ER is the currency exchange factor (if any) as determined by the Administrator as representing the effective rate of exchange of settlement on the relevant Dealing Day applicable to the transfer of assets between the relevant Funds or Classes where the base currencies are different or, where the base currencies are the same, $ER = 1$.

SP is the Net Asset Value per Share of the New Class as at the relevant Valuation Point for the relevant Dealing Day.

VALUATION

Net Asset Value and Valuation of Assets

The Net Asset Value of each Fund will be calculated by the Administrator as at the Valuation Point for each Dealing Day in accordance with the Articles. The Net Asset Value of a Fund shall be determined as at the Valuation Point for the relevant Dealing Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund. The Net Asset Value attributable to a Class shall be determined as at the Valuation Point for the relevant Dealing Day by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant Class as at the Valuation Point by reference to the number of Shares in issue in each Fund or Class on the relevant Dealing Day subject to adjustment to take account of assets and/or liabilities attributable to the Fund or Class.

The Net Asset Value of a Fund will be expressed in the base currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case.

The Net Asset Value per Share shall be calculated as at the Valuation Point for each Dealing Day by dividing the Net Asset Value of the relevant Fund or attributable to a Class by the total number of Shares in issue or deemed to be in issue in the Fund or Class at the relevant Valuation Point and rounding the resulting total to two decimal places or such number of decimal places as the Directors may determine.

In determining the value of the assets of the Company:

- (A) Securities which are quoted, listed or traded on a Recognised Exchange save as hereinafter provided at (D), (E), (F), (G) and (H) will be valued at last traded market prices. Where a security is listed or dealt in on more than one Recognised Exchange the relevant exchange or market shall be the principal stock exchange which constitutes the main market for such security or the one which the Directors in their sole discretion determine provides the fairest criteria in ascribing a value to such security. Investments listed or traded on a Recognised Exchange, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount on the Valuation Point provided that the Custodian shall be satisfied that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.
- (B) The value of any security which is not quoted, listed or dealt in on a Recognised Exchange or which is so quoted, listed or dealt in but for which no such quotation or value is available or the available quotation or value is not representative will be valued at its probable realisation value as determined by the Directors, or by a competent person appointed by the Directors and approved for such purpose by the Custodian, with care and in good faith.
- (C) Cash on hand or on deposit will be valued at its nominal / face value plus accrued interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (D) Derivative contracts traded on a regulated market shall be valued at the settlement price on the relevant market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the Directors or the Investment Manager or (ii) a competent person, firm or corporation selected by the Directors and approved for the purpose by the Custodian or (iii) any other means provided that the value is approved by the Custodian.

- (E) Derivative contracts which are traded 'over-the-counter' will be valued daily either (i) on the basis of a quotation provided by the relevant counterparty and such valuation shall be approved or verified at least weekly by a party who is approved for the purpose by the Custodian and who is independent of the counterparty; or (ii) using an alternative valuation provided by a competent person appointed by the Directors and approved for the purpose by the Custodian or a valuation by any other means provided that the value is approved by the Custodian (the "Alternative Valuation"). Where such Alternative Valuation method is used the Company will follow international best practice and adhere to the principles on valuation of "over-the-counter" instruments established by bodies such as the International Organisation of Securities Commissions or the Alternative Investment Management Association and will be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained.
- (F) Forward foreign exchange contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market or by reference to freely available market quotations.
- (G) Notwithstanding paragraph (A) above units in collective investment schemes shall be valued at the latest available net asset value per unit or bid price as published by the relevant collective investment scheme or, if listed or traded on a Recognised Exchange, in accordance with (A) above.
- (H) The Directors may value money market instruments using the amortised cost method of valuation in accordance with the requirements of the Central Bank.
- (I) The Directors may adjust the value of any investment if having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof.
- (J) Any value (whether of an investment or cash) expressed otherwise than in the base currency of the relevant Fund shall be converted into the base currency of the relevant Fund at the rate (whether official or otherwise) which the Directors in their absolute discretion deem applicable on the relevant Valuation Point, having regard, among other things, to any premium or discount which they consider may be relevant and to costs of exchange.
- (K) Where the value of any investment is not ascertainable as described above, the value shall be the probable realisation value estimated by the Directors with care and in good faith or by a competent person appointed by the Directors and approved for the purpose by the Custodian.
- (L) If the Directors deem it necessary a specific investment may be valued under an alternative method of valuation chosen by the Directors and approved by the Custodian.

In calculating the Net Asset Value of each Fund the following principles will apply:

- (A) in determining the value of investments of each Fund the Directors may at their discretion instead value the investments of each Fund at lowest market dealing bid prices where on any Dealing Day the value of all redemption requests received exceeds the value of all applications for Shares received for that Dealing Day or at highest market dealing offer prices where on any Dealing Day the value of all applications for Shares received for that Dealing Day exceeds the value of all redemption requests received for that Dealing Day, in each case in order to preserve the value of the Shares held by existing Shareholders.

- (B) every Share agreed to be issued by the Directors with respect to each Dealing Day shall be deemed to be in issue at the Valuation Point for the relevant Dealing Day and the assets of the Fund shall be deemed to include not only cash and property in the hands of the Custodian but also the amount of any cash or other property to be received in respect of Shares agreed to be issued after deducting therefrom (in the case of Shares agreed to be issued for cash) or providing for initial charges.
- (C) where investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such investments shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed unless the Directors have reason to believe such purchase or sale will not be completed.
- (D) there shall be added to the assets of the relevant Fund any actual or estimated amount of any taxation of a capital nature which may be recoverable by the Company which is attributable to that Fund.
- (E) there shall be added to the assets of the relevant Fund a sum representing any interest, dividends or other income accrued but not received and a sum representing unamortised expenses.
- (F) there shall be added to the assets of the relevant Fund the total amount (whether actual or estimated by the Directors or their delegate) of any claims for repayment of any taxation levied on income or capital gains including claims in respect of double taxation relief;
- (G) where notice of the redemption of Shares has been received by the Company with respect to a Fund for a particular Dealing Day and the cancellation of such Shares has not been completed, the Shares to be redeemed shall be deemed not to be in issue at the Valuation Point and the value of the assets of the Fund, as at the Valuation Point, shall be deemed to be reduced by the amount payable upon such redemption.
- (H) there shall be deducted from the assets of the Fund:
 - (1) the total amount of any actual or estimated liabilities properly payable out of the assets of the Fund including any and all outstanding borrowings of the Fund, interest, fees and expenses payable on such borrowings and any estimated liability for tax and such amount in respect of contingent or projected expenses as the Directors consider fair and reasonable as of the relevant Valuation Point;
 - (2) such sum in respect of tax (if any) on income or capital gains realised on the investments of the Company or Fund as in the estimate of the Directors will become payable;
 - (3) the amount (if any) of any distribution declared but not distributed in respect thereof;
 - (4) the remuneration of the Administrator, the Custodian, the Investment Manager, the Distributor and any other providers of services to the Fund accrued but remaining unpaid together with a sum equal to the value added tax chargeable thereon (if any);
 - (5) the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable out of the assets of the Fund (including all establishment, operational and ongoing administrative fees, costs and expenses) as of the relevant Valuation Point;

- (6) an amount as of the relevant Valuation Point representing the projected liability of the Fund in respect of costs and expenses to be incurred by the Fund in the event of a subsequent liquidation;
- (7) an amount as of the relevant Valuation Point representing the projected liability of the relevant calls on Shares in respect of any warrants issued and/or options written by the Fund or Class of Shares; and
- (8) any other liability which may properly be deducted.

In the absence of negligence, fraud or wilful default, every decision taken by the Directors or any committee of the Directors or by the Investment Manager or any duly authorised person on behalf of the Company in calculating the Net Asset Value of a Class or the Net Asset Value per Share shall be final and binding on the Company and on present, past or future Shareholders.

FEES AND EXPENSES

Any fees or expenses payable by a Shareholder or out of the assets of the Company are set out in this section.

Initial Charge

The Investment Manager is permitted to make an initial charge on the sale of Shares to an investor. The current percentage rates of charge are shown in the relevant Supplement for each Fund. The maximum amount for such initial charge will be 5 per cent. of the value of the relevant subscription.

Redemption Charge

The Investment Manager is permitted to make a redemption charge on the redemption of Shares by an investor. The current percentage rates of charge are shown in the relevant Supplement for each Fund. The charge is calculated prior to the addition of any dilution levy, as set out in the relevant Supplement. The maximum amount for such redemption charge will be 3 per cent. of the aggregate Net Asset Value of the Shares being redeemed.

Investment Management Fee and Performance Fee

The Investment Manager will receive from the Company an Investment Management Fee the details of which are set out in the relevant Supplement for each Fund.

The Investment Manager shall also be entitled to be repaid all of its disbursements out of the assets of the Company, including legal fees, couriers' fees and telecommunication costs and expenses which shall be at normal commercial rates together with VAT, if any, thereon.

The Investment Manager may also be entitled to receive a Performance Fee from the Company, the details of which are set out in the relevant Supplement for each Fund.

The Investment Manager may from time to time, and at its sole discretion, and out of its own resources decide to return to intermediaries and/or Shareholders part or all of the Investment Management Fee and/or Performance Fee. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash.

Paying Agents' Fees

Fees and expenses of any paying agent(s) appointed by the Company, which will be at normal commercial rates, will be borne by the Company.

Administrator's Fees

The Company shall pay to the Administrator out of the assets of the Company an annual fee, accrued at each Valuation Point and payable in arrears the details of which are set out in the relevant Supplement for each Fund.

Custodian's Fees

The Company shall pay to the Custodian out of the assets of the Company an annual fee, accrued at each Valuation Point and payable in arrears the details of which are set out in the relevant Supplement for each Fund.

Directors' Fees

The Articles of the Company provide that the remuneration of the Directors shall be determined by a resolution of the Directors. Currently, the Directors are entitled to an annual fee of €10,000 each. David Watson has agreed to waive his entitlement to receive a fee. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.

Operating Expenses and Fees

The Company bears its own operating and other expenses. Where applicable, these expenses include (but are not limited to) (a) all investment expenses, (b) all fees and expenses of transactional and trade-related services including, for the avoidance of doubt and without limitation and costs incurred in arranging and stocklending programme, (c) all administrative expenses, (d) all of the charges and expenses of legal advisers, accountants and auditors, (e) all brokers' commissions, all fees for investment research and/or trade ideas, all borrowing charges on short positions taken through Financial Derivative Instruments and any issue or transfer taxes or stamp duties chargeable in connection with securities transactions, (f) all taxes and corporate fees payable to governments or agencies, (g) all interest on borrowings (h) all communication expenses with respect to investor services and all expenses of meetings of Shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (i) all of the costs of insurance for the benefit of the Directors (if any), (j) all litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (k) the fees of the Central Bank, (l) the cost of termination of the Company or any Fund, (m) the fees and expenses of any regulator, paying agent, representative, distributor or correspondent bank appointed in connection with the registration of the Company (or any Fund) or the marketing of Shares in any jurisdiction (including legal fees and translation costs), and (n) all other organisational and operating expenses.

Any such expenses may be deferred and amortised by the Company, in accordance with standard accounting practice, at the discretion of the Directors. An estimated accrual for operating expenses of the Company will be provided for in the calculation of the Net Asset Value of the Company. Operating expenses and the fees and expenses of service providers which are payable by the Company shall be borne by all Shares in proportion to the Net Asset Value of the Company or attributable to the relevant Class provided that fees and expenses directly or indirectly attributable to a particular Class shall be borne solely by the relevant Class.

Allocation of Assets, Charges and Expenses

All fees, duties, charges and expenses are charged to the relevant Fund in which they were incurred.

Costs of Establishment

As at 1 October 2011, the remaining total costs and expenses of establishing the Company, including the Fund, are estimated to be approximately €125,000 and will be payable and borne by the Company. These costs and expenses may at the discretion of the Directors be amortised on a straight-line basis over a period of up to 2 years from 1 October 2011. The Directors may, in their absolute discretion, shorten the period over which such costs and expenses are amortised. These establishment expenses are being charged as between the various Funds established by the Company within the amortisation period on such terms and in such manner as the Directors (with the consent of the Custodian) deem fair and equitable and provided that each Fund bears its own direct establishment costs and costs of listing its Shares on any stock exchange. It is expected that such accounting treatment will not be material to the financial statements of the

Company. If the effect of the accounting treatment becomes material in the future and there is a requirement to write off any unamortised balance of establishment expenses in the financial statement, the Directors will reconsider this policy.

Dilution Levy

A Fund may suffer dilution (reduction) in the value of its property as a result of the costs incurred in dealing in its underlying investments and of any spread between the buying and selling prices of these investments. As dilution is directly related to the inflows and outflows in respect of the relevant Fund, it is not possible to predict accurately whether dilution will occur at any point in time and consequently it is also not possible to predict accurately how frequently the Company will need to make a dilution levy to mitigate the effects of dilution.

In calculating the subscription or redemption price for a Fund the Directors may on any Dealing Day when there are net subscriptions or redemptions, add (in the case of net redemptions) or deduct (in the case of net subscriptions) a dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Fund and any such dilution levy will be shown in addition to the subscription or redemption price.

In cases where a dilution levy is made the value of the capital of the property of a Fund will not be adversely affected by dilution. If charged, the dilution levy will be shown in addition to (but not part of) the price of Shares on their issue by the Company and as a deduction to (but not part of) the price of their Shares on their cancellation or redemption by the Company. The dilution levy will either be paid into the relevant Fund in the case of an issue of shares by the Company or retained in the Fund in the case of a cancellation or redemption of Shares by the Company.

The need to charge a dilution levy will depend on the volume of net purchases or redemptions, as described below. The Company may charge a discretionary dilution levy on any purchase or redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or continuing Shareholders (for redemptions) might otherwise materially be adversely affected. A dilution levy must be imposed only in a manner that, so far as practicable, is fair to all Shareholders or potential Shareholders.

In particular, the dilution levy may be charged in the following circumstances:

- (a) on a Fund experiencing large levels of net purchases (i.e. purchases less redemptions) relative to its size;
- (b) on a Fund experiencing large levels of net redemptions (i.e. redemptions less purchases) relative to its size;
- (c) on "large deals". For these purposes, a large deal is defined as a purchase or a redemption in excess of 5% of the Net Asset Value of the Fund;
- (d) in any other case where the Directors are of the opinion that the interests of existing/continuing Shareholders and potential Shareholders require the imposition of a dilution levy.

In order to reduce inconsistency in the application of any dilution levy, the Company may take account of the trend of the Fund in question to expand or to contract and the transactions in Shares at a particular Valuation Point.

The Company's intention to impose a dilution levy in respect of any particular Fund is set out in the relevant Supplement.

CONFLICTS OF INTEREST

The Directors, the Investment Manager, the Custodian and the Administrator and/or their respective affiliates or any person connected with them may from time to time act as directors, investment manager, manager, distributor, trustee, custodian, registrar, broker, administrator, investment adviser or dealer in relation to, or be otherwise involved in, other investment funds which have similar or different objectives to those of the Fund or which may invest in the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. The board of Directors and each of the other foregoing entities will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly. In addition, subject to applicable law, any of the foregoing may deal, as principal or agent, with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis and are consistent with the best interests of Shareholders. Any of the Directors, the Investment Manager, the Custodian and the Administrator and/or their respective members, directors or employees may deal with the Company as principal or as agent, provided that:-

- (i) there is obtained a certified valuation of the transaction by a person approved by the Custodian (or the Directors in the case of a transaction with the Custodian) as independent and competent; or
- (ii) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or
- (iii) where (i) and (ii) are not practical, execution is on terms which the Custodian (or the Directors in the case of a transaction with the Custodian) is satisfied conforms with the principle that the transaction is in the best interest of the Shareholders and is carried out as if effected on normal commercial terms negotiated at arm's length.

The Investment Manager or any of its affiliates or any person connected with Investment Manager may invest in, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Fund. Neither the Investment Manager nor any of its affiliates nor any person connected with the Investment Manager is under any obligation to offer investment opportunities of which any of them becomes aware to the Fund or to account to the Fund in respect of (or share with the Fund or inform the Fund of) any such transaction or any benefit received by any of them from any such transaction, but will allocate such opportunities on an equitable basis between the Fund and other clients.

In calculating a Fund's Net Asset Value, the Administrator may consult with the Investment Manager with respect to the valuation of certain investments. There is an inherent conflict of interest between the involvement of the Investment Manager in determining the Net Asset Value of a Fund and the entitlement of the Investment Manager to an investment management fee and/or performance fee which is calculated on the basis of the Net Asset Value of the Fund.

USE OF DEALING COMMISSIONS

The Investment Manager may effect transactions or arrange for the effecting of transactions through brokers with whom it has arrangements whereby the broker agrees to use a proportion of the commission earned on such transactions to discharge the broker's own costs or the costs of third parties in providing certain services to the Investment Manager. The services which can be paid for under such arrangements are those permitted under the rules of the FSA, namely those that relate to the execution of transactions on behalf of customers or the provision of investment research to the Investment Manager. The benefits provided under such arrangements will assist the Investment Manager in the provision of investment management services to the Company and to other third parties. Specifically, the Investment Manager may agree that a broker shall be paid a commission in excess of the amount another broker would have charged for effecting such transaction so long as, in the good faith judgement of the Investment Manager, the amount of the commission is reasonable in relation to the value of the brokerage and other services provided or paid for by such broker and the broker agrees to provide best execution with respect to such transaction. Such services may be used by the Investment Manager in connection with transactions in which the Company will not participate.

Subject to applicable laws and regulations, authorised delegates of the Investment Manager may enter into similar arrangements with brokers.

RISK FACTORS

The risks described herein should not be considered to be an exhaustive list of the risk which potential investors should consider before investing in a Fund. Different risks may apply to different Funds. Details of Fund specific risks which are additional to those described in this section will be disclosed in the relevant Fund Supplement. Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares.

Prospective investors should consider, among others, the following factors before subscribing for Shares:

General Risks

Investors should be aware that there are risks inherent in the holding of securities:-

- (A) There is no assurance that any appreciation in the value of Investments will occur, or that the investment objectives of any Fund will be achieved. Past performance is no guide to the future. The value of Shares, and any income from them, can go down as well as up, particularly in the short term, meaning that an investment may not be returned in full.
- (B) The tax treatment of the Fund may change and such changes cannot be foreseen.
- (C) Where regular investments are made with the intention of achieving a specific capital sum in the future, this will normally be subject to maintaining a specified level of investment.
- (D) The difference at any one time between subscription and redemption prices for Shares means that any investment should be viewed as medium to long term. An investment should only be made by those persons who are able to sustain a loss on their investment

Amortisation of Organisational Costs

The Company's financial statements will be prepared in accordance with IFRS. IFRS does not permit the amortisation of organisational costs. Notwithstanding this, the Company is amortising its organisational costs and the auditor's report in the Company's annual financial statements may be qualified in this regard.

Business Risk

There can be no assurance that the Fund will achieve its investment objective. The investment results of the Fund will be reliant upon the success of the Investment Manager which is a recently established entity and there is likewise little operating history by which to evaluate its likely future performance.

Market Risk

The investment of a Fund's assets is subject to normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation will occur. Stock markets can be volatile and stock prices can change substantially. Debt securities are interest rate sensitive and may be subject to price volatility due to various factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. The magnitude of these price fluctuations will be greater

when the maturity of the outstanding securities is longer. Since investment in securities may involve currencies other than the base currency of a Fund, the value of a Fund's assets may also be affected by changes in currency rates and exchange control regulations, including currency blockage. The performance of a Fund will therefore depend in part on the ability of the Investment Manager to anticipate and respond to such fluctuations in stock prices, market interest rates and currency rates and to utilise appropriate strategies to maximise returns, while attempting to reduce the associated risks to investment capital.

Market Crisis and Governmental Intervention

The global financial markets have undergone and are currently undergoing pervasive and fundamental disruptions which have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an "emergency" basis without much or any notice with the consequence that some market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions has been suddenly and/or substantially eliminated. Given the complexities of the global financial markets and the limited time frame within which governments have been able to take action, these interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies. The Investment Manager believes that there is a high likelihood of greater government intervention in and regulation of the global financial markets, and that such greater regulation could be materially detrimental to the performance of the Fund's portfolios.

Market Disruptions

The Company may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from a disconnect with historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available in the market from its banks, dealers and other counterparties will typically be reduced in disrupted markets. In addition, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for the Company and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for the Company to liquidate affected positions and thereby expose it to losses. There is also no assurance that off-exchange markets will remain liquid enough for the Company to close out positions.

Equity Securities

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

Effect of Initial Charge and Dilution Levy

Where an initial charge and/or a dilution levy is imposed, an investor who realises his Shares after a short period may not (even in the absence of a rise in the value of the relevant investments) realise the amount originally invested.

The Shares therefore should be viewed as medium to long-term investments.

Suspension of Dealings in Shares

Investors are reminded that in certain circumstances their right to redeem Shares (including a redemption by way of exchanging) may be suspended (see “Suspension of Valuation of Assets” in the section “General Information”).

Segregation of Liabilities between Funds

As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on behalf of or be subject to claims in other jurisdictions (such as the United Kingdom) which may not necessarily recognise such ring-fencing and, in such circumstances, the assets of one Fund may be exposed to the liabilities of another.

Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to or from the Administrator (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator for the account of the Company and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

Custodian Insolvency

The Fund is at risk of the Custodian entering into an insolvency procedure. During such a procedure (which may last many years) the use by the Company of assets held by or on behalf of the Custodian may be restricted and accordingly (a) the ability of the Investment Manager to fulfil the investment objective of the Fund may be severely constrained, (b) the Fund may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Shares, and/or (c) the Net Asset Value may be otherwise affected. During such a procedure, the Company is likely to be an unsecured creditor in relation to certain assets and accordingly the Company may be unable to recover such assets from the insolvent estate of the Custodian in full, or at all.

Custodian Liability

In the event of loss suffered by the Company as a result of the Custodian's actions or omissions, the Company would generally, in order to bring a successful claim against the Custodian, have to demonstrate that it has suffered a loss as a result of Custodian's unjustifiable failure to perform its obligations or its improper performance of them.

Sub-Custodians and other depositaries

Where securities are held with a sub-custodian of the Custodian or by a securities depository or clearing system, such securities may be held by such entities in client omnibus accounts and in the event of a default by any such entity, where there is an irreconcilable shortfall of such securities, the Company may have to share that shortfall on a pro-rata basis. Securities may be deposited with clearing brokers which the Custodian is not obliged to appoint as its sub-custodians and in respect of the acts or defaults of which the Custodian shall have no liability. There may be

circumstances where the Custodian is relieved from liability for the acts or defaults of its appointed sub-custodians provided that the Custodian has complied with its duties.

US Tax-Exempt Investors

Certain prospective investors may be subject to US federal and state laws, rules and regulations which may regulate their participation in the Company, or their engaging directly or indirectly through an investment in a Fund, in investment strategies of the types which the Fund may utilise from time to time. While the Company believes that the Fund's investment programs are otherwise generally appropriate from a tax perspective for the US tax-exempt investors for which an investment in the Fund would be suitable, each type of such investor may be subject to different laws, rules and regulations and should consult with their own advisers as to the advisability and tax consequences of an investment in the Fund. Investment in the Fund by tax-exempt entities subject to ERISA and other tax-exempt investors requires special consideration. Trustees or administrators of such investors are urged carefully to review the matters discussed in this Prospectus and the relevant application form.

Specific Risks

Deferred Redemptions

In the event that redemption requests are received for redemption of Shares representing in aggregate more than 10 per cent. of the total number of Shares of a single Fund then in issue, redemption requests may be reduced rateably and pro rata and the redemption of Shares may be carried forward to the next following Dealing Day, unless expressly prohibited in the Supplement of a Fund, in which case, redemption requests may not be deferred. In the event of a large number of redemptions, this power to defer redemptions could be exercised on a number of successive Dealing Days and materially restrict a Shareholder's ability to redeem his Shares.

Currency Exposure

Shares may be denominated in various currencies and will be issued and redeemed in those currencies.

Certain of the assets held by the Custodian on behalf of the Fund may be invested in securities and other investments which are denominated in currencies other than the base currency of the relevant Fund. The assets and investments of the Fund will be valued in its base currency. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The Investment Manager may seek to hedge the currency exposure of a Fund to currencies other than its base currency but will necessarily be subject to foreign exchange risks. To the extent unhedged, the value of a Fund's net assets will fluctuate with the base currency exchange rate, as well as with price changes of the Fund's investments in the various local markets and currencies.

The Investment Manager may seek to hedge the foreign exchange exposure of the assets of the Fund attributable to the Shares which are not denominated in the base currency with the aim of minimising the impact of fluctuations in that currency against the base currency on the Net Asset Value per Share of such Shares. Prospective investors whose assets and liabilities are predominately in currencies other than the denominated currency of the Class in which it is invested or proposes to invest should take into account the potential risk of loss arising from fluctuations in value between the denominated currency of such Class, as the case may be, and such other currencies. Performance of a Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a Fund may not correspond with the securities positions held.

Derivatives

The Fund may utilise both exchange-traded and over-the-counter (OTC) derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of their investment policies. These instruments can be highly volatile and expose investors to a high risk of loss.

Derivatives, in particular derivatives which are negotiated “over-the-counter” are subject to legal risks including the uncertainty in the applicability of laws, or the interpretation or enforceability of contracts or an action by a court or regulatory body that could invalidate a derivative contract entered into by the Company.

The prices of financial derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements. The prices of exchange traded financial derivative instruments may also be subject to changes in price due to supply and demand factors.

Options

The seller (writer) of an option has the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. The buyer of an option has the right (but not the obligation) to exercise the option, thereby making or taking delivery of the underlying asset of the contract at a future date, or in some cases settling the position with cash. Options carry a high degree of risk.

Particular Risks of OTC Derivatives

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

Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect collateral calls or delays in collateral recovery.

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

Counterparty Risk

The Fund will be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons.

The participants in OTC derivative markets are typically not subject to the same credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with such “over-the-counter” transactions. This exposes the relevant Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the relevant Fund to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the relevant Fund has concentrated its transactions with a small group of counterparties. Moreover, although the Fund shall only transact with eligible counterparties and although any counterparty with whom a Fund enters into an OTC derivative transaction will be either a credit institution or rated at or in excess of the requirements of the Central Bank by a Recognised Rating Agency and a Fund may further reduce its exposure to the counterparty through the use of collateral, a Fund will be subject to the risk that the counterparty will not perform its obligations under the transactions. In the event that the counterparty is unable or unwilling to meet its contractual liabilities, there may be a limited but detrimental impact on the Fund and while the Investment Manager has no formal credit function which evaluates the creditworthiness of the relevant Fund’s counterparties it does have procedures in place to monitor such measures with regard to each counterparty as well as an escalation process which is triggered when specific limits are breached. The ability of a Fund to transact business with any one or number of counterparties, the lack of any separate evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Fund.

Valuation Risk

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

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

Undervalued/Overvalued Securities

One of the key objectives of a Fund may be to identify and invest in undervalued and overvalued securities (“misvalued securities”). The identification of investment opportunities in misvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognised. While purchases of undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the investments of the Fund may not adequately compensate for the business and financial risks assumed.

The Fund may make certain speculative investments in securities which the Investment Manager believes to be misvalued; however, there can be no assurance that the securities purchased and sold will in fact be misvalued. In addition, the Fund may be required to maintain positions in such securities for a substantial period of time before realising their anticipated value. During this period, a portion of the capital of the Fund may be committed to the securities, thus possibly preventing the Fund from investing in other opportunities.

Short Selling

Typically, UCITS, such as the Company, invest on a “long only” basis. This means that their net asset value will rise (or fall) in value based on the market value of the assets they hold. A “short” sale involves the sale of a security that the seller does not own in the hope of purchasing the same security (or a security exchangeable for such security) at a later date at a lower price. To make a delivery to the buyer, the seller must borrow the security and is obligated to return the security (or a security exchangeable for such security) to the lender, which is accomplished by a later purchase of said security. Although the Company is not permitted to enter into short sales under the UCITS Regulations, a Fund may, by employing certain derivative techniques (such as contracts for difference) designed to produce the same economic effect as a short sale (a “synthetic short”), establish both “long” and “short” positions in individual stocks and markets. As a result, as well as holding assets that may rise or fall with markets, a Fund may also hold positions that will rise as the market value falls, and fall as the market value rises. Taking synthetic short positions involves trading on margin and accordingly can involve greater risk than investments based on a long position. Investors should also consider the risk factors under “Derivatives” and “Particular Rules of OTC Derivatives” above.

Due to regulatory or legislative action taken by regulators around the world taking short positions on certain securities has been restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions. Accordingly, the Investment Manager may not be in a position to fully express its negative views in relation to certain securities, companies or sectors and the ability of the Investment Manager to fulfil the investment objective of a Fund may be constrained.

Forward Foreign Exchange Contracts

The Company may enter into forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are generally effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. Documentation of transactions generally consists of an exchange of telex or facsimile messages. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an exchange or clearing house. The Fund is subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Fund to cover their commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Emerging Markets

The Fund may invest in emerging markets. Investment in emerging market securities involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favourable tax provisions, and a greater likelihood of severe inflation, unstable currency, war and expropriation of personal property than investments in securities of issuers based in developed

countries. In addition, a Fund's investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities. In addition, the currencies in which investments are denominated may be unstable, may be subject to significant depreciation and may not be freely convertible.

Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighbouring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

The fact that evidences of ownership of a Fund's portfolio of securities may be held outside of a developed country may subject the Fund to additional risks, which include possible adverse political and economic developments, and the attendant risk of seizure or nationalisation of foreign deposits. In addition, it may subject a Fund to the possible adoption of governmental restrictions which might adversely affect payments on securities or restrict payments to investors located outside the country of the issuers, whether from currency blockage or otherwise.

Furthermore, some securities may be subject to brokerage or stock transfer taxes levied by governments, which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of some of these securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. In addition, settlement of trades in some emerging markets is much slower and subject to a greater risk of failure than in markets in developed countries. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries and at times custodians are not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that a Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian. In addition, dividend and interest payments from, and capital gains in respect of, certain securities may be subject to taxes that may or may not be reclaimable.

With respect to any emerging market country, there is the possibility of nationalisation, expropriation or confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, limitations on the removal of funds or other assets of a Fund, political changes, government regulation, social instability or diplomatic developments (including war) which could affect adversely the economies of such countries or the value of that Fund's investments in those countries.

Where a Fund's assets are invested in narrowly defined sectors of a given economy, risk will be increased by potentially adverse developments within those sectors.

Some emerging countries have laws and regulations that preclude direct foreign investment in the securities of local issuers. However, indirect foreign investment in exchange-traded securities of companies in these countries may be permitted through specially authorised investment funds. The Fund may invest in these investment funds. If a Fund invests in such investment funds, the investors will bear not only the expenses of the Fund, but also will indirectly bear similar expenses of the underlying investment funds.

In addition to the foregoing investment restrictions, some emerging countries may require prior governmental approval for certain investments in such countries.

Repatriation of investment income, assets and the proceeds of sales by investors may require governmental registration and/or approval in some emerging countries. A Fund could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation. The value of a security may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied.

Many of the laws that govern private investment, securities transactions and other contractual relationships in emerging markets are new and largely untested. As a result, any Fund which invests in emerging markets may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain of the emerging markets in which assets of a Fund are invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on that Fund and its operations.

Regulatory controls and corporate governance of companies in emerging markets confer little protection on minority shareholders. Anti-fraud and anti-insider trading legislation is often rudimentary. The concept of fiduciary duty to shareholders by officers and directors is also limited when compared to such concepts in developed markets. In certain instances management may take significant actions without the consent of shareholders and anti-dilution protection also may be limited.

Registration Risk

In some emerging market countries, evidence of legal title to shares is maintained in “book-entry” form. In order to be recognised as the registered owner of the shares of a company, a purchaser or purchasers’ representative must physically travel to a registrar and open an account with the registrar (which, in certain cases, requires the payment of an account opening fee). Thereafter, each time that the purchaser purchases additional shares of the company, the purchasers’ representative must present to the registrar powers of attorney from the purchaser and the seller of such shares, along with evidence of such purchase, at which time the registrar will debit such purchased shares from the seller’s account maintained on the register and credit such purchased shares to the purchaser’s account to be maintained on the register.

The role of the registrar in such custodial and registration processes is crucial. Registrars may not be subject to effective government supervision and it is possible for a Sub-Fund to lose its registration through fraud, negligence or mere oversight on the part of the registrar. Furthermore, while companies in certain emerging market countries may be required to maintain independent registrars that meet certain statutory criteria, in practice, there can be no guarantee that this regulation has been strictly enforced. Because of this possible lack of independence, management of companies in such emerging market countries can potentially exert significant influence over the shareholding in such companies. If the company register were to be destroyed or mutilated, the Fund holding of the shares of the company could be substantially impaired, or in certain cases, deleted. Registrars often do not maintain insurance against such occurrences, nor are they likely to have assets sufficient to compensate shareholders. While the registrar and the company may be legally obliged to remedy such loss, there is no guarantee that either of them would do so, nor is there any guarantee that an affected Fund would be able to bring successfully a claim against them as a result of such loss. Furthermore, the registrar or the relevant company could wilfully refuse to recognise the Company or a Fund as the registered holder of shares previously purchased by or in respect of a Fund due to the destruction of the company’s register.

Effect of Substantial Redemptions

Substantial redemptions by Shareholders within a short period of time could require a Fund to liquidate securities positions more rapidly than would otherwise be desirable, possibly reducing the value of the assets of the Fund and/or disrupting the Investment Manager's investment strategy. Reduction in the size of a Fund could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in a Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

Redemption Risks

Payment of redemption proceeds may be delayed if the Directors declare a temporary suspension of the determination of the Net Asset Value of the Company or a Fund in any of the exceptional circumstances as described under "Suspension of Valuation of Assets" in the section "General Information".

Information Rights

The Investment Manager may provide a Shareholder with historic information about a Fund. This information will be available to all Shareholders upon request but if not requested it may not be systematically obtained by all Shareholders in a Fund. As a result, a Shareholder that has received this information may be able to act on such additional information requested (e.g., redeem their Shares) that other Shareholders may not systematically receive.

Net Asset Value Considerations

The Net Asset Value per Share is expected to fluctuate over time with the performance of the Fund's investments. A Shareholder may not fully recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption, if the Net Asset Value per Share at the time of such redemption is less than the Subscription Price paid by such Shareholder or if there remain any unamortised costs and expenses of establishing the Company. In addition, where there is any conflict between IFRS and the valuation principles set out in the Articles and this document in relation to the calculation of Net Asset Value, the latter principles shall take precedence.

In calculating a Fund's Net Asset Value, the Administrator may consult the Investment Manager with respect to the valuation of certain investments. Whilst there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of the Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Fund, the Investment Manager will endeavour to resolve any such conflict of interest fairly and in the interest of investors.

Price Fluctuations

It should be remembered that the value of Shares and the income (if any) derived from them can go down as well as up.

Illiquidity

It is not anticipated that there will be an active secondary market for the Shares and it is not expected that such a market will develop.

Market Liquidity and Leverage

A Fund may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair its ability to adjust its positions. The size of a Fund's positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by counterparties with which the Fund enters into derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect a Fund's portfolio.

Tax Considerations

A Fund may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by that Fund is incorporated, established or resident for tax purposes. Where a Fund invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The relevant Fund may not be able to recover such tax and so any change would have an adverse effect on the Net Asset Value of the Shares in that Fund. Where a Fund sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the relevant Fund.

Where a Fund chooses or is required to pay taxation liabilities and/or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods by that Fund (whether in accordance with current or future accounting standards), this would have an adverse effect on the Net Asset Value of the Shares in that Fund. This could cause benefits or detriments to certain Shareholders, depending on the timing of their entry to and exit from the relevant Fund.

The attention of potential investors is drawn to the taxation risks associated with investing in any Fund. Please see the heading "Taxation" below.

Identity of Beneficial Ownership and Withholding on Certain Payments

In order to avoid a US withholding tax of 30% on certain payments (including payments of gross proceeds) made after with respect to certain actual and deemed US investments, if any, a Fund will be required to enter into an agreement with the US Internal Revenue Service (the "Service") by 30 June 2013 identifying certain direct and indirect US equityholders. A Non-United States Person invested in a Fund will generally be required to provide to such Fund information which identifies its direct and indirect US ownership. Any such information provided to a Fund will be shared with the Service by 30 June 2013. A Non-United States Person investor in a Fund that is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the United States Internal Revenue Code of 1986, as amended, will generally be required to enter into an agreement with the Service identifying certain direct and indirect US account holders or equityholders. A Non-United States Person investor in a Fund who fails to provide such information to such Fund or enter into such an agreement with the Service, as applicable, would be subject to the 30 per cent. withholding tax with respect to its share of any such payments attributable to actual or deemed US investments of such Fund, and the Directors may take any action in relation to an investor's Shares or redemption proceeds to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information gave rise to the withholding. Shareholders should consult their own tax advisers regarding the possible implications of these requirements on their investments in a Fund.

Transaction Costs

The investment approach of the Fund may involve a high level of trading and turnover of the investments of the Fund which may generate substantial transaction costs which will be borne by each Fund separately.

Clearing House Protections

On many exchanges, the performance of a transaction by a broker (or a third party with whom it is dealing on the Company's behalf) is "guaranteed" by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover the Company and may not protect the Company if a broker or another party defaults on its obligations to the Company.

Profit Sharing

In addition to receiving an Investment Management Fee, the Investment Manager may also receive a Performance Fee based on the appreciation in the Net Asset Value per Share and accordingly the Performance Fee will increase with regard to unrealised appreciation, as well as realised gains. Accordingly, a Performance Fee may be paid on unrealised gains, which may subsequently never be realised. The Performance Fee may create an incentive for the Investment Manager to make investments for a Fund, which are riskier than would be the case in the absence of a fee based on the performance of a Fund.

Investment Management Risk

The investment performance of the Fund is substantially dependent on the services of Graham Clapp and Edward Rumble, the individuals responsible for managing the assets of the Fund. In the event of the death, incapacity, departure, insolvency or withdrawal of these individuals, the performance of the Fund may be adversely affected.

Strategy Risk

Strategy risk is associated with the failure or deterioration of an entire strategy such that most or all investment managers employing that strategy suffer losses. Strategy specific losses may result from excessive concentration by multiple investment managers in the same investment or general economic or other events that adversely affect particular strategies (for example, the disruption of historical pricing relationships). The strategies employed by the Fund may be speculative and involve substantial risk of loss in the event of such failure or deterioration, in which event the performance of the Fund may be adversely affected.

Availability of Investment Strategies

The success of the investment activities of a Fund may depend on the Investment Manager's ability to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by a Fund involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of a Fund's assets or to exploit discrepancies in the securities and derivatives markets. A reduction in money market liquidity or the pricing inefficiency of the markets in which a Fund seeks to invest, as well as other market factors, may reduce the scope for the implementation of a Fund's investment strategies.

The Fund may be adversely affected by unforeseen events involving such matters as changes in interest rates, exchange rates or the credit status of an issuer, forced redemptions of securities or

acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes, inability to implement short positions through Financial Derivative Instruments or changes in tax treatment.

Fund Specific Risks

Please review the particular Fund Supplement for specific risks associated with each particular Fund.

TAXATION

General

The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax. Investors are also advised to inform themselves as to any exchange control regulations applicable in their country of residence.

The following is a brief summary of certain aspects of Irish and United Kingdom taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.

Generally the tax consequences of acquiring, holding, exchanging, redeeming or disposing of Shares in the Company will depend on the relevant laws of the jurisdiction to which the Shareholder is subject. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed gains of the Company. These consequences will vary with the law and practice of the Shareholder's country of residence, domicile or incorporation and with his personal circumstances. The Directors, the Company and each of the Company's agents shall have no liability in respect of the individual tax affairs of Shareholders.

Dividends, interest and capital gains (if any) which the Company or any Fund receives with respect to investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

Irish Taxation

The Directors have been advised that on the basis that the Company is resident in Ireland for taxation purposes, the taxation position of the Company and the Shareholders is as set out below.

Definitions

For the purposes of this section, the following definitions shall apply.

"Exempt Irish Investor"

means:

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;

- a qualifying fund manager within the meaning of Section 784A(1)(a) of the Taxes Act where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying management company within the meaning of Section 739B of the Taxes Act;
- a personal retirement savings account (“PRSA”) administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Pensions Reserve Fund Commission;
- the National Asset Management Agency;
- a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Company or
- any other Irish Resident or persons who are Ordinarily Resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to a charge to tax in the Company;

provided that they have correctly completed the Relevant Declaration.

“Intermediary”

means a person who:-

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

“Irish Resident”

means:

- in the case of an individual, means an individual who is resident in Ireland for tax purposes;
- in the case of a trust, means a trust that is resident in Ireland for tax purposes;
- in the case of a company, means a company that is resident in Ireland for tax purposes;

An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 31 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This new test takes effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

A trust will generally be Irish resident where the trustee is resident in Ireland or a majority of the trustees (if more than one) are resident in Ireland.

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:-

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country;

or

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

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and potential investors are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.

"Ordinarily Resident in Ireland"

means

- in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes;
- in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2011 to 31 December 2011 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2014 to 31 December 2014.

The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence.

"Recognised Clearing System"

means Bank One NA, Depository and Clearing Centre, Clearstream Banking AG, Clearstream Banking SA, CREST, Depository Trust Company of New York, Euroclear, Japan Securities Depository Center, National Securities Clearing System, Sicovam SA, SIS Segma Inter-settle AG or any other system for clearing units which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners as a recognised clearing system.

"Relevant Declaration"

means the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act.

"Relevant Period"

means a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

“Taxes Act”

means the Taxes Consolidation Act, 1997 (of Ireland) as amended.

The Company

The Company will be regarded as resident in Ireland for tax purposes if the central management and control of its business is exercised in Ireland and the Company is not regarded as resident elsewhere. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish resident for tax purposes.

The Directors have been advised that the Company qualifies as an investment undertaking as defined in Section 739B (1) of the Taxes Act. Under current Irish law and practice, the Company is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a “chargeable event” in the Company. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of a Relevant Period) of Shares or the appropriation or cancellation of Shares of a Shareholder by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer. No tax will arise on the Company in respect of chargeable events in respect of a Shareholder who is neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event provided that a Relevant Declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration or the Company satisfying and availing of equivalent measures (see paragraph headed “*Equivalent Measures*” below) there is a presumption that the investor is Irish Resident or Ordinarily Resident in Ireland. A chargeable event does not include:

- An exchange by a Shareholder, effected by way of an arms length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- Any transactions (which might otherwise be a chargeable event) in relation to Shares held in a Recognised Clearing System as designated by order of the Irish Revenue Commissioners;
- A transfer by a Shareholder of the entitlement to a Share where the transfer is between spouses and former spouses, subject to certain conditions; or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking.

If the Company becomes liable to account for tax if a chargeable event occurs, the Company shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, the Company can make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

Stamp Duty

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. Where any subscription for or redemption of Shares is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B (1) of the Taxes Act) which is registered in Ireland.

Shareholders' Tax

Shares which are held in a Recognised Clearing System

Any payments to a Shareholder or any encashment, redemption, cancellation or transfer of Shares held in a Recognised Clearing System will not give rise to a chargeable event in the Company (there is however ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Shares held in a Recognised Clearing System, apply in the case of chargeable events arising on a deemed disposal therefore, as previously advised, Shareholders should seek their own tax advice in this regard). Thus the Company will not have to deduct any Irish taxes on such payments regardless of whether they are held by Shareholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Shareholder has made a Relevant Declaration. However, Shareholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Shares are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Shares.

To the extent any Shares are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the point made in the previous paragraph in relation to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder if (a) the Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Shareholder has made a Relevant Declaration on or about the time when the Shares are applied for or acquired by the Shareholder and (c) the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration (provided in a timely manner) or the Company satisfying and availing of equivalent measures (see paragraph headed "*Equivalent Measures*" below) tax will arise on the happening of a chargeable event in the Company

regardless of the fact that a Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland no tax will have to be deducted by the Company on the occasion of a chargeable event provided that either (i) the Company satisfied and availed of the equivalent measures or (ii) the Intermediary has made a Relevant Declaration that he/she is acting on behalf of such persons and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland and either (i) the Company has satisfied and availed of the equivalent measures or (ii) such Shareholders have made Relevant Declarations in respect of which the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, will not be liable to Irish tax in respect of income from their Shares and gains made on the disposal of their Shares. However, any corporate Shareholder which is not Irish Resident and which holds Shares directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from their Shares or gains made on disposals of the Shares.

Where tax is withheld by the Company on the basis that no Relevant Declaration has been filed with the Company by the Shareholder, Irish legislation provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

Shareholders who are Irish Residents or Ordinarily Resident in Ireland

Unless a Shareholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Shares are purchased by the Courts Service, tax at the rate of 27% will be required to be deducted by the Company from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the rate of 30% will have to be deducted by the Company on any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Shareholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Shares held by them in the Company at the ending of a Relevant Period. Such Shareholders (both companies and individuals) will be deemed to have disposed of their Shares ("deemed disposal") at the expiration of that Relevant Period and will be charged to tax at the rate of 30% on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Shares since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the Company will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed

disposal, the Company will refund the Shareholder for the excess (subject to the paragraph headed “15% threshold” below).

10% Threshold

The Company will not have to deduct tax (“exit tax”) in respect of this deemed disposal where the value of the chargeable shares (i.e. those Shares held by Shareholders to whom the declaration procedures do not apply) in the Company (or in the sub-fund within an umbrella scheme) is less than 10% of the value of the total Shares in the Company (or in the sub-fund) and the Company has made an election to report certain details in respect of each affected Shareholder to Revenue (the “Affected Unit Holder”) in each year that the de minimus limit applies. In such a situation the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Shareholder on a self assessment basis (“self-assessors”) as opposed to the Company or Fund (or their service providers). The Company is deemed to have made the election to report once it has advised the Affected Unit Holders in writing that it will make the required report.

15 % Threshold

As previously stated where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal (e.g. due to a subsequent loss on an actual disposal), the Company will refund the Shareholder the excess. Where however immediately before the subsequent chargeable event, the value of chargeable units in the Company (or in the sub-fund within an umbrella scheme) does not exceed 15% of the value of the total Shares, the Company (or sub-fund) may elect to have any excess tax arising repaid directly by Revenue to the Shareholder. The Company is deemed to have made this election once it notifies the Shareholder in writing that any repayment due will be made directly by Revenue on receipt of a claim by the Shareholder.

Other

To avoid multiple deemed disposal events for multiple units an irrevocable election under Section 739D(5B) can be made by the Company to value the units held at the 30th June or 31st December of each year prior to the deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a fund to group shares in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners have provided updated investment undertaking guidance notes which deal with the practical aspects of how the above calculations/objectives will be accomplished.

Shareholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation, transfer or deemed disposal of their Shares. Alternatively they may be entitled to a refund of all or part of any tax deducted by the Company on a chargeable event.

Equivalent Measures

The Finance Act 2010 (“Act”) introduced new measures commonly referred to as equivalent measures to amend the rules with regard to Relevant Declarations. The position prior to the Act was that no tax would arise on an investment undertaking with regard to chargeable events in respect of a shareholder who was neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event, provided that a Relevant Declaration was in place and the

investment undertaking was not in possession of any information which would reasonably suggest that the information contained therein was no longer materially correct. In the absence of a Relevant Declaration there was a presumption that the investor was Irish Resident or Ordinarily Resident in Ireland. The Act however contained new provisions that permit the above exemption in respect of shareholders who are not Irish Resident nor Ordinarily Resident in Ireland to apply where appropriate equivalent measures are put in place by the investment undertaking to ensure that such shareholders are not Irish Resident nor Ordinarily Resident in Ireland and the investment undertaking has received approval from the Revenue Commissioners in this regard.

Personal Portfolio Investment Undertaking ("PPIU")

The Finance Act 2007 introduced new provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold shares in investment undertakings. The new provisions introduce the concept of a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking. Depending on individuals' circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals' who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after 20th February 2007, will be taxed at the standard rate plus 30 per cent (currently 50%). Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered into by the investment undertaking. Further restrictions may be required in the case of investments in land or unquoted shares deriving their value from land.

Capital Acquisitions Tax

The disposal of Shares may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the Company continues to qualify as an investment undertaking (within the meaning of Section 739B (1) of the Taxes Act), the disposal of Shares by a Shareholder is not liable to Capital Acquisitions Tax provided that (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland; (b) at the date of the disposition, the Shareholder disposing ("disponer") of the Shares is neither domiciled nor Ordinarily Resident in Ireland; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

With regard to Irish tax residency for Capital Acquisitions Tax purposes, special rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponer will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

- i) that person has been resident in Ireland for the 5 consecutive years of assessment immediately preceding the year of assessment in which that date falls; and
- ii) that person is either resident or ordinarily resident in Ireland on that date.

United Kingdom

The Company

The Directors intend that the affairs of the Company should be managed and conducted so that it does not become resident in the United Kingdom for United Kingdom taxation purposes. Accordingly, and provided that the Company is not trading 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 in the United Kingdom 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 corporation tax or income tax on its profits. The Directors and the Investment Manager each intend that the respective affairs of the Company and the Investment Manager are conducted so that these requirements are met insofar as this is within their respective control. However, it cannot be guaranteed that the necessary conditions will at all times be satisfied.

Certain interest and other amounts received by the Company which have a United Kingdom source may be subject to withholding or other taxes in the United Kingdom.

UK Investors

Subject to their personal circumstances, Shareholders resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax or corporation tax in respect of dividends or other distributions of an income nature made by the Company, whether or not such dividends or distributions are reinvested, together, in the case of Shareholders who hold Shares of a Class which is a reporting fund (as to which see below), their share of retained income attributable to such Class of Shares. The nature of the charge to tax and any entitlement to a tax credit in respect of such dividends or distributions will depend on a number of factors which may include the composition of the relevant assets of the Company and the extent of a Shareholder's interest in the Company.

The Offshore Funds (Tax) Regulations 2009 (the "Offshore Funds Regulations") set out the regime for the taxation of investments in offshore funds (as defined in the United Kingdom Taxation Offshore and Other Provisions) 2010 ("TIOPA 2010") ("Finance Act 2008") which operates by reference to whether a fund opts into a reporting regime ("reporting funds") or not ("non-reporting funds"). If an investor who is resident or ordinarily resident in the United Kingdom for taxation purposes holds an interest in an offshore fund that does not have reporting fund status throughout the period during which the investor holds that interest, any gain accruing to the investor upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income ("offshore income gains") and not as a capital gain. Investors in reporting funds are subject to tax on the share of the reporting fund's income attributable to their holding in the fund, whether or not distributed, and any gains on disposal of their holding would be taxed as capital gains. Investors in non-reporting funds would not be subject to tax on income retained by the non-reporting fund.

The Shares will constitute interests in an offshore fund. The Directors intend to apply and in certain cases have successfully applied to the United Kingdom HM Revenue & Customs for recognition of certain Classes of Shares in the Fund as a reporting fund. The Supplement for each Fund sets out in more detail the Classes of Shares for which the Directors intend to apply for recognition, or have been granted recognition, as a reporting fund. However, there can be no guarantee that reporting fund status will be obtained and/or maintained for any Shares. Were such application to be unsuccessful or such status subsequently to be withdrawn, any gains arising to Shareholders resident or ordinarily resident in the United Kingdom on a sale, redemption or other disposal of the relevant Classes of Shares (including a deemed disposal on death) would be taxed as offshore income gains rather than capital gains.

It is not intended to apply to the United Kingdom HM Revenue & Customs in respect of any Class of Shares denominated in US\$ for recognition as a reporting fund. Accordingly, any gains arising to Shareholders resident or ordinarily resident in the United Kingdom on a sale, redemption or other disposal of US\$ Shares (including a deemed disposal on death) will be taxed as offshore income gains rather than capital gains.

The Company may operate equalisation arrangements in relation to any Fund or Class in accordance with the relevant Supplement. Consequently, where such an arrangement applies, a part of the first dividend paid following the subscription for the relevant class of Distribution Shares will be treated as a partial repayment of the purchase price (i.e. capital), and not as taxable income. The amount of such repayment must be deducted from the acquisition cost of the relevant class of Distribution Shares in calculating the capital gain arising on the disposal of those Shares.

The exchange of Shares in one Fund for Shares in another Fund (see under the heading “Exchanging Between Funds or Classes”) will amount to a disposal of the original Shares for tax purposes and accordingly a chargeable gain (or offshore income gain where recognition of the original Shares as a reporting fund has not been obtained and /or maintained) or an allowable capital loss may be realised. The exchange of Shares of one Class for Shares of another Class in the same Fund will only amount to a disposal if the original Shares have not at any relevant time been of a Class which is a reporting fund and the new Shares are of a Class so recognised.

Persons within the charge to United Kingdom corporation tax should note that the regime for the taxation of most corporate debt contained in the United Kingdom Corporation Tax Act 2009 (the “loan relationships regime”) provides that, if at any time in an accounting period of such a person, that person holds an interest in an offshore fund within the meaning of the relevant provisions of the Offshore Funds Regulations and TIOPA 2010, and there is a time in that period when that fund fails to satisfy the “qualifying investments” test, the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to satisfy the qualifying investments test at any time when more than 60 per cent. of its assets by market value (excluding cash awaiting investment) comprise “qualifying investments”. Qualifying investments include government and corporate debt securities, cash on deposit, certain derivative contracts and holdings in other collective investment schemes which at any time in the accounting period of the person holding the interest in the offshore fund do not themselves satisfy the qualifying investments test. The Shares will constitute such interests in an offshore fund and on the basis of the investment policies of certain Funds, such a Fund could fail to satisfy the qualifying investments test. In that eventuality, the Shares in that Fund will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on the Shares in that Fund in respect of such a person’s accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a “fair value accounting” basis. Accordingly, such a person who acquires Shares in the Company may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares).

Anti-avoidance

Individuals ordinarily resident in the United Kingdom for taxation purposes should note that Chapter 2 of Part 13 of the United Kingdom Income Tax Act 2007 contains anti-avoidance provisions dealing with the transfer of assets to overseas persons that may in certain circumstances render such individuals liable to taxation in respect of undistributed income profits of the Company.

Companies resident in the United Kingdom for taxation purposes should note that the “controlled foreign companies” legislation contained in Chapter IV of Part XVII of the United Kingdom Income and Corporation Taxes Act 1988 (the “Taxes Act”) could apply to any United Kingdom resident company which is, either alone or together with persons connected or associated with it for taxation purposes, deemed to be interested in 25 per cent. or more of any chargeable profits of the Company arising in an accounting period, if at the same time the Company is controlled (as “control” is defined in section 755D of the Taxes Act) by persons (whether companies, individuals or others) who are resident in the United Kingdom for taxation purposes or is controlled by two

persons taken together, one of whom is resident in the United Kingdom for tax purposes and has at least 40 per cent. of the interests, rights and powers by which those persons control the Company, and the other of whom has at least 40 per cent. and not more than 55 per cent. of such interests, rights and powers. The “chargeable profits” of the Company do not include any of its capital gains. The effect of these provisions could be to render such companies liable to United Kingdom corporation tax in respect of the undistributed income of the Company.

Persons resident or ordinarily resident in the United Kingdom for taxation purposes should note the provisions of section 13 of the United Kingdom Taxation of Chargeable Gains Act 1992 (“section 13”). Section 13 could be material to any such person who has an interest in the Company as a “participator” for United Kingdom taxation purposes (which term includes a shareholder) at a time when any gain accrues to the Company (such as on a disposal of any of its investments) which constitutes a chargeable gain or an offshore income gain if, at the same time, the Company is itself controlled in such a manner and by a sufficiently small number of persons as to render the Company a body corporate that would, were it to have been resident in the United Kingdom for taxation purposes, be a “close” company for those purposes. The provisions of section 13 would result in any such person who is a Shareholder being treated for the purposes of United Kingdom taxation as if a part of any chargeable gain or offshore income gain accruing to the Company had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person’s proportionate interest in the Company. No liability under section 13 could be incurred by such a person, however, in respect of a chargeable gain or an offshore income gain accruing to the Company if the aggregate proportion of that gain that could be attributed under section 13 both to that person and to any persons connected with him for United Kingdom taxation purposes does not exceed one-tenth of the gain. In the case of Shareholders who are individuals domiciled outside the United Kingdom, section 13 applies subject to the remittance basis in particular circumstances.

Transfer 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.

It should be noted that the levels and basis of, and relief from taxation can change.

European Union – Taxation of Savings Income Directive

Dividends and other distributions made by the Company, together with payment of the proceeds of sale and/or redemption of Shares in the Company, may (depending on the investment portfolio of the Company and the location of the paying agent – the definition of a paying agent for the purposes of the Savings Directive is not necessarily the same person who may legally be regarded as the paying agent) be subject to the exchange of information regime or withholding tax imposed by EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments. If a payment is made to a Shareholder who is an individual resident in a Member State of the European Union (or a “residual entity” established in a Member State) by a paying agent resident in another Member State (or in certain circumstances the same Member State of the Shareholder) then the Directive may apply. The Directive applies to payments of “interest” (which may include distributions or redemption payments by collective investment funds) or other similar income made on or after 1 July 2005 and applicants for Shares in the Company will be requested to provide certain information as required under the Directive. It should be noted that the imposition of exchange of information and/or withholding tax on payments made to certain individuals and residual entities resident in an EU Member State also applies to those resident or

located in any of the following countries; Anguilla, Aruba, British Virgin Islands, Cayman Island, Guernsey, Isle of Man, Jersey, Montserrat, Netherlands Antilles and Turks and Caicos Islands.

For the purposes of the Directive, interest payments include income distributions made by certain collective investment funds (in the case of EU domiciled funds, the Directive currently only applies to UCITS), to the extent that the fund has invested more than 15% of its assets directly or indirectly in interest bearing securities and income realised upon the sale, repurchase or redemption of fund units to the extent that the fund has invested 25% of its assets directly or indirectly in interest bearing securities.

The following countries, Andorra, Liechtenstein, Monaco, San Marino and Switzerland, will not be participating in automatic exchange of information. To the extent that they will exchange information it will be on a request basis only. Their participation is confined to imposing a withholding tax.

On 13 November 2008 the European Commission adopted an amending proposal to the Directive. If implemented, the proposed amendments would, inter alia, (i) extend the scope of the EU Savings Directive to payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual and (ii) provide for a wider definition of interest subject to the EU Savings Directive. As at the date of this prospectus, it is not known whether and if so when, the amending proposal will become law.

General

The receipt of dividends (if any) by Shareholders, the redemption, exchange, conversion or transfer of Shares and any distribution on a winding-up of the Company may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. The Directors, the Fund and each of the Fund's agents shall have no liability in respect of the individual tax affairs of Shareholders.

GENERAL INFORMATION

1. **Incorporation, Registered Office and Share Capital**

- (A) The Company was incorporated in Ireland on 17 February, 2010 as an investment company with variable capital with limited liability and segregated liability between its sub-funds under registration number 481027.
- (B) The registered office of the Company is as stated in the Directory at the front of the Prospectus.
- (C) Clause 3.00 of the Memorandum of Association of the Company provides that the Company's sole object is the collective investment in either or both transferable securities and other liquid financial assets referred to in Regulation 45 of the UCITS Regulations of capital raised from the public. Clause 3.00 further provides that the Company operates on the principle of risk spreading.
- (D) The authorised share capital of the Company is 500,000,000,000 Shares of no par value including 300,000 Shares redeemable non-participating shares of no par value issued at €1.00 each. Non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the consideration paid up thereon but do not otherwise entitle them to participate in the assets of the Company. The Directors have the power to allot Shares in the capital of the Company on such terms and in such manner as they may think fit. There are currently two redeemable, non-participating Shares currently in issue.

2. Variation of Share Rights and Pre-Emption Rights

- (A) The rights attaching to the Shares issued in any Class may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-quarters of the issued Shares of that Class, or with the sanction of an ordinary resolution passed at a general meeting of the Shareholders of that Class.
- (B) A resolution in writing signed by all the Shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held and if described as a special resolution shall be deemed to be a special resolution.
- (C) The rights attaching to the Shares shall not be deemed to be varied by the creation, allotment or issue of any further Shares ranking pari passu with Shares already in issue.
- (D) There are no rights of pre-emption upon the issue of Shares in the Company.

3. **Voting Rights**

The following rules relating to voting rights apply:

- (A) Fractions of Shares do not carry voting rights.
- (B) Every Shareholder or holder of non-participating Shares present in person or by proxy who votes on a show of hands shall be entitled to one vote.
- (C) The chairman of a general meeting of a Class or any Shareholder of a Class present in person or by proxy at a meeting of a Class may demand a poll. The chairman of a general

meeting of the Company or at least two members of the Company present in person or by proxy or any Shareholder or Shareholders of the Company present in person or by proxy representing at least one tenth of the Shares of the Company in issue having the right to vote at such meeting may demand a poll.

- (D) On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of non-participating shares shall be entitled to one vote in respect of all non-participating Shares held by him. A Shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.
- (E) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- (F) Any person (whether a Shareholder or not) may be appointed to act as a proxy; a Shareholder may appoint more than one proxy to attend on the same occasion.
- (G) Any instrument appointing a proxy must be deposited at the registered office, not less than 48 hours before the meeting or at such other place and by such time as is specified in the notice convening the meeting. The Directors may at the expense of the Company send by post or otherwise to the Shareholders instruments of proxy (with or without prepaid postage for their return) and may either leave blank the appointment of the proxy or nominate one or more of the Directors or any other person to act as proxy.
- (H) To be passed, ordinary resolutions of the Company or of the Shareholders of a particular Class will require a simple majority of the votes cast by the Shareholders voting in person or by proxy at the meeting at which the resolution is proposed. Special resolutions of the Company or of the Shareholders of a particular Class will require a majority of not less than 75 per cent. of the Shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles.

4. **Meetings**

The Directors may convene extraordinary general meetings of the Company at any time.

Not less than 21 calendar days' notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to Shareholders and 14 calendar days' notice must be given in the case of any other general meeting.

Two Members present either in person or by proxy shall be a quorum for a general meeting provided that the quorum for a general meeting convened to consider any alteration to the Class rights of Shares shall be two Shareholders holding or representing by proxy at least one third of the issued Shares of the relevant Class. If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened on the requisition of or by Shareholders, shall be dissolved. In any other case it shall stand adjourned to the same time, day and place in the next week or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum and in the case of a meeting of a Class convened to consider the variation of rights of Shareholders in such Class the quorum shall be one Shareholder holding Shares of the Class in question or his proxy. All general meetings will be held in Ireland.

The foregoing provisions with respect to the convening and conduct of meetings shall save as otherwise specified with respect to meetings of Classes and, subject to the Companies Acts 1963-

2009, have effect with respect to separate meetings of each Class at which a resolution varying the rights of Shareholders in such Class is tabled.

5. **Reports, Accounts and documents available for inspection**

The financial year of each of the Company will end on 30 September in each year.

An annual report and audited financial statements for the Fund in respect of each financial year prepared in accordance with IFRS will be sent to Shareholders as soon as practicable and in any event within four months of the end of the Fund's financial year. The first audited financial statements covered the period from the date of the Company's incorporation until 30 September 2010.

Half-yearly unaudited reports of the Company, incorporating unaudited accounts, will also be sent to Shareholders within two months of the period to which they relate. Half-yearly unaudited reports will be prepared as of 31 March each year. The first half-yearly report covered the six month period ending 31 March 2011.

The annual report and audited annual financial statements of the Company and half-yearly reports incorporating unaudited accounts will be sent to each Shareholder at his registered address or email address free of charge and may also be obtained, together with the Articles, at the registered office of the Administrator and the Company.

Shareholders will also receive monthly newsletters including unaudited reports of the Net Asset Value of the relevant Sub-Fund(s). The latest newsletters and other fund-related data will also be available to Shareholders at the offices of the Investment Manager.

6. **Suspension of Valuation of Assets**

The Directors may at any time and from time to time temporarily suspend the determination of the Net Asset Value of the Company, a Fund or a Class and the issue, exchange and redemption of Shares in any Class:

- (A) during the whole or part of any period (other than for ordinary holidays or customary weekends) when any of the Recognised Exchanges on which the Company's investments are quoted, listed, traded or dealt are closed or during which dealings therein are restricted or suspended or trading is suspended or restricted; or
- (B) during the whole or part of any period when circumstances outside the control of the Directors exist as a result of which any disposal or valuation by the Company of investments of the Fund or Class is not reasonably practicable or would be detrimental to the interests of Shareholders or it is not possible to transfer monies involved in the acquisition or disposition of investments to or from the relevant account of the Company; or
- (C) during the whole or part of any period when any breakdown occurs in the means of communication normally employed in determining the value of any of the Company's investments of the relevant Fund or Class;
- (D) any period when due to conditions of market turmoil or market illiquidity it is not possible, in the opinion of the Directors, to determine the fair value of the assets of the Company or Fund;
- (E) during the whole or any part of any period when for any reason the value of any of the Company's investments cannot be reasonably, promptly or accurately ascertained;

- (F) during the whole or any part of any period when subscription proceeds cannot be transmitted to or from the account of the Company or the Fund being unable to repatriate funds required for making redemption payments or when such payments cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (G) for the purpose of winding up the Company or terminating any Fund;
- (H) if any other reason makes it impossible or impracticable to determine the value of a portion of the investments of the Company or any Fund; or
- (I) if, in the absolute discretion of the Directors, suspension of the determination of Net Asset Value is in the interest of Shareholders (or Shareholders in that Fund or Class as appropriate).

Any suspension of valuation of the Net Asset Value of the Company, a Fund or a Class and the issue, exchange and redemption of Shares in any Class shall be notified immediately to the Central Bank and the Custodian without delay and, in any event, within the same Business Day. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

7. **Compulsory Redemption**

The Directors have the right to require the compulsory redemption of all or part of the Shares held by or for the benefit of a Shareholder if the Directors determine that the Shares are held by or for the benefit of any Shareholder who is or becomes an Ineligible Applicant as described under "Subscriptions" above. The Company may also require compulsory redemption of all Shares held by a Shareholder if the Net Asset Value of the Shares held by the Shareholder is less than the Minimum Holding. Where the Net Asset Value of the Shares held by a Shareholder is less than the Minimum Holding and the Company decides to exercise its right to compulsorily redeem, the Company will notify the Shareholder in writing and allow such Shareholder 30 calendar days to purchase additional Shares to meet the minimum requirement.

Notwithstanding the above, the Directors also have the right to compulsorily redeem all or part of the Shares held by or for the benefit of a Shareholder at any time for any or no reason by giving notice in writing to the Shareholders. Such a compulsory redemption may arise where the Directors, at any time and in their absolute discretion, resolve that it would be in the best interests of the Shareholders to wind up the Company and thereby the compulsory redemption of all Shares is required. The Secretary shall then forthwith at the Directors' request convene an extraordinary general meeting of the Company at which there shall be presented a proposal to appoint a liquidator to wind up the Company and if so appointed, the liquidator shall distribute the assets of the Company in accordance with the Memorandum and Articles.

8. **Directors**

The following is a summary of the principal provisions in the Articles relating to the Directors:

- (A) Unless otherwise determined by an ordinary resolution of the Company in a general meeting, the number of Directors shall not be less than two nor more than nine.
- (B) A Director need not be a Shareholder.
- (C) The Articles contain no provisions requiring Directors to retire on attaining a particular age or to retire on rotation.

- (D) A Director may vote and be counted in the quorum at a meeting to consider the appointment or the fixing or variation of the terms of appointment of any Director to any office or employment with the Company or any company in which the Company is interested, but a Director may not vote or be counted in the quorum on a resolution concerning his own appointment.
- (E) The Directors of the Company for the time being are entitled to such remuneration as may be determined by the Directors and disclosed in the Prospectus under “Directors’ Fees” under “Fees and Expenses” and may be reimbursed all reasonable travel, hotel and other expenses incurred in connection with the business of the Company or the discharge of their duties and may be entitled to additional remuneration if called upon to perform any special or extra services to or at the request of the Company.
- (F) A Director may hold any other office or place of profit under the Company, other than the office of Auditor, in conjunction with his office of Director on such terms as to tenure of office or otherwise as the Directors may determine.
- (G) No Director shall be disqualified by his office from contracting with the Company as vendor, purchaser or otherwise, nor shall any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director who is 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, but the nature of his interest must be declared by him at the meeting of the Directors at which the proposal to enter into the contract or agreement is first considered or, if the Director in question was not at the date of that meeting interested in the proposed contract or arrangement, at the next Directors’ meeting held after he becomes so interested. A general notice in writing given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract or arrangement which may thereafter be made with that company or firm is deemed to be a sufficient declaration of interest in relation to any contract or arrangement so made.
- (H) A Director may not vote in respect of any contract or arrangement or any proposal whatsoever in which he has any material interest or a duty which conflicts with the interests of the Company and shall not be counted in the quorum at a meeting in relation to any resolution upon which he is debarred from voting unless the Directors resolve otherwise. However, a Director may vote and be counted in quorum in respect of any proposal concerning any other company in which he is interested directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5 per cent. or more of the issued shares of any class of such company or of the voting rights available to members of such company. A Director may also vote and be counted in the quorum in respect of any proposal concerning an offer of Shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in respect of the purchase of directors’ and officers’ liability insurance.
- (I) The office of a Director shall be vacated in any of the following events namely:-
- (1) if he resigns his office by notice in writing signed by him and left at the registered office of the Company;

- (2) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (3) if he becomes of unsound mind;
- (4) if he is absent from meetings of the Directors for six successive months without leave expressed by a resolution of the Directors and the Directors resolve that his office be vacated;
- (5) if he ceases to be a Director by virtue of, or becomes prohibited or restricted from being a Director by reason of, an order made under the provisions of any law or enactment;
- (6) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office; or
- (7) if he is removed from office by ordinary resolution of the Company.

9. **Directors' Interests**

The interests of the Directors and their interests in companies associated with the management, administration, promotion and marketing of the Company and the Shares are set out below:

- (A) David Watson and Paddy Shanahan are members of the Investment Manager which will receive an Investment Management Fee and may receive a Performance Fee in respect of its services to the Company and are also members of Pensato Cayman LP, a Cayman partnership which holds an indirect interest in the Investment Manager. David Watson and Paddy Shanahan are directors of Pensato Cayman GP, the general partner of Pensato Cayman LP and of Pensato Cayman Limited, a Cayman company with an indirect interest in the Investment Manager. Heinz Saner, Paul Carroll and Glen MacMullin are independent of the Investment Manager.
- (B) There are no existing or proposed service agreements between the Fund and any of the Directors;
- (C) The Directors or companies of which they are officers or employees, including the Investment Manager, may subscribe for Shares in the Fund. Their applications for Shares will rank pari passu with all other applications. As at the date of this Prospectus, save as described herein, none of the Directors, has or intends to have an interest in the Shares of the Fund.

10. **Winding Up**

- (A) The Directors may terminate a Fund in their absolute discretion and will compulsorily redeem the shares in issue in respect of this Fund upon notice to its Shareholders.
- (B) The Company may be wound up if:
 - (1) At any time after the first anniversary of the incorporation of the Company, the Net Asset Value of the Company falls below such amount as the Directors may determine from time to time;

- (2) Within a period of three months from the date on which (a) the Custodian notifies the Company of its desire to retire in accordance with the terms of the Custodian Agreement and has not withdrawn notice of its intention to so retire, (b) the appointment of the Custodian is terminated by the Company in accordance with the terms of the Custodian Agreement, or (c) the Custodian ceases to be approved by the Central Bank to act as a custodian; no new Custodian has been appointed, the Directors shall instruct the Secretary to forthwith convene an extraordinary general meeting of the Company at which there shall be proposed an ordinary resolution to wind up the Company;
 - (3) The Shareholders resolve by ordinary resolution that the Company or the relevant Fund by reason of its liabilities cannot continue its business and that it be wound up; or
 - (4) The Shareholders resolve by special resolution to wind up the Company.
- (C) In the event of a winding up, the liquidator shall apply the assets of the Company in such manner and order as he thinks fit in satisfaction of creditors' claims.
- (D) The liquidator shall apply the assets of each Fund in satisfaction of liabilities incurred on behalf of or attributable to such Fund and shall not apply the assets of any Fund in satisfaction of any liabilities incurred on behalf of or attributable to any other Fund.
- (E) The assets available for distribution among the Shareholders shall be applied in the following priority:
 - (1) first, in the payment to the Shareholders of each Class or Fund of a sum in the base currency (or in any other currency selected and at such rate of exchange as determined by the liquidator) as nearly as possible equal to the Net Asset Value of the Shares of the relevant Class or Fund held by such Shareholders respectively as at the date of commencement of winding up;
 - (2) secondly, in the case of the winding up of the Company or Fund, in the payment to the holders of non-participating shares of sums up to the consideration paid in respect thereof provided that if there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets comprised within the Fund or Classes;
 - (3) thirdly, in the payment to the Shareholders of each Class of any balance then remaining in the Company or relevant Fund, in proportion to the number of Shares held in the relevant Fund or Class; and
 - (4) fourthly, any balance then remaining and not attributable to any Fund or Class shall be apportioned between the Classes pro-rata to the Net Asset Value of the Company or attributable to each Class immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata to the number of Shares in the Fund or Class held by them.
- (F) The liquidator may, with the authority of an ordinary resolution of the Company, divide among the Shareholders (pro rata to the value of their respective shareholdings in the Company) in specie the whole or any part of the assets of the Company and whether or not the assets shall consist of property of a single kind provided that any Shareholder shall be entitled to request the sale of any asset or

assets proposed to be so distributed and the distribution to such Shareholder of the cash proceeds of such sale. The costs of any such sale shall be borne by the relevant Shareholder. The liquidator may, with like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator shall think fit and the liquidation of the Company may be closed and the Company dissolved, provided that no Shareholder shall be compelled to accept any asset in respect of which there is any liability. Further the liquidator may with like authority transfer the whole or part of the assets of the Company to a company or collective investment scheme (the "Transferee Company") on terms that Shareholders in the Company shall receive from the Transferee Company shares or units in the Transferee Company of equivalent value to their shareholdings in the Company.

- (G) Notwithstanding any other provision contained in the Memorandum and Articles, should the Directors at any time and in their absolute discretion resolve that it would be in the best interests of the Shareholders to wind up the Company, the Secretary shall forthwith at the Directors' request convene an extraordinary general meeting of the Company at which there shall be presented a proposal to appoint a liquidator to wind up the Company and if so appointed, the liquidator shall distribute the assets of the Company in accordance with the Memorandum and Articles.

11. **Indemnities and Insurance**

The Directors (including alternates), Secretary and other officers of the Company and its former directors and officers shall be indemnified by the Company against losses and expenses to which any such person may become liable by reason of any contract entered into or any act or thing done by him as such officer in the discharge of his duties (other than in the case of fraud, negligence or wilful default). The Company acting through the Directors is empowered under the Articles to purchase and maintain for the benefit of persons who are or were at any time Directors or officers of the Company insurance against any liability incurred by such persons in respect of any act or omission in the execution of their duties or exercise of their powers.

12. **Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

- (A) An Investment Management Agreement dated 16 September, 2010 between (1) the Company and (2) the Investment Manager whereby the Investment Manager has been appointed the responsibility for managing the investments of the Company. The Investment Management Agreement will continue in force until terminated by either party on 90 calendar days' notice in writing to the other party. It may be terminated forthwith by either party on immediate written notice if the other party commits any material breach of its obligations and fails to remedy the breach within 30 calendar days of receipt of written notice requiring the same, or if the other party is dissolved or otherwise enters into insolvency proceedings. The Investment Manager will not be liable for any loss suffered by the Company in connection with the performance or non-performance of its obligations and duties under the Investment Management Agreement in the absence of negligence, bad faith, recklessness, wilful default or fraud on the part of the Investment Manager. The Company has agreed to indemnify the Investment Manager and the directors, officers and employees of the Investment Manager against any and all liabilities, obligations, losses, damages, suits and expenses which may be incurred by or asserted against the Investment Manager in its capacity as Investment Manager other than those resulting from the negligence, wilful default or fraud on its part and

other than expenses incurred by the Investment Manager for which the Investment Manager is responsible.

- (B) A Distribution Agreement dated 16 September, 2010 between (1) the Company and (2) the Investment Manager whereby the Investment Manager has been appointed the responsibility for distributing the shares of the Company. The Distribution Agreement will continue in force until terminated by either party on 90 calendar days' notice in writing to the other party. It may be terminated forthwith by either party on immediate written notice if the other party commits any material breach of its obligations and fails to remedy the breach within 30 calendar days of receipt of written notice requiring the same, or if the other party is dissolved or otherwise enters into insolvency proceedings. The Investment Manager will not be liable for any loss suffered by the Company in connection with the performance or non-performance of its obligations and duties under the Distribution Agreement in the absence of negligence, bad faith, recklessness, wilful default or fraud on the part of the Investment Manager. The Company has agreed to indemnify the Investment Manager and the directors, officers and employees of the Investment Manager against any and all liabilities, obligations, losses, damages, suits and expenses which may be incurred by or asserted against the Investment Manager in its capacity as distributor other than those resulting from the negligence, wilful default or fraud on its part and other than expenses incurred by the Investment Manager for which the Investment Manager is responsible.
- (C) An Administration Agreement dated 16 September, 2010 between (1) the Company and (2) the Administrator whereby the Administrator was appointed to provide registrar and transfer agency, accounting and other administrative services to the Company. The Administration Agreement shall continue in force until terminated by either the Company or the Administrator on ninety (90) days notice in writing to the other party and may be terminated forthwith by notice in writing by a party (i) if the other party commits any material breach which is either incapable of remedy or has not been remedied within thirty (30) days of receipt of notice requiring it to do so; (ii) if the other party is unable to pay its debts as they fall due or otherwise become insolvent or enter into any composition or arrangement with or for the benefit of its creditors or any class thereof; (iii) if the other party is the subject of any petition for the appointment of an examiner or similar officer to it; (iv) if the other party have a receiver appointed over all or any substantial part of its undertaking, assets or revenues; (v) if the other party is the subject of an effective resolution for its winding up except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other party; or (vi) if the other party is the subject of a court order for its winding up. The Company may terminate the Administration Agreement forthwith if the Administrator is no longer permitted to perform its obligations under any applicable law or regulation. The Administrator may terminate Administration Agreement at any time forthwith if any authorisation by the Central Bank of the Company is revoked. The Administration Agreement provides that in the absence of negligence, wilful default or fraud on the part of Administrator, the Administrator will not be liable to the Company as a result of any act or omission of the Administrator in the performance of its services and duties under the Administration Agreement and the has Company agreed to indemnify the Administrator against any loss suffered by the Administrator in the performance of its obligations and duties under the Administration Agreement, save where such loss arises as a result of the negligence, wilful misconduct or fraud on the part of the Administrator.
- (D) A Custodian Agreement dated 16 September, 2010 between (1) the Company and (2) the Custodian whereby the Company appointed the Custodian to provide

custodian services to the Company. The Custodian Agreement shall continue in force until terminated by either party on ninety (90) days' notice in writing to the other party or as otherwise provided by the Custodian Agreement, provided that such termination shall only take effect upon the appointment of a successor custodian with the prior approval of the Central Bank. The Custodian shall be liable to the Company for any loss suffered by it as a result of its unjustifiable failure to perform its obligations or its improper performance of such obligations. Subject thereto, the Company shall indemnify the Custodian from and against any and all actions, proceedings, claims, demands, losses, damages, costs and expenses (including reasonable legal and professional fees and expenses and including any loss suffered or incurred by the Custodian arising out of the failure of a settlement system to effect a settlement) which may be made or brought against or directly or indirectly suffered or incurred by the Custodian arising out of or in connection with the performance or non-performance of the Custodian's duties under the Custodian Agreement.

13. **General**

- (A) The rights conferred on Shareholders by virtue of their shareholdings are governed by the Articles, the general law of Ireland, the UCITS Regulations and the Companies Acts 1963 to 2009.
- (B) The material contracts referred to in paragraph 12 above are available for inspection during normal business hours at the offices of the Company at 33, Sir John Rogerson's Quay, Dublin 2, Ireland.

APPENDIX 1

INVESTMENT AND BORROWING POWERS

1. Permitted Investments

Investments of each Fund are confined to:

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

2. Investment Restrictions

- 2.1 Each Fund may invest no more than 10 per cent. of net assets in transferable securities and Money Market Instruments other than those referred to in paragraph 1.
- 2.2 Each Fund may invest no more than 10 per cent. of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities provided that:
 - (A) the securities are issued with an undertaking to register with the US Securities and Exchange Commission within one year of issue; and
 - (B) the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 calendar days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3 Each Fund may invest no more than 10 per cent. of net assets in transferable securities or Money Market Instruments issued by the same body provided that the total value of transferable securities and Money Market Instruments held in the issuing bodies in each of which it invests more than 5 per cent. is less than 40 per cent.
- 2.4 Subject to the prior approval of the Central Bank the limit of 10 per cent. (in 2.3) is raised to 25 per cent. in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5 per cent. of its net assets

in these bonds issued by one issuer, the total value of these investments may not exceed 80 per cent. of the net asset value of the UCITS.

- 2.5 The limit of 10 per cent. (in 2.3) is raised to 35 per cent. if the transferable securities or Money Market Instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6 The transferable securities and Money Market Instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40 per cent. referred to in 2.3.
- 2.7 Each Fund may not invest more than 20 per cent. of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than

- (A) a credit institution authorised in the EEA;
- (B) a credit institution authorised within a signatory state (other than an EEA State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- (C) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand

held as ancillary liquidity, must not exceed 10 per cent. of net assets.

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

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

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

- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20 per cent. of net assets:

- (A) investments in transferable securities or Money Market Instruments;
- (B) deposits, and/or
- (C) counterparty risk exposures arising from OTC derivatives transactions.

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

- 2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20 per cent. of net assets may be applied to investment in transferable securities and Money Market Instruments within the same group.
- 2.12 Each Fund may invest up to 100 per cent. of net assets in different transferable securities and Money Market Instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members. (See Appendix 4)

The individual issuers and may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank and Tennessee Valley Authority.

The Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30 per cent. of net assets

3. **Investment in Collective Investment Schemes (“CIS”)**

- 3.1 If provided for in the relevant Supplement in respect of a particular Fund, investments made by a Fund in units of other CIS will not exceed, in aggregate, 10 per cent of the Net Asset Value of the Fund.
- 3.2 If no express limit is provided for in the relevant Supplement, the following restrictions shall apply instead:
- (a) Each Fund may not invest in more than 20 per cent. of its Net Asset Value in any one CIS.
 - (b) Investments in non-UCITS CIS may not, in aggregate, exceed 30 per cent. of its Net Asset Value.
- 3.3 The CIS in which a Fund invests must be prohibited from investing more than 10 per cent. of net assets in other CIS.
- 3.4 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, exchange or redemption fees on account of the Fund investment in the units of such other CIS. Furthermore, the Investment Manager may not charge, in the foregoing circumstances, any Investment Management Fee to the Fund on the portion of the Fund's assets invested in such other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the UCITS manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the relevant Fund.

4. **Index Tracking UCITS**

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

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:
- (A) 10 per cent. of the non-voting shares of any single issuing body;
 - (B) 10 per cent. of the debt securities of any single issuing body;
 - (C) 25 per cent. of the units of any single CIS;
 - (D) 10 per cent. of the Money Market Instruments of any single issuing body.

NOTE: The limits laid down in (B), (C) and (D) 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:
- (A) transferable securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;
 - (B) transferable securities and Money Market Instruments issued or guaranteed by a non-Member State;
 - (C) transferable securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;
 - (D) shares held by a Fund in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.
 - (E) Shares held by an investment company or investment companies 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 The Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or Money Market Instruments which form part of its assets.
- 5.5 The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 5.6 If the limits laid down herein are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company 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 Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:

- transferable securities;
- Money Market Instruments;
- units of CIS; or
- financial derivative instruments.

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 UCITS Notices) relating to FDI must not exceed its total net asset value. The methodology used to calculate global exposure is set out on page 7 of the Prospectus and in the relevant Supplement in relation to each Fund.
- 6.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or Money Market Instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS 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 UCITS Notices.)
- 6.3 The Fund may invest in FDIs dealt in OTC provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.4 Investment in FDIs is subject to the conditions and limits laid down by the Central Bank.

7. **Restrictions on Borrowing and Lending**

- 7.1 The Company may borrow in respect of any Fund up to 10 per cent. of its Net Asset Value provided such borrowing is on a temporary basis. The Company may charge its assets as security for such borrowings.
- 7.2 A Fund may acquire foreign currency by means of a "back to back" loan agreement. Foreign currency obtained in this manner is not classified as borrowing for the purposes of

UCITS Regulation 70(1) and the borrowing restrictions set out at 7.1 above provided that the offsetting deposit:

- (A) is denominated in the base currency of the relevant Fund; and
- (B) equals or exceeds the value of the foreign currency loan outstanding.

7.3 The Company will adhere to any investment or borrowing restrictions and any criteria necessary to obtain and/or maintain any credit rating in respect of any Shares or Class in the Company, subject to the UCITS Regulations.

7.4 It is intended that a Fund shall have the power (subject to the prior approval of the Central Bank) and as disclosed in an updated Prospectus to avail itself of any change in the investment and borrowing restrictions laid down in the UCITS Regulations which would permit investment by the Fund in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations.

APPENDIX 2

Stock Exchanges and Regulated Markets

The following is a list of regulated stock exchanges and markets in which the assets of each Fund may be invested from time to time and is set out in accordance with the Central Bank's requirements. With the exception of permitted investments in unlisted securities investment is restricted to these stock exchanges and markets. The Central Bank does not issue a list of approved stock exchanges or markets.

1. All stock exchanges located in any Member State of the European Union, any Member State of the EEA, Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland and the United States of America on which transferable securities admitted to official listing are dealt in or traded.

in Argentina	Bolsa de Comercio de Buenos Aires Bolsa de Comercio de Cordoba Bolsa de Comercio de Rosario
in Bahrain	Bahrain Stock Exchange
in Bangladesh	Dhaka Stock Exchange Chittagong Stock Exchange
in Bermuda	Bermuda Stock Exchange
in Botswana	Botswana Stock Exchange
in Brazil	Bolsa de Valores do Rio de Janeiro Bolsa de Valores de Sao Paulo
in Chile	Bolsa de Comercio de Santiago Bolsa Electronica de Chile
in China	the Shanghai Stock Exchange the Shenzhen Stock Exchange
in Colombia	Bolsa de Bogota Bolsa de Medellin Bolsa de Occidente
in Costa Rica	Bolsa Nacionalde Valores
in Croatia	the Zagreb Stock Exchange
in Ecuador	Bolsa de Valores de Guayaquil Bolsa de Valores de Quito
in Egypt	Alexandria Stock Exchange Cairo Stock Exchange
in Ghana	Ghana Stock Exchange
in India	the National Stock Exchange

	the Mumbai Stock Exchange the Delhi Stock Exchange the Bangalore Stock Exchange
in Indonesia	the Jakarta Stock Exchange Surabaya Stock Exchange
in Israel	the Tel Aviv Stock Exchange
in the Ivory Coast	Bourse des Valeurs d'Abidjan Bourse Regionale des Valeurs Mobilieres
in Jordan	Amman Financial Market
in Kazakhstan	Central Asian Stock Exchange Kazakhstan Stock Exchange
in Kenya	Nairobi Stock Exchange
in Kuwait	Kuwait Stock Exchange
in Lebanon	Beirut Stock Exchange
in Malaysia	the Kuala Lumpur Stock Exchange
in Mauritius	Stock Exchange of Mauritius
in Mexico	Bolsa Mexicana de Valores
in Morocco	Societe de la Bourse des Valeurs de Casablanca
in Namibia	Namibian Stock Exchange
in Nigeria	Nigerian Stock Exchange
in Oman	Muscat Securities Market
in Pakistan	Islamabad Stock Exchange Karachi Stock Exchange Lahore Stock Exchange
in Peru	Bolsa de Valores de Lima
in Philippines	the Philippines Stock Exchange
in Qatar	Doha Securities Market
in Russia	Moscow Interbank Currency Exchange the Russian Trading System Stock Exchange
in Saudi Arabia	the Saudi Stock Exchange (Tadawul)
in Serbia	Belgrade Stock Exchange

in Singapore	the Singapore Stock Exchange
in South Africa	the Johannesburg Stock Exchange
in South Korea	Korea Stock Exchange KOSDAQ Market
in Sri Lanka	Colombo Stock Exchange
in Taiwan (Republic of China)	the Taiwan Stock Exchange Corporation
in Thailand	the Stock Exchange of Thailand
in Trinidad & Tobago	Trinidad & Tobago Stock Exchange
in Tunisia	Bourse des Valeurs Mobilieres de Tunis
in Turkey	the Istanbul Stock Exchange
in Ukraine	Ukrainian Stock Exchange
in Uruguay	Bolsa de Valores de Montevideo
in Venezuela	the Caracas Stock Exchange the Maracaibo Stock Exchange Venezuela Electronic Stock Exchange
in Vietnam	Ho Chi Minh City Securities Exchange Centre
in Zimbabwe	Zimbabwe Stock Exchange
in Zambia	Lusaka Stock Exchange

2. The following regulated markets:-

the markets organised by the International Capital Market Association;

NASDAQ in the United States;

NASDAQ Europe;

SESDAQ (the second tier of the Singapore Stock Exchange);

the market in US Government Securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;

the over-the-counter market in the United States regulated by the US Financial Industry Regulatory Authority, Inc. ("**FINRA**") also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by FINRA and by banking institutions regulated by the US

Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;

the market conducted by the “listed money market institutions”, as described in the FSA publication “The Investment Business Interim Prudential Sourcebook” (which replaces the “Grey Paper”) as amended from time to time;

AIM – the Alternative Investment Market in the UK, regulated and operated by the London Stock Exchange;

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

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

the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.

3. In addition to those markets listed above on which financial derivative instruments are traded, the following regulated derivatives markets:

All derivatives exchanges on which permitted financial derivative instruments may be listed or traded:

- in a Member State;
- in a Member State in the European Economic Area (the European Union, Norway, Iceland and Liechtenstein);

in Asia, on the

- Bursa Malaysia Derivatives Berhad
- Hong Kong Exchanges & Clearing;
- Jakarta Futures Exchange;
- Korea Futures Exchange;
- Korea Stock Exchange;
- Kuala Lumpur Options and Financial Futures Exchange;
- National Stock Exchange of India;
- Osaka Mercantile Exchange;
- Osaka Securities Exchange;
- Shanghai Futures Exchange (SHFE);
- Singapore Commodity Exchange;
- Singapore Exchange;
- Stock Exchange of Thailand;
- Taiwan Futures Exchange;
- Taiwan Stock Exchange;
- The Stock Exchange, Mumbai;
- Tokyo International Financial Futures Exchange;
- Tokyo Stock Exchange;

in Australia, on the

- Australian Stock Exchange;
- Sydney Futures Exchange;

in Brazil on the Bolsa de Mercadorias & Futuros (BM&F);

in Israel on the Tel-Aviv Stock Exchange;

in Mexico on the Mexican Derivatives Exchange (MEXDER)

in South Africa on the South African Futures Exchange (Safex);

in Switzerland on Eurex (Zurich)

in the United States of America, on the

- American Stock Exchange;
- Chicago Board of Trade;
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- Eurex US;
- International Securities Exchange;
- New York Futures Exchange;
- New York Board of Trade;
- New York Mercantile Exchange;
- Pacific Stock Exchange;
- Philadelphia Stock Exchange;

in Canada on the

- Bourse de Montreal;
- Winnipeg Commodity Exchange (WCE).

APPENDIX 3

Financial Derivative Instruments and Efficient Portfolio Management

Financial Derivative Instruments

The Financial Derivative Instruments which the Investment Manager may use on behalf of the Company and the expected effect of investment in such Financial Derivative Instruments on the risk profile of the Company are set out below. In addition, the attention of investors is drawn to the risks described under the headings “Derivatives”, “Options”, “Particular Risks of OTC Derivatives”, “Counterparty Risk”, “Valuation Risk” and “Short Selling” in the “Risk Factors” section of the Prospectus.

Where considered appropriate, the Company may invest in Financial Derivatives Instruments and/or utilise other techniques and instruments, for investment purposes, for efficient portfolio management, to gain currency exposure and/or to protect against foreign exchange risks, subject to the conditions and within the limits laid down by the Central Bank.

In general, these Financial Derivative Instruments and other techniques and instruments include, but are not limited to: futures, currency forwards, options and contracts for difference (“CFD”).

The Company will typically use these instruments and/or techniques as described below and under the “Investment Policy” section in the relevant Supplement for hedging as well as investment purposes, provided that in each case the use of such instruments:

- (i) is in accordance with the limits and guidelines issued by the Central Bank from time to time;
- (ii) does not contravene pertinent EU and Irish legislations and law;
- (iii) will not result in an exposure to underlyings other than transferable securities, financial indices, interest rates, foreign exchange rates or currencies;
- (iv) will not cause the Fund to diverge from its investment objective.

Financial Derivative Instruments can be used in the Fund as follows:

Futures

A Fund may, subject to the above conditions, buy or sell exchange-traded futures (contracts) whose underlyings are relevant equities or equity indices and which are compliant with the investment objective and policies of a Fund.

Futures are contracts 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 through a transaction undertaken on an exchange.

The commercial purpose of futures contracts can be to allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract’s delivery date. Using futures to achieve a particular strategy instead of using the underlying or related security or index may result in lower transaction costs being incurred.

Forward Foreign Exchange Contracts

A Fund may use forward foreign exchange contracts for hedging purposes. A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. Forward foreign exchange contracts are OTC derivatives.

Options

Subject to certain conditions, each Fund may buy or sell (write) exchange-traded or OTC put and call options whose underlyings are relevant assets, instruments (such as equity securities or futures) or indices in respect of the investment policies of that Fund.

An option is a contract which gives the contract buyer the right, but not the obligation, to exercise a feature of the option, such as buying a specified quantity of a particular product, asset or financial instrument, on, or up to and including, a future date (the exercise date). The 'writer' (seller) has the obligation to honour the specified feature of the contract. Since the option gives the buyer a right and the seller an obligation, the buyer pays the seller a premium. Put options are contracts that give the option buyer the right to sell to the seller of the option the underlying product or financial instrument at a specified price on, or before, the exercise date. Call options are contracts that give the option buyer the right to buy from the seller of the option the underlying product or financial instrument at a specified price on, or before, the exercise date. Options may also be cash settled.

The commercial purpose of options can be to hedge against the movements of a particular market or financial instrument or to gain exposure (either long or short) to a particular market or financial instrument instead of using a physical security.

Contracts for Difference ("CFD")

A Fund may enter into contracts for differences (CFD) mainly for investment purposes, subject to the above conditions, as a replacement for direct investment in transferable securities in order to avail of cost or liquidity advantages of Financial Derivative Instruments over transferable securities. CFD are also utilised to obtain synthetic short exposures to particular issuers. CFD allows a direct exposure to the market, a sector or an individual security. CFD are used to gain exposure to share price movements without buying the shares themselves. A CFD on a company's shares will specify the price of the shares when the contract was started. The contract is an agreement to pay out cash on the difference between the starting share price and the price when the contract is closed.

In a long CFD contract, the counterparty agrees to pay the Fund the amount, if any, by which the notional amount of the CFD contract would have increased in value had it been invested in the underlying security or securities, plus any dividends that would have been received on those stocks.

In a short CFD contract, the counterparty agrees to pay the Fund the amount, if any, by which the notional amount of the CFD contract would have decreased in value had it been invested in the underlying security or securities. The Fund must also pay the counterparty the value of any dividends that would have been received on those stocks. CFDs are OTC Financial Derivative Instruments and the counterparty will usually be an investment bank or broker.

Equity index forwards

A Fund may use equity index forwards for hedging purposes. The Fund may, subject to certain conditions, enter into a forward to gain long or short exposure to a market without purchasing the relevant stock. An equity index forward will generally perform in a similar manner to the relevant index.

Index swaps

A Fund may, subject to certain conditions, enter into index swap contracts. An index swap is an agreement between two parties to swap two sets of cash flows on predetermined dates for an agreed number of years. The cash flows may be an equity index value swapped, for instance, with LIBOR. Index swaps may be used to limit or eliminate the Fund's exposure to a particular market sector while gaining exposure to another sector by exchanging the performance of what it believes is an overvalued or non-performing sector for that of an undervalued or performing sector, which will generally involve swapping the performance of two relevant market indices. The Fund may also enter into "mid-cap" index swap contracts, which are swap contracts where the underlying is an index comprising companies of medium sized market capitalisation. "Mid-cap" index swaps will be used to hedge market risks associated with long or synthetic short positions in individual equity securities.

SUPPLEMENT 1: Pensato Europa Absolute Return Fund

This Supplement contains information relating specifically to Pensato Europa Absolute Return Fund, a sub-fund of Pensato Capital Funds plc (the “Company”), an open-ended umbrella fund with segregated liability between sub-funds authorised by the Central Bank on 16 September, 2010 as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as may be amended). This Supplement forms part of and should be read in conjunction with the Prospectus of the Company dated 23 December, 2011.

The Fund may engage in transactions in Financial Derivative Instruments for investment purposes and for the purposes of efficient portfolio management. Investors should read the section entitled ‘Risk Factors’ before investing in the Fund.

It is recommended that an investment in the Fund should not constitute a substantial proportion of an investor’s portfolio and such investment may not be appropriate for all investors.

Name of Fund: Pensato Europa Absolute Return Fund

Investment Objective: The investment objective of the Fund is to seek to achieve absolute returns and capital appreciation on a risk adjusted basis.

There can be no assurance that the Fund will achieve its investment objective.

Investment Policy: The Fund seeks to achieve its objective by investing primarily in a portfolio of direct and synthetic long and synthetic short equity positions (which will be achieved through the use of Financial Derivative Instruments) in companies operating principally in Europe where, in the opinion of the Investment Manager, the economic fundamentals of the businesses are not reflected by the prevailing market valuation.

The Fund aims to invest in long and short positions in large, mid and small capitalisation companies where available liquidity is consistent with prudent risk controls and with its own underlying liquidity requirements. The Fund may also take positions in other equity related instruments for the purpose of hedging or managing the overall risk of the portfolio, or to enhance returns.

The Fund seeks to take positions primarily in equities of listed companies operating principally in Europe and in equity related instruments. It is expected that the Fund will have exposure to the major markets within Europe (including the United Kingdom, Germany and France) and may have exposure to other markets in Europe including those in the Nordic region and eastern Europe.

The Fund seeks to ensure that each investment is consistent with the Fund’s requirements for prudent risk management, details of which are set out under “Risk Management” below.

In addition, the Fund may, on an ancillary basis, take positions in companies operating entirely or principally outside Europe. All investments will be made in accordance with the UCITS Regulations as summarised in Appendix 1 of the Prospectus.

The equity positions and the equity related instruments mentioned above include, without limitation, shares, preference shares and ADRs and GDRs. The Fund may also, on an ancillary basis, invest in units of other UCITS or other collective investment schemes as permitted by the Regulations, including other sub-funds of the Company, whose investment objectives and policies are consistent with the investment objective and policy of the Fund.

The Fund may also, on an ancillary basis, and primarily for cash management purposes, invest in fixed and/or floating rate debt securities, deposits and money market instruments such as treasury bills. Where the Fund invests in fixed and/or floating debt securities, these will primarily be government and government guaranteed securities and will be instruments which are considered investment grade by Standard & Poor's or an equivalent rating by any of the other principal rating agencies.

The Financial Derivative Instruments the Fund may use to gain both long and synthetic short exposure include the following:

(i) futures on equities and equity indices (which allow the Fund to hedge against market risk or gain exposure to underlying equities or equity indices);

(ii) forward contracts, which will be used by the Fund for hedging purposes, including forward foreign exchange contracts (which allow the Fund to fix a price at which an index or asset may be purchased or sold in the future);

(iii) options on equities and equity indices (which can be used to hedge against the movements of a particular equity market or equity financial instrument or to gain exposure to a particular equity market or equity financial instrument instead of using a physical security);

(iv) contracts for differences on equities and equity indices (which can be used for hedging purposes, as well as for gaining direct exposure to an underlying without the need for full capital expenditure),

(v) equity index forwards (which also allows the Fund to gain long or short exposure to a market without purchasing the relevant stock),

(vi) Funded Total Return Swaps and Unfunded Total Return Swaps on equities and equity indices (which can be used for hedging purposes as well as for gaining exposure to an underlying equity or equity index); and

(vii) convertible securities (such as convertible bonds with an embedded equity option) which are convertible into equity securities or equity warrants (a warrant gives the holder a right to receive, upon exercise, a security of the issuer at a stated price).

FDIs may be exchange-traded or over the counter.

Traditionally, UCITS have invested on a "long only" basis. This means

that their net asset value will rise (or fall) in value based on the market value of the assets they hold. The Fund can take long positions by investing in the financial instruments, including the derivative instruments, referred to above.

A short sale involves the sale of a share that the seller does not own in the hope of purchasing the same share (or a share exchangeable for such share) at a later date at a lower price. Short positions may only be achieved through the use of derivatives which are designed to produce the same economic effect as a short sale. The Fund may hold positions that will rise as the market value falls, and fall as the market value rises. Further information with respect to the use of derivative instruments by the Fund is set out in Appendix 3 and the risks attached to the use of derivative instruments by the Fund are set out under the "Risk Factor" section in the main body of the Prospectus.

The Fund may gain direct exposure to global emerging markets by investing in equity securities as well as via investments in ADRs and GDRs, which are listed or traded on Regulated Markets.

Investment Process: The Investment Manager aims to build a diversified portfolio of investments across different and uncorrelated industries, utilising the skills and experience of the portfolio manager and the investment team. The investment process generally comprises:

1. Idea generation. The Investment Manager seeks to use internal and external sources to identify companies whose market valuation has the potential to change materially.
2. Research. The Investment Manager, through an analysis of managerial skill, profitability, competitive positioning, opportunities for growth, and reinvestment requirements, seeks to identify and qualify investment opportunities
3. Valuation. By utilising proprietary forecasts for profitability, cash flow and balance sheet development, and a range of valuation models, the Investment Manager aims to identify those investment opportunities where the economic fundamentals discerned above are in its opinion significantly higher (for long positions) or lower (for short positions) than those reflected by the market price of the stock.
4. Risk Management. The Investment Manager seeks to ensure that each investment is consistent with the Fund's requirements for prudent risk management (see below).

Portfolio Structure In constructing the portfolio, the Investment Manager's key considerations are: position size, the absolute aggregate size of the long and synthetic short positions and the ability to hedge against adverse movements in markets in which the Fund is invested or to which the Fund is exposed.

The Fund generally has a focus on the stocks of mid capitalisation companies (defined as between €1 billion and €10 billion in market capitalisation) that are perceived to offer more interesting investment opportunities by virtue of the more limited coverage and lower market

awareness. As outlined above in the Investment Policy, the Fund can also focus on the stocks of small and large capitalisation companies. The Fund is permitted to acquire positions in unlisted equities (within the limits as described in Appendix 1).

Individual position sizes will be determined by their potential to increase in value compared with the risk of losing value and by liquidity, duration, volatility and hedging characteristics with other positions taken by the Fund.

The Investment Manager aims to maintain diversification such that no individual country or sector represents a dominant part of the portfolio. Typically, the Fund's net market exposure is in the range of minus 25 per cent to plus 75 per cent of Net Asset Value. The Fund's long and short approach allows the Investment Manager to seek to achieve absolute returns by fully expressing its positive and negative views on the market.

Any market risk, including any global exposure employed through the use of Financial Derivative Instruments, will be in accordance with the UCITS Regulations. Such market risk will be monitored using absolute value-at-risk ("VaR") to ensure that the VaR of the Fund may not exceed 20% of the Net Asset Value of the Fund, based on a 20 day holding period and a 99% confidence interval. The Investment Manager anticipates using leverage in the Fund, meaning that the Fund will have leverage to equity markets of greater than its Net Asset Value; it is expected that the leverage will not exceed three times the Net Asset Value of the Fund and which shall, at all times, comply with the levels of market risk measure by absolute VaR.

Currency Hedging

The assets of the Fund attributable to the US\$ Shares and Sterling Shares will normally be hedged so as to minimise the impact of fluctuations between the US Dollar or Sterling and the Euro (the base currency of the Fund) on the Net Asset Value of the US\$ Shares and Sterling Shares.

The Fund seeks to limit the impact on Net Asset Value of residual currency exposures resulting from an imbalance of investments priced in different currencies. Hedges may be carried out at the Investment Manager's discretion based on an assessment of what is the acceptable currency risk and the cost of the hedges.

Risk Management

The Investment Manager seeks to control the risk of the Fund by regularly monitoring exposure to stock specific and non-stock specific factors. The Investment Manager expects to have a fundamentally driven investment thesis for each position with a return objective that builds in a prudent margin of safety. Risk management at the stock level includes an ongoing review of the investment thesis and valuation targets in the light of new information, peer group analysis and price action. As noted above, position size is a function of upside potential versus downside risk, liquidity, duration, volatility and hedging characteristics with other Fund exposures. The Investment Manager may adjust the position size or liquidate the position as appropriate due to changes in these factors.

The exposure of the Fund to individual sectors and countries is monitored and controlled. The net and gross exposure of the Fund is driven by the number of suitable investment opportunities and the Investment Manager's assessment of the stock market environment and volatility. Overall portfolio risk characteristics are analysed by tracking portfolio volatility, VaR and undertaking periodic stress tests.

Investment in collective investment schemes: The Fund will not invest more than 10 per cent. of its net assets in aggregate in the units of other UCITS or other collective investment schemes as permitted by the Regulations.

Cross-Investment: The Fund may invest in other Funds of the Company, but may only invest in another Fund if the Fund in which it is investing does not itself hold Shares in any other Fund of the Company. The Fund shall not invest in its own Shares. Where the Fund invests in the Shares of another Fund of the Company: (i) the Investment Manager will waive the initial charge which it is entitled to charge for its own account; (ii) the Investment Manager will waive that portion of its Investment Management Fee and Performance Fee in order to avoid a double charge.

Valuation Point: 11.59 p.m. (Dublin time) on the Business Day immediately preceding the relevant Dealing Day

Dealing Day: Every Monday, commencing on 4 October, 2010 or the next following Business Day if such day is not a Business Day.

Business Day: Any day on which banks are open for business in Dublin and London and/or such other place or places and such other day or days as the Directors may determine.

Subscription Request Deadline: 5.00 p.m. (Dublin time) on the Business Day immediately preceding the relevant Dealing Day or such other time as the Directors may determine in exceptional circumstances only and notify to Shareholders in advance provided always that the Subscription Request Deadline is no later than the Valuation Point.

Where an investor is subscribing for Shares directly via the Administrator, cleared funds in the relevant currency in respect of the subscription monies must be received by the Administrator no later than the Subscription Request Deadline. Applications for Shares will not be dealt with and Shares will not be issued until receipt of notification that an applicant's funds have been cleared in the full amount of the subscription.

Where an investor is subscribing for Shares using a third party clearing system (such as Clearstream), the investor will be required to subscribe for Shares pursuant to the terms of that clearing system.

Redemption Request Deadline: 5.00 p.m. (Dublin time) five Business Days immediately preceding the relevant Dealing Day (i.e. usually Mondays) or such other time as the Directors may determine in exceptional circumstances only and notify to Shareholders in advance provided always that the Redemption Request Deadline is no later than the Valuation Point.

Where an investor holds Shares through a third party clearing system (such as Clearstream), the investor will be required to redeem Shares pursuant to the terms of that clearing system.

Deferred Redemptions: Redemption requests submitted by investors may not be deferred.

Price Publication: The Net Asset Value per Share will be published weekly on www.ft.com/funds and will be published on Bloomberg and will be updated following each calculation of Net Asset Value. Such prices will be up to date as of the time of publication.

Share Classes and types of Shares: Shares

A Shares
 Class A (€) Shares (Reporting)
 Class A (€) Shares (Non-Reporting)
 Class A (£) Shares (Reporting)
 Class A (£) Shares (Non-Reporting)
 Class A (\$) Shares (Non-Reporting)
 (together the “Class A Shares”)

B Shares
 Class B (€) Shares (Reporting)
 Class B (€) Shares (Non-Reporting)
 Class B (£) Shares (Reporting)
 Class B (£) Shares (Non-Reporting)
 Class B (\$) Shares (Non-Reporting)
 (together the “Class B Shares”)

Management Shares

(€) Management Shares (Reporting)
 (€) Management Shares (Non-Reporting)
 (£) Management Shares (Reporting)

(together the “Management Shares”)

All Shares shall be Accumulation Shares

Shares with UK Reporting Fund Status
 Class A (€) Shares (Reporting), Class A (£) Shares (Reporting), Class B (€) Shares (Reporting), Class B (£) Shares (Reporting), (€) Management Shares (Reporting) and (£) Management Shares (Reporting), each effective from 4 October 2010.

Base currency: Euro

Distribution Policy: It is not currently the intention of the Directors to declare a distribution in respect of any Shares.

	Class A (€) Shares	Class A (\$) Shares	Class A (£) Shares
Initial Offer Price	€100	\$100	£100
Minimum Subscription*	€500,000	US Dollar equivalent	Sterling equivalent of

		of €500,000	€500,000
Minimum Additional Subscription	€100,000	US Dollar equivalent of €100,000	Sterling equivalent of €100,000

	Class B (€) Shares	Class B (\$) Shares	Class B (£) Shares
Initial Offer Price	N/A	N/A	£100
Minimum Subscription*	€500,000	US Dollar equivalent of €500,000	Sterling equivalent of €500,000
Minimum Additional Subscription	€100,000	US Dollar equivalent of €100,000	Sterling equivalent of €100,000

	(€) Management Shares	(£) Management Shares
Initial Offer Price	€100	£100

*(Investors should refer to the section of the Prospectus headed “Important Information” which may refer to an alternative minimum subscription requirement for investors from a particular country)

There is no Minimum Holding in relation to the Shares.

The Directors may reduce or waive the Minimum Subscription and the Minimum Additional Subscription at their sole discretion.

Management Shares are only available for subscription by (i) the Investment Manager or any of its partners, directors or employees; (ii) the Directors; (iii) any person connected with any such person (including, without limitation, a trustee of a trust established by or for such a person), (iv) any company, partnership or other person or entity controlled by or which is the controller of any such persons, (v) any company, partnership or other person or entity for which such a person (or any affiliate of such a person) has been appointed or acts as investment manager or investment adviser, or (vi) any nominee of any of the foregoing. The Directors shall determine, in their sole discretion, a person's eligibility to subscribe for Management Shares.

Initial Offer Period

The Initial Offer Period for the Shares commenced at 9.00 a.m. (Dublin time) on 17 September, 2010. While the Class B (€) Shares (Reporting), Class B (€) Shares (Non-Reporting), Class B (£) Shares (Reporting), Class B (\$) Shares (Non-Reporting) and the (€) Management Shares (Reporting) have now issued and are available at the Net Asset Value per Share, the Initial Offer Period for the Class B (£) Shares (Non-Reporting), the Class A Shares and the (€) Management Shares (Non-Reporting) and the (£) Management Shares (Reporting) has been extended and will close at 5.00 p.m. (Dublin time) on 23 June, 2012, or such other date and time as the Directors may determine. Shares are available for issue during the Initial Offer Period at the price set out above. Once shares are issued in any Class the Initial Offer Period closes and the relevant Shares of that Class become available at the Net Asset Value per Share.

Details of the Individuals Responsible for Managing the Assets of the Fund

Graham Clapp was a founding partner and is Managing Partner of the Investment Manager. Prior to establishing the Investment Manager, Mr. Clapp worked at Fidelity Investments for 22 years, 18 years as a portfolio manager. From 1 December 2002 to 31 December 2006 Mr. Clapp managed one of Europe's largest equity mutual funds, Fidelity European Growth Fund. During his time at Fidelity he was closely involved in the growth of the London Investment Team, in particular the European Institutional Group which he led from 1992 to 2004.

Edward Rumble was a founding partner of the Investment Manager and is currently a portfolio manager in Pensato Capital LLP. Prior to joining Pensato Capital LLP, Mr. Rumble was a Portfolio Manager at American Express Asset Management International where between 2001 and 2005 he co-managed a European long/short strategy. He joined AEAMI in 2001 from Bayard Partners, an established European long/short equity fund. He began his investment career with Fidelity Investments in London in 1995 as an equity sector analyst and later fund assistant on the Fidelity European Small Cap Fund.

Fees and Expenses

Initial Charge

The Investment Manager is permitted to impose an initial charge on the sale of Shares to an investor of up to 5 per cent. of the amount subscribed and has discretion to waive this charge in whole or in part. The Investment Manager shall not impose an initial charge on the Class B Shares or the Management Shares.

Dilution Levy

The Company does not currently envisage that a dilution levy will be applied to any dealings in the Fund.

Investment Management Fee

The Investment Manager will receive from the Company, a monthly Investment Management Fee equal to the following:

- 1/12 of 2.25 per cent. per annum of the Net Asset Value of the A Shares (before deduction of that month's fees, expenses, borrowings and interest together with Value Added Tax, if any, on such an Investment Management Fee and before deduction for any accrued Performance Fees); and
- 1/12 of 1.75 per cent. per annum of the Net Asset Value of the B Shares and the Management Shares (before deduction of that month's fees, expenses, borrowings and interest together with Value Added Tax, if any, on such an Investment Management Fee and before deduction for any accrued Performance Fees).

Such fee is payable monthly and is accrued and calculated as at each Valuation Point.

The Directors may, with the consent of the Investment Manager, reduce the Investment Management Fee payable by any class of Shares.

Performance Fee

The Investment Manager may be entitled to receive a Performance Fee payable out of a Fund's assets.

The Performance Fee will be calculated and accrued as at each Valuation Point. The Performance Fee will be calculated in respect of each financial year (a "Calculation Period"). However, the first Calculation Period in respect of any Class of Shares will be the period commencing on the Business Day immediately following the close of the Initial Offer Period for that Class and ending on 30 September in that same year.

For each Calculation Period, the Performance Fee payable will be equal to 20% of any "New Net Appreciation" of each of the Class A Shares, the Class B Shares and the Management Shares.

The New Net Appreciation shall equal the amount, if any, by which the Net Asset Value of the relevant Class as of the end of the relevant Calculation Period exceeds the High Water Mark.

The High Water Mark attributable to each Class is the greater of:-

a) the Net Asset Value of the relevant Class as of the most recent 30 September at which a Performance Fee was paid by such relevant Class (after reduction for the Performance Fee then paid).

and

b) if no Performance Fee has ever been paid, then the initial capital of the relevant Class immediately following the close of the Initial Offer Period.

The High Water Mark set out above in paragraphs (a) and (b) shall be increased when additional Subscriptions are made to the relevant Class, by an amount equal to such Subscriptions and shall be reduced proportionately whenever Redemptions are made from the relevant Class by being multiplied by the fraction, the numerator of which is the Net Asset Value of the relevant Class immediately after, and the denominator of which is the Net Asset Value of the relevant Class immediately prior to, any such redemption (the Net Asset Value of the relevant Class in each case to be calculated prior to deduction for any accrued Performance Fee).

For the avoidance of doubt, a Performance Fee is only payable where the Net Asset Value of the relevant Class exceeds the High Water Mark.

Shareholders should note that, as the Performance Fee is calculated at Class level and not at an individual Shareholders level, Shareholders may be charged a Performance Fee even where the Net Asset Value of their Shares have remained the same or dropped in value.

The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value before deduction for any accrued Performance Fee.

The Performance Fee will normally be payable to the Investment Manager in arrears within 20 Business Days of the end of each Calculation Period. However, in the case of Shares redeemed during a Calculation Period, the accrued Performance Fee in respect of those Shares will be payable within 20 Business Days after the date of redemption. Crystallised Performance Fees shall remain in the relevant Class (but shall not participate in subsequent gains and losses of the relevant Class) until paid to the Investment Manager, and shall not be used or made available to satisfy redemptions or pay any fees and expenses of the relevant Class.

If the Investment Management Agreement is terminated before 30 September in any year the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

The Custodian shall verify the calculation of the Performance Fee.

The Directors may, with the consent of the Investment Manager, reduce the Performance Fee payable by any class of Shares.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to Shareholders part or all of the Investment Management Fee and/or Performance Fee. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash.

Redemption Charge

It is not the Directors' current intention that any redemption charge be imposed.

Administration Fee

The Company shall pay the Administrator out of the assets of the Company an annual fee, accrued at each Valuation Point and payable monthly in arrears at a rate which shall not exceed 0.09 per cent. of the first €250 million of the Net Asset Value of the Fund, 0.08 per cent. of the Net Asset Value of the Fund on the next €250 million, 0.07 per cent. of the Net Asset Value of the Fund on the next €250 million and 0.06 per cent. of the Net Asset Value of the Fund thereafter (before deduction of any Management or Performance Fees), subject to an annual minimum fee of €90,000.

The Administrator shall also be entitled to be repaid out of the assets of the Company all of its reasonable out-of-pocket expenses incurred on behalf of the Company which shall include legal fees, couriers' fees and telecommunication costs and expenses together with VAT, if any, thereon.

Custodian Fee

The Custodian shall be entitled to receive out of the assets of the Company an annual trustee fee, accrued at each Valuation Point and payable monthly in arrears at a rate which shall not exceed 0.02 per cent. of the Net Asset Value of the Company subject to an annual minimum fee of €20,000. The Custodian shall also be entitled to receive out of the assets of the Company an ad valorem custody fee based on the fees charged in each country where assets of the Fund are held in custody, subject to an annual minimum fee of €20,000.

The Custodian shall also be entitled to be repaid all of its out-of-pocket expenses out of the assets of the Company, including legal fees, couriers' fees and telecommunication costs and expenses, transaction charges and the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon.

Details on other fees and expenses to be incurred by the Company are detailed in the main body Prospectus under the heading entitled "**Fees and Expenses**".

Risk Factors

Investors' attention is particularly drawn to the section entitled "Risk Factors" on page 40 of the Prospectus.

Annex 1:

Important information for UK residents

Information relating to the fees and expenses payable by investors is set out in the section of the Prospectus entitled "**Fees and Expenses**". The attention of prospective investors is drawn to the information relating to fees and expenses set out therein.

The Company is a recognised collective investment scheme within the meaning of Section 264 of the UK Financial Services and Markets Act 2000 (the "**FSMA**") and Shares in the Company may be promoted to the UK public by persons authorised to carry on investment business in the UK. This Prospectus constitutes a financial promotion under Section 21 of the FSMA, and has been approved by Pensato Capital LLP. Pensato Capital LLP is authorised and regulated by the Financial Services Authority to carry on regulated activities in the UK and is subject to the rules of the Financial Services Authority.

Any advice or recommendation which may be given or offered by this Prospectus does not relate to products and services of Pensato Capital LLP, but to those of the Company.

The Company does not carry on investment business in the UK, so as to require the conduct of its business to be regulated under the FSMA. Shareholders will therefore not benefit from the protections provided by the UK regulatory system.

Compensation under the Financial Services Compensation Scheme will generally not be available to UK investors.

A UK investor who enters into an investment agreement with the Company to acquire Shares in response to the Prospectus will not have the right to cancel the agreement under the cancellation rules made by the FSA. The agreement will be binding upon acceptance of the order by the Company.

Pensato Capital LLP (the "**Facilities Agent**") has been appointed, pursuant to a UK Facilities Agreement with the Company dated 27 October 2010, to act as the facilities agent for the Company in the UK and it has agreed to provide certain facilities at its office at 5th Floor, Pollen House, 10-12 Cork Street, London, W1S 3NP, England, in respect of the Fund. The Facilities Agent shall receive such fee as may be determined from time to time between the Company and the Facilities Agent, which fees will be at normal commercial rates.

Dealing Arrangements and Information

The attention of investors is drawn to the "Subscriptions" and "Redemptions" sections contained in the Prospectus and the sections relating to Shares in the Company contained in the Supplement for the Fund in particular the "Subscription Request Deadline" and "Redemption Request Deadline" sections. Redemption requests should be sent to the Administrator, details of

which are contained in the Prospectus under “Redemptions”, or alternatively, requests for redemption can be made to the Facilities Agent at the above-mentioned offices.

The Subscription Price per Share is the Net Asset Value per Share as at the relevant Valuation Point less any initial charge and the Redemption Price per Share is the Net Asset Value per Share as at the relevant Valuation Point less any Redemption Charge. The rates of the initial charge and Redemption Charge (if any) are set out in the Supplement for the Fund.

The Net Asset Value per Share will be published at www.ft.com/funds and on Bloomberg as frequently as the Net Asset Value of the Fund is calculated and as will be specified in the Supplement and updated following each calculation of Net Asset Value. In addition, the Net Asset Value per Share may be obtained from the Administrator or the Investment Manager and from the Facilities Agent at the above-mentioned offices during normal business hours.

The following documents of the Company, in the English language, can be inspected free of charge and copies of them obtained (free of charge, in the case of the document at (b) and (c), and otherwise at no more than a reasonable charge) from the offices of the Facilities Agent:

- (a) the Articles of Association of the Company and any amendments thereto;
- (b) the prospectus most recently issued by the Company together with any supplements;
- (c) the simplified prospectus/key investor information document (KIID) most recently issued by the Company;
- (d) the most recently published annual and half yearly reports relating to the Company.

Complaints about the operation of the Company may be submitted to the Company directly or through the Facilities Agent to the following address:

Pensato Capital LLP
5th Floor
Pollen House
10-12 Cork Street
London W1S 3NP
England

Annex 2:

Important information for German residents

1. Pursuant to an Information Agreement, BNY Mellon Service Kapitalanlage-Gesellschaft mbH, a German Investment Company with its registered office at Neue Mainzer Straße 46-50, 60311 Frankfurt, Germany has been appointed to act as Information Agent in Germany (the “German Information Agent”).
2. Distribution of the Shares in the Federal Republic of Germany will be made through the management company that manages the Company, credit institutions and authorised investment firms or advisors.
3. Conversion and redemption requests for Shares shall be made to the Administrator of the Fund. Payment will be made in the currency of denomination of the Shares being redeemed by direct transfer in accordance with instructions given by the redeeming Shareholder to the Administrator and at the Shareholder’s risk and expense. No payments will be made until the original redemption request has been received by the Administrator.
4. The following documents may be inspected at and are available free of charge from the German Information Agent www.bnymellonkag.com and at Pensato’s website under www.pensatocapital.com:
 - § Key Investor Information Document;
 - § Annual and semi-annual reports;
 - § Prospectus most recently issued by the Company together with any supplements;
 - § Articles of Association of the Company together with any supplements;
 - § Investment Management Agreement, Distribution Agreement, Administration Agreement and Custodian Agreement.
5. No paying agent has been appointed in Germany because no Shares will be issued as printed individual certificates.
6. Notifications to the Shareholders, if any, are available from Pensato’s website under www.pensatocapital.com.
7. In the following cases notifications to Shareholders in Germany will additionally be provided in a durable medium:
 - § Suspension of redemption of the Shares in the Fund;
 - § Termination of the management of or dissolution of the Company and the Fund;
 - § Changes to the terms and conditions which are not consistent with the current investment policies, which affect material investors’ rights or relate to fees or reimbursement of expenses that may be taken from the Company or the Fund, including the reasons for the changes, investors’ rights and their means of obtaining information thereon;
 - § In the event of a merger of the Fund, in the form of merger information to be prepared in accordance with Article 43 of Directive 2009/65/EC;
 - § In the event of conversion of the Fund into a feeder fund changes to a master fund, in the form of information to be prepared in accordance with Article 64 of Directive 2009/65/EC.
7. Information relating to fees and expenses payable by investors is set out in the section of the Prospectus entitled “Fees and Expenses”.

8. The Net Asset Value per Share will be published at www.ft.com/funds and on Bloomberg as frequently as the Net Asset Value of the Fund is calculated and as will be specified in the supplement and updated following each calculation.
9. The issue and redemption prices are available free of charge from Pensato's website under www.pensatocapital.com and may be inspected at and are available free of charge from the German Information Agent www.bnymellonkag.com.
10. For a transparent and, thus, investor-favourable taxation of income of the Company in accordance with the German Investment Tax Act (Investmentsteuergesetz, InvStG) all bases for taxation within the meaning of Section 5 (1) InvStG must have been disclosed by the Company (so-called tax disclosure requirement). This also applies to the extent the Company has acquired units in other domestic investment funds and investment stock companies, EC investment units and foreign investment units, which do not qualify as EC investment units (target fund within the meaning of Section 10 InvStG) and they comply with the tax disclosure requirements.

The Company shall use reasonable efforts to disclose all bases for taxation available to it. However, it cannot be guaranteed that the required notification will be made. The Company cannot guarantee, in particular, that the required disclosure is made if the Company acquires target funds that do not comply with the tax disclosure requirements incumbent on them.