

NEDGROUP INVESTMENTS MULTIFUNDS PLC

An open-ended umbrella investment company with segregated liability between sub funds

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

PROSPECTUS

This Prospectus is dated 19 August 2011

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

A&L Goodbody

1. INTRODUCTION

The information contained in this Prospectus, or any document referred to in it, including the relevant Supplement is not to be construed as legal, tax or investment advice. If you are in any doubt about the information contained in those documents, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

Nedgroup Investments MultiFunds plc (the Company)

Defined terms used in this Prospectus shall have the meanings attributed to them in the **Definitions** section below.

This Prospectus describes Nedgroup Investments MultiFunds plc (the Company), an open ended investment company with variable capital re-domiciled into Ireland on 19 August 2011 under the Companies Acts 1963 to 2009. The Company shall be authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. 352 of 2011) as amended, supplemented or consolidated from time to time (the Regulations). This authorisation however, does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus and the Supplements.

The Company is structured as an open-ended umbrella investment company with segregated liability between sub funds. Shares representing interests in different Sub-Funds of the Company may be issued from time to time by the Directors. Within each Sub-Fund, the Directors may issue Shares or more than one class. All Shares of each class will rank *pari passu* save as provided for in the relevant Supplement. A separate portfolio of assets will be maintained for each Sub-Fund (and accordingly not for each class of Shares) and will be invested in accordance with the investment objective and strategies applicable to the particular Sub-Fund. As the Company has segregated liability between its Sub-Funds, any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund.

Particulars relating to individual Sub-Funds and the classes of Shares available therein are set out in the relevant Supplement. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus.

On the introduction of any new Sub-Fund (for which prior Central Bank approval is required) or any new class of Shares (which must be issued in accordance with the requirements of the Central Bank and notified to and cleared in advance by the Central Bank), the Company will prepare and will issue a new or updated Supplement setting out the relevant details of each such Sub-Fund or new class of Shares as the case may be.

Distribution of this Prospectus and the relevant Supplement is not authorised in any jurisdiction after publication of the annual report and audited accounts of the Company for the period up to 30 June 2012 unless accompanied by a copy of such report and accounts or the then latest published semi-annual report and unaudited accounts (or the then last published annual report and audited accounts, if more recent). Such reports, this Prospectus and the relevant Supplement together form the prospectus for the issue of Shares in the Company.

Restrictions on Distribution and Sale of Shares

The distribution of this Prospectus and any Supplement and the offering or purchase of Shares may be restricted in certain jurisdictions and, accordingly, persons into whose possession this Prospectus and/or Supplement comes are required to inform themselves about, and to observe, such restrictions. This Prospectus does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction or in any circumstances in

which such offer or solicitation is unlawful or not authorised or in which the person making such offer or solicitation is not qualified to do.

Shares are offered only on the basis of the information contained in the current Prospectus and relevant Supplement. The Company's annual and half yearly reports are incorporated by reference. They are available from our website at www.nedgroupinvestments.com or on request by phone at 0044 1624 645150. No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription or sale of Shares other than those contained in the current Prospectus and the relevant Supplement and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company.

The Directors have the power to impose restrictions on the holding of Shares directly or indirectly by (and consequently to redeem Shares held by) such persons or entities as described under the **Mandatory Redemptions** section of this Prospectus.

Risk Factors

Investors should read and consider the section of this Prospectus entitled **Risk Factors** before investing in the Company.

The Directors are permitted to impose a subscription charge of up to 5% of the Net Asset Value per Share. Details of any applicable charges will be disclosed in the relevant Supplement. In the event that such charges are imposed, the difference at any time between the sale and redemption price of Shares means that any investment in the Company should be viewed as medium to long term.

Shareholders should note that the investment management fees, or a portion thereof, may be charged to the capital of the Company and accordingly, on redemptions of holdings, shareholders may not receive back the full amount invested. Shareholders should also note that where there is not sufficient income or capital gains to cover the fees and expenses of the Company that all/part of such fees and expenses may be charged to the capital of the Company. This may have the effect of lowering the capital value of your investment so that "income" will be achieved by foregoing the potential for future capital growth.

Reliance on this Prospectus

This Prospectus and any other documents referred to in it and the relevant Supplement(s) should be read in their entirety before making an application for Shares. Statements made in this Prospectus and any Supplement are based on the laws and practice in force in Ireland at the date of Prospectus or Supplement, as the case may be, which may be subject to changes. Neither the delivery of this Prospectus or any Supplement or Key Investment Information Document (**KIID**) nor the offer, placement, allotment or issue of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus or any Supplement or KIID is correct as of any time subsequent to the date of this Prospectus or the relevant Supplement or KIID. This Prospectus and the Supplements may from time to time be updated and intending subscribers should enquire of the Investment Manager and Distributor as to the issue of any later versions or as to the issue of any reports and accounts of the Company.

The contents of this Prospectus are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters. Each prospective investor must rely upon such investor's own representatives, as to legal, economic, tax and related aspects of the investment described herein and as to its suitability for such investor.

Prospective investors should inform themselves as to (a) the legal requirements within their own jurisdictions, (b) any exchange control requirements and foreign exchange restrictions, (c) the income and other tax consequences and (d) any other

governmental or other consents or formalities which may apply in their own jurisdictions and which might be relevant to the purchase, holding or disposal of Shares.

Past performance of the Company or any Sub-Fund should not be relied upon as an indicator of future performance. The value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment.

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

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Memorandum and Articles of Association of the Company, copies of which are available as mentioned herein.

The Company is required to and will comply with the UCITS Notices (as defined herein).

As at the date of this Prospectus, the Company does not have any outstanding mortgages, charges, debentures, or other borrowings, including bank overdrafts and liabilities made under acceptance credits, obligations made under finance leases, hire purchase commitments, guarantees or other contingent liabilities.

This Prospectus and the relevant Supplement shall be governed by and construed in accordance with Irish law.

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the **1933 Act**), or the securities laws of any state of the United States. Neither the Company nor any Sub-Fund will be registered under the United States Investment Company Act of 1940, as amended (the **1940 Act**), since the Shares will only be sold to U.S. Persons who are **Accredited Investors** as defined in Regulation D under the 1933 Act and **Qualified Purchasers**, as defined in Section 2(a)(51) of the 1940 Act and the regulations thereunder, or as otherwise consistent with Section 3(c)(7) of the 1940 Act (such investors, **Eligible U.S. Investors**).

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 **U.S. Person**, as defined in Regulation S under the 1933 Act, unless the Directors determine that (i) the transaction would be exempt from the registration requirements of the 1933 Act, and applicable state securities laws of the United States and (ii) the relevant Sub-Fund and the Company will continue to be entitled to an exemption from registration as an investment company under the 1940 Act. The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act and may be offered inside the United States pursuant to the exemption from registration under Regulation D under the 1933 Act.

The Shares have not been approved or disapproved by the United States Securities and Exchange Commission (the **SEC**) or any state securities commission, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus and any relevant Supplement. Any representation to the contrary is unlawful.

The Directors do not intend to permit Shares acquired by employee benefit plans subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended

(**ERISA**), by plans subject to the prohibited transaction provisions of Section 4975 of the United States Internal Revenue Code of 1986, as amended (the **Code**), or by other **Benefit Plan Investors**, as defined in Section 3(42) of ERISA and applicable regulations, to equal or exceed twenty five per cent of the total value of any class of Shares.

The Investment Manager and Distributor is exempt from registration with the United States Commodity Futures Trading Commission (the **CFTC**) as a commodity pool operator with respect to each of the Company and any Sub-Funds pursuant to Rule 4.13(a)(4) under the United States Commodity Exchange Act of 1936, as amended (**CEA**). The Investment Manager and Distributor qualifies for this exemption based on the following criteria: (a) the Shares are exempt from registration under the 1933 Act; (b) the Shares are offered and sold without marketing to the public in the United States; and (c) the Investment Manager and Distributor reasonably believes that (i) each natural person investor in the Company is a **qualified eligible person (QEP)** as defined in Rule 4.7(a)(2) under the CEA, and (ii) each non-natural person investor in the Company is a QEP as defined in Rule 4.7 under the CEA or an **Accredited Investor** as defined in Regulation D under the 1933 Act. Therefore, unlike a registered commodity pool operator, the Investment Manager and Distributor is not required to deliver a disclosure document and a certified annual report to participants in the Company or any Sub-Fund.

TABLE OF CONTENTS

	Page
1. INTRODUCTION	2
2. DEFINITIONS	8
3. SUB-FUNDS	12
3.1. Classes.....	12
3.2. Shares	12
3.3. Investment Objective and Strategies	13
3.4. Investment Restrictions	13
3.5. Borrowing and Lending Powers and Restrictions.....	18
3.6. Utilisation of FDI and Efficient Portfolio Management	18
3.7. Currency Forwards	19
3.8. Hedged Share Classes	19
3.9. Dividend Policy	20
4. RISK FACTORS	20
4.1. General.....	20
4.2. General Risks	21
4.3. Market Risk.....	21
4.4. Liquidity Risk.....	21
4.5. Credit Risk	22
4.6. Portfolio Currency Risk.....	22
4.7. Share Currency Risk.....	22
4.8. Custody and Settlement Risk	23
4.9. Political, Regulatory, Settlement and Sub-Custodial Risk.....	23
4.10. Taxation Risk.....	23
4.11. Legal and Regulatory Risks	23
4.12. Valuation Risk	24
4.13. Investment Manager and Distributor Risk.....	24
4.14. Securities of Other Investment Companies	24
4.15. Derivatives and Techniques and Instruments Risk.....	24
4.16. Borrowing	26
4.17. Cross Liability.....	26
5. MANAGEMENT OF THE COMPANY	27
5.1. Directors of the Company	27
5.2. Investment Manager, Distributor and Promoter	27
5.3. Custodian.....	28
5.4. Administrator	28
5.5. Portfolio Transactions and Conflicts of Interest.....	28
5.6. Soft Commissions.....	29
6. SHARE DEALINGS	30
6.1. Purchases of Shares.....	30
6.2. Issue Price	31
6.3. Payment for Shares.....	31
6.4. In Specie Issues	31
6.5. Anti-Money Laundering Provisions.....	31
6.6. Form of Shares and Confirmation of Ownership.....	32
6.7. Data Protection.....	32
6.8. Limitations on Purchases	33
6.9. Redemption of Shares	33
6.10. Redemption Price.....	34
6.11. Payment of Redemption Proceeds.....	34

6.12.	Limitations on Redemption.....	34
6.13.	In Specie Redemptions.....	35
6.14.	Mandatory Redemptions.....	35
6.15.	Exchange of Shares.....	36
6.16.	Limitations on Exchanges.....	37
6.17.	Transfer of Shares.....	37
6.18.	Dealing Restrictions.....	38
6.19.	Calculation of Net Asset Value/Valuation of Assets.....	39
6.20.	Suspension of Calculation of Net Asset Value.....	41
6.21.	Notification of Prices.....	42
7.	FEES AND EXPENSES.....	42
7.1.	Redomiciliation Expenses.....	42
7.2.	Operating & Service Providers' Fees and Expenses.....	42
7.3.	Investment Manager and Distributor Fees.....	43
7.4.	Administrator Fees.....	43
7.5.	Custodian Fees.....	43
7.6.	Directors Fees.....	43
7.7.	Subscription Charge.....	43
7.8.	Redemption Charge.....	43
7.9.	Exchange Charge.....	43
7.10.	Anti-Dilution Levy/ Duties & Charges.....	44
7.11.	Allocation of Fees.....	44
8.	TAXATION.....	44
8.1.	General.....	44
8.2.	Ireland.....	44
8.3.	United Kingdom.....	49
8.4.	Other Jurisdictions.....	54
9.	GENERAL INFORMATION.....	54
9.1.	Reports and Accounts.....	54
9.2.	Share Capital.....	55
9.3.	Memorandum and Articles of Association.....	55
9.4.	Litigation and Arbitration.....	59
9.5.	Directors' Interests.....	59
9.6.	Material Contracts.....	60
9.7.	Miscellaneous.....	61
9.8.	Documents Available for Inspection.....	61
10.	APPENDIX I.....	62
11.	DIRECTORY.....	65

2. DEFINITIONS

Acceptable Funds means collective investment schemes that comply with the requirements of the Central Bank in relation to permitted investment by UCITS in collective investment schemes;

Accounting Date means the date by reference to which the annual accounts of each Sub-Fund shall be prepared and shall be 30 June in each year commencing on 30 June 2012 or such other date as the Directors in accordance with the requirements of the Central Bank may determine and (in the case of the termination of the Company or of a Sub-Fund) the date on which the final distributions shall have been made to Shareholders;

Accounting Period means a calendar year ending 30 June;

Accumulating Shares means shares of the Company carrying no right to any distribution of income but the income attributable to such shares is retained within the relevant Sub-Fund and reflected in the Net Asset Value of such shares;

Administration Agreement means the agreement dated 19 August 2011 between the Company and the Administrator as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Administrator means Citi Fund Services (Ireland), Limited or any successor thereto duly appointed as the administrator of the Company and each Sub-Fund in accordance with the requirements of the Central Bank;

AML Acts means the Criminal Justice Act 1994 (as amended) and the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010

Applicant means any person who completes and submits the Subscription Agreement to the Investment Manager and Distributor in accordance with the manner set out in the Prospectus and any Supplement;

Articles means the Articles of Association of the Company as amended from time to time.

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

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

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

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

Business Day means in relation to any Sub-Fund such day or days as is or are specified in the Supplement for the relevant Sub-Fund;

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

CIS means an open ended collective investment scheme within the meaning of Regulation 3(2) of the Regulations and which is prohibited from investing more than 10% of its assets in another such collective investment scheme;

Class or Classes means one or more particular division of Shares in a Sub-Fund;

Companies Acts means the Irish Companies Acts 1963 to 2009 (as amended, consolidated or supplemented from time to time) including any regulations issued pursuant thereto, insofar as they apply to open-ended investment companies with variable capital;

Company means Nedgroup Investments MultiFunds plc;

Connected Person means the persons defined as such in the section headed **Portfolio Transactions and Conflicts of Interest**;

Custodian means Citibank International plc, Ireland Branch or any successor thereto duly appointed custodian of the Company in accordance with the requirements of the Central Bank;

Custodian Agreement means the agreement dated 19 August 2011 between the Company and the Custodian as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Dealing Day means in respect of each Sub-Fund such Business Day or Business Days as is or are specified in the Supplement for the relevant Sub-Fund provided that there shall be at least two dealing days at regular intervals per month;

Dealing Deadline means in relation to applications for subscription, redemption or switching of Shares in a Sub-Fund, the day and time specified in the Supplement for the relevant Sub-Fund;

Directors means the Directors of the Company for the time being and any duly constituted committee or delegate thereof, each a **Director**;

Distributing Shares means Shares in a Sub-Fund in respect of which the net income and capital gains arising will be distributed;

EEA means the European Economic Area which comprises the Member States together with Iceland, Liechtenstein and Norway;

EEA Member State means a member state of the EEA;

EU means the European Union;

Euro, EUR or € means the lawful currency of the Eurozone or any successor currency;

Eurozone means those countries who use the Euro as their lawful currency;

Hedged Share Class has the meaning set out in the section entitled **Hedged Share Class**;

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

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

Investment Grade means securities rated, at the time of purchase, Baa3 or above by Moody's or BBB or above by Standard & Poor's and Fitch or an equivalent rating from another agency;

Investment Management and Distribution Agreement means the agreement dated 19 August 2011 between the Company and the Investment Manager and Distributor as

substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Investment Manager and Distributor means Nedgroup Investments (IOM) Limited or any successor or addition thereto duly appointed in accordance with the requirements of the Central Bank and/or as specified in the Supplement in respect of a Sub-Fund as the Investment Manager and Distributor for that relevant Sub-Fund;

Ireland means the Republic of Ireland;

Issue Price means the Net Asset Value per Share of the relevant Sub-Fund as at the Valuation Point;

Member State means a member state of the EU;

Memorandum of Association means the Memorandum of Association of the Company;

Minimum Additional Investment Amount means such amount (if any) as the Directors may from time to time prescribe as the minimum additional investment amount required by each Shareholder for Shares of each class in a Sub-Fund as is specified in the Supplement for the relevant Sub-Fund;

Minimum Initial Investment Amount means such amount (if any) as the Directors may from time to time determine as the minimum initial investment amount required by each Applicant for Shares of each class in a Sub-Fund as is specified in the Supplement for the relevant Sub-Fund;

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

Minimum Net Asset Value means such amount (if any) as the Directors decide for each Sub-Fund and as set out in the Supplement for the relevant Sub-Fund;

Minimum Shareholding means such number or value of Shares of any class (if any) as specified in the Supplement for the relevant class of Shares within a Sub-Fund;

Money Market Instruments shall have the meaning prescribed in the UCITS Notices;

month means a calendar month;

Net Asset Value means in respect of the assets of a Sub-Fund or attributable to a Class thereof the amount determined in accordance with the Articles as described in the **Calculation of Net Asset Value/Valuation of Assets** section of this Prospectus;

Net Asset Value per Share means the Net Asset Value of a Sub-Fund divided by the number of Shares in issue in that Sub-Fund or the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class rounded to such number of decimal places as the Directors may determine in accordance with the Articles and as further described in the **Calculation of Net Asset Value/Valuation of Assets** section below as the Net Asset Value per Share;

Non-Member State means a state which is not a Member State;

OECD means the Organisation for Economic Co-operation and Development;

OECD Member State means a member state of the OECD;

OTC derivative means a financial derivative instrument dealt in over the counter;

Preliminary Charge means in respect of a Sub-Fund, the charge payable (if any) on the

subscription for Shares as is specified in the Supplement for the relevant Sub-Fund;

Promoter means Nedgroup Investments (IOM) Limited, or any successor or addition thereto duly appointed in accordance with the requirements of the Central Bank;

Prospectus means the current prospectus of the Company and any Supplements and addenda thereto;

Redemption Charge means in respect of a Sub-Fund the charge payable, if any, on a redemption of Shares as is specified in the Supplement for the relevant Sub-Fund;

Redemption Price means the Net Asset Value per Share of the relevant Sub-Fund as at the Valuation Point;

Redemption Proceeds means the amount reflecting the Net Asset Value of the Shares to be redeemed on the relevant Dealing Day;

Regulated Market means any exchange or market on which the Company may invest and which is regulated, recognised, open to the public and operating regularly and which is set out in Appendix I hereto;

Regulations means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. 352) as amended, supplemented or consolidated from time to time and any rules or notices made by the Central Bank pursuant to them which are applicable to the Company;

Related Companies has the meaning assigned thereto in Section 140(5) of the Companies Act, 1990, as amended from time to time. In general this states that companies are related where 50% of the paid up share capital of, or 50% of the voting rights in, one company are owned directly or indirectly by another company;

Relevant Period means a period of 8 years beginning with the acquisition of a Share and each subsequent period of 8 years beginning immediately after the preceding relevant period;

Settlement Date means in respect of receipt of monies by the Investment Manager and Distributor (for onward submission to the Administrator) for subscription for Shares or dispatch of monies from the Investment Manager and Distributor for the redemption of Shares, the date specified in the Supplement for the relevant Sub-Fund. In the case of redemptions this date will be no more than ten Business Days after the relevant Dealing Deadline;

Shares means participating shares in the Company representing interests in a Sub-Fund and where the context so permits or requires any class of participating shares representing interests in a Sub-Fund and Share means any one of them;

Shareholders means registered holders of Shares, and each a **Shareholder**;

Subscriber Shares means the initial share capital of Euro 100 represented by 100 shares issued for the purposes of the incorporation of the Company at an issue price of Euro 1 each per share;

Subscription Agreement means the agreement pursuant to the provisions of which an Applicant agrees to purchase Shares in and become a Shareholder of the Company as prescribed by the Company from time to time;

Sterling, Pound, GBP, £ means the lawful currency of the United Kingdom or any successor currency thereto;

Supplement means any supplement to the Prospectus issued on behalf of the Company from time to time;

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

transferable securities shall have the meaning prescribed in the UCITS Notices;

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

UCITS Directive means Directive 2009/65/EC of the European Parliament and of the Council on the Co-ordination of Laws, Regulations and Administrative Provisions relating to UCITS as amended, supplemented or replaced from time to time;

UCITS Notices means the notices and guidelines issued by the Central Bank from time to time affecting the Company or any Sub-Fund;

Unhedged Share Class means a Class of Shares where typically Shares may be applied and paid for, income payments calculated and paid and redemption proceeds paid in a currency other than the Base Currency of the relevant Sub-Fund on the basis of a currency conversion at the prevailing spot currency exchange rate of the relevant Base Currency for the currency of the relevant Shares Class;

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

US Dollars, USD, US\$, Dollars and **\$** means the lawful currency of the United States of America or any successor currency;

Valuation Point the point in time by reference to which the Net Asset Value of a Sub-Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Sub-Fund.

3. SUB-FUNDS

The Company has adopted an umbrella structure which may be comprised of different Sub-Funds with segregated liability between its Sub-Funds, to provide both individual and institutional investors with a choice of Shares in different Sub-Funds. Each Sub-Fund may be differentiated by its specific investment objective, strategy, currency of denomination or other specific features as described in the relevant Supplement. A separate pool of assets is maintained for each Sub-Fund and is invested in accordance with each Sub-Fund's respective investment objective. Because the Company has segregated liability between its Sub-Funds, any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund. Shares may be issued in relation to each Sub-Fund.

3.1. Classes

Each Sub-Fund may comprise of one or more Classes. The different Classes of Shares available for issue in each Sub-Fund will be set out in a Supplement for the relevant Sub-Fund. The different Classes of Shares in a Sub-Fund may, inter alia, have the following distinguishing features: currency of denomination; may be Hedged Share Classes or Unhedged Share Classes; levels of fees and expenses charging structures, and may have different Minimum Initial/Minimum Additional Investment Amounts. The different Classes of Shares within a Sub-Fund together represent interests in the single pool of assets maintained for that Sub-Fund.

3.2. Shares

Within each Sub-Fund and Class, the Company may issue Accumulating Shares and Distributing Shares which shall represent interests in the same distinct portfolio of investments. The net income per Distributing Share will be distributed in accordance with the dividend policy for the Sub-Fund as set out in the relevant Supplement and may be in the form of additional Shares to Shareholders. No declarations or distributions shall be made in respect of the Accumulating Shares. Any net income attributable to the Accumulating Shares shall be retained and the value of such Shares will rise accordingly.

3.3. Investment Objective and Strategies

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

Any change in the investment objective or material change in investment policies of a Sub-Fund will be subject to the prior written approval of all Shareholders of the Sub-Fund or approval by ordinary resolution passed at a general meeting of the relevant Sub-Fund duly convened or held. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or policies of a Sub-Fund on the basis of an ordinary resolution passed at a general meeting of the Shareholders of the Sub-Fund, a reasonable notification period must be given to each Shareholder of the Sub-Fund to enable a Shareholder to have its Shares repurchased prior to the implementation of such change.

The Investment Manager and Distributor has been given full discretion in the investment and reinvestment of the assets of each Sub-Fund, provided that it complies with the Sub-Fund's investment objective, policies and restrictions in exercising that discretion. Each Sub-Fund's asset allocation shall be determined solely by the Investment Manager and Distributor. Accordingly, the exposure of each Sub-Fund to individual issuers, instruments or markets shall be determined from time to time solely by the Investment Manager and Distributor.

The list of Regulated Markets on which a Sub-Fund's investments in securities and financial derivative instruments, other than permitted investments in unlisted securities and over the counter derivative instruments, will be listed or traded is set out in Appendix I.

3.4. Investment Restrictions

The investment restrictions for each Sub-Fund will be formulated by the Directors at the time of the creation of the Sub-Fund. The Articles provide that investments may only be made as permitted by the Articles and the Regulations. In any event, each Sub-Fund will comply with the UCITS Notices.

The following general investment restrictions apply to each Sub-Fund save to the extent that such restrictions are expressly or implicitly disapplied in accordance with the requirements of the Central Bank by investment policies and restrictions contained in the Supplement for the relevant Sub-Fund and any additional restrictions specified therein.

1. Permitted Investments

Investments of a Sub-Fund must be 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 and is listed in Appendix I;
- 1.2 recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
- 1.3 money market instruments, as defined in the UCITS Notices, other than those dealt in on a Regulated Market;

- 1.4 shares or units of UCITS;
- 1.5 shares or 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; and
- 1.7 financial derivative instruments as prescribed in the UCITS Notices.

2. Investment Limits

- 2.1 A Sub-Fund may invest no more than 10 per cent. of its Net Asset Value in transferable securities and money market instruments other than those referred to in paragraph 1 above.
- 2.2 A Sub-Fund may invest no more than 10 per cent. of its Net Asset Value in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by a Sub-Fund in certain U.S. securities known as Rule 144A securities provided that the securities are issued with an undertaking to register with the U.S. Securities and Exchange Commission within one year of issue and the securities are not illiquid securities, i.e. they may be realised by the Sub-Fund within seven days at the price, or approximately at the price, at which they are valued by the Sub-Fund.
- 2.3 A Sub-Fund may invest no more than 10 per cent. of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5 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. (as described in paragraph 2.3 above) 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 Sub-Fund invests more than 5 per cent. of its Net Asset Value 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 Sub-Fund.
- 2.5 The limit of 10 per cent. (as described in paragraph 2.3 above) 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 paragraphs 2.4. and 2.5 above shall not be taken into account for the purpose of applying the limit of 40 per cent. referred to in paragraph 2.3.
- 2.7 A Sub-Fund may not invest more than 20 per cent. of its Net Asset Value in deposits made with the same credit institution.

Deposits with any one credit institution, other than credit institutions authorised in the EEA, credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or 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 a Sub-Fund's Net Asset Value.

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

- 2.8 The risk exposure of a Sub-Fund to a counterparty to an OTC derivative may not exceed 5 per cent. of its Net Asset Value.

This limit is raised to 10 per cent. in the case of credit institutions authorised in the EEA, credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 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 a Sub-Fund's Net Asset Value: investments in transferable securities or money market instruments; deposits; and/or risk exposures arising from OTC derivatives transactions.
- 2.10 The limits referred to in paragraphs 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 a Sub-Fund's Net Asset Value.
- 2.11 Group companies are regarded as a single issuer for the purposes of paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above. However, a limit of 20 per cent. of a Sub-Fund's Net Asset Value may be applied to investment in transferable securities and Money Market Instruments within the same group.
- 2.12 A Sub-Fund may invest up to 100 per cent. of its Net Asset Value in different transferable securities and Money Market Instruments issued or guaranteed by any Member State, its local authorities, Non-Member State or public international body of which one or more Member States are members.

The individual issuers may be drawn from the following list:

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

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

3. Investment in other collective investment schemes

- 3.1 A Sub-Fund may not invest more than 20 per cent. of its Net Asset Value in any one CIS.
- 3.2 Investment in non-UCITS CIS may not, in aggregate, exceed 30 per cent. of the Sub-Fund's Net Asset Value.

- 3.3 A Sub-Fund may not invest in another single structure CIS or a sub-fund of an umbrella CIS, which itself invests more than 10% of its net assets in other CIS.
- 3.4 When a Sub-Fund invests in the shares or units of other CIS that are managed, directly or by delegation, by the Investment Manager and Distributor or by any other company with which the Investment Manager and Distributor is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager and Distributor or other company may not charge subscription, switching or redemption fees on account of the investment by the Sub-Fund in the shares or units of such other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the Investment Manager and Distributor by virtue of an investment in the shares or units of another CIS, this commission must be paid into the property of the Sub-Fund.
- 3.6 Investment by a Sub-Fund in another Sub-Fund of the Company is subject to the following additional provisions:
- (i) investment must not be made in a Sub-Fund which itself holds Shares in another Sub-Fund within the Company; and
 - (ii) the investing Sub-Fund may not charge an annual management fee in respect of that portion of its assets invested in other Sub-Funds within the Company. This provision is also applicable to the annual fee charged by the Investment Manager and Distributor where such fee is paid directly out of the assets of the Sub-Fund.

4. Index Tracking UCITS

- 4.1 A Sub-Fund may invest up to 20 per cent. of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Sub-Fund is to replicate an index which satisfies the criteria set out in the UCITS Notices and is recognised by the Central Bank.
- 4.2 The limit in paragraph 4.1 above 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 The Company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body.
- 5.2 A Sub-Fund may acquire no more than:
- (i) 10 per cent. of the non-voting shares of any single issuing body;
 - (ii) 10 per cent. of the debt securities of any single issuing body;
 - (iii) 25 per cent. of the shares or units of any single CIS;
 - (iv) 10 per cent. of the Money Market Instruments of any single issuing body.

NOTE: The limits laid down in sub-paragraphs (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue cannot be calculated.

- 5.3 Paragraphs 5.1 and 5.2 above shall not be applicable to:
- (i) transferable securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;
 - (ii) transferable securities and Money Market Instruments issued or guaranteed by a Non-Member State;
 - (iii) transferable securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;
 - (iv) shares held by a Sub-Fund in the capital of a company incorporated in a Non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that Non-Member State, where under the legislation of that Non-Member State such a holding represents the only way in which the Sub-Fund can invest in the securities of issuing bodies of that Non-Member State. This waiver is applicable only if in its investment strategies the company from the Non-Member State complies with the limits laid down in paragraphs 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2 above and paragraphs 5.4, 5.5 and 5.6 below, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed;
 - (v) 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 shares or units at the request of share or unit holders exclusively on their behalf.
- 5.4 A Sub-Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or Money Market Instruments that form part of their assets.
- 5.5 The Central Bank may allow recently authorised Sub-Funds to derogate from the provisions of paragraphs 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 above for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 5.6 If the limits laid down herein are exceeded for reasons beyond the control of a Sub-Fund, or as a result of the exercise of subscription rights, the Sub-Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
- 5.7 The Company may not carry out uncovered sales of transferable securities Money Market Instruments; shares or units of CIS; or financial derivative instruments.
- 5.8 A Sub-Fund may hold ancillary liquid assets.

6. Financial Derivative Instruments (FDIs)

- 6.1 A Sub-Fund's global exposure (as prescribed in the UCITS Notices) relating to FDI must not exceed its total net asset value.
- 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 A Sub-Fund may invest in FDI dealt in over-the-counter (OTC) provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories provided by the Central Bank.
- 6.4 Investment in FDI are subject to the conditions and limits laid down by the Central Bank.

3.5. **Borrowing and Lending Powers and Restrictions**

The Company may borrow up to 10% of a Sub-Fund's Net Asset Value at any time and the Custodian may charge the assets of such Sub-Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding. Assets of a Sub-Fund may not be passed outside the Custodian's custody network to secure borrowings. The Company may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the above mentioned 10% limit provided that the offsetting deposit (a) is denominated in the Base Currency of the relevant Sub-Fund and (b) equals or exceeds the value of the foreign currency loan outstanding.

Without prejudice to the powers of the Company to invest in transferable securities, Money Market Instruments and other financial instruments referred to in paragraph 1 of the **Investment Restrictions** under the heading **Permitted Investments** above, the Company may not lend to, or act as guarantor on behalf of, third parties.

A Sub-Fund may acquire transferable securities, Money Market Instruments and other financial instruments referred to in paragraph 1 of the Investment Restrictions above which are not fully paid. The Company may not carry out uncovered sales of transferable securities, Money Market Instruments and other financial instruments.

A Sub-Fund may engage in leverage through the use of financial derivative instruments to the extent permitted by the UCITS Notices. The extent to which a Sub-Fund may be leveraged, if any, will be set out in the relevant Supplement.

Any particular borrowing restrictions for a Sub-Fund will appear in the Supplement for the relevant Sub-Fund.

3.6. **Utilisation of FDI and Efficient Portfolio Management**

Subject to the Regulations and the conditions of, and within the limits laid down by, the Central Bank, each Sub-Fund may utilise FDI including equivalent cash settled instruments dealt on a regulated market and/or OTC FDIs for investment purposes, details of which shall be set out in the Supplement of the relevant Sub-Fund, where applicable.

The Investment Manager and Distributor, on behalf of each Sub-Fund, may also use investment techniques and instruments, including FDI, relating to transferable securities and other financial instruments including but not limited to futures and options, forward currency contracts, warrants, repurchase agreements, reverse repurchase agreements, swap agreements stocklending agreements, and when-issued securities for efficient portfolio management and/or hedging purposes subject to the conditions and within the limits prescribed from time to time by the Central Bank. Such techniques may involve the lending of portfolio securities by a Sub-Fund. Repurchase agreements, reverse repurchase agreements and stocklending will be subject to the conditions and limits set out in the UCITS Notices.

Techniques and instruments utilised for the purposes of efficient portfolio management may only be used in accordance with the investment strategy of the relevant Sub-Fund. Any such technique or instrument should be reasonably believed by the Investment Manager and Distributor to be economically appropriate to the efficient portfolio management of the relevant

Sub-Fund, i.e., the use of such a technique or instrument may only be undertaken for the purpose of one or more of the following:

- (a) a reduction in risk;
- (b) a reduction in cost; or
- (c) an increase in capital or income returns to a Sub-Fund with a level of risk which is consistent with the risk profile of the Sub-Fund.

The specific techniques and instruments to be utilised by each Sub-Fund (if any) are set out in the Supplement for the relevant Sub-Fund.

For the purpose of providing margin or collateral in respect of transactions in FDI, the Company may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Sub-Fund.

Where any such operations concern the use of derivative transactions, this will be set out in the relevant Supplement and the Company will employ a risk-management process which enables it to accurately measure, monitor and manage at any time the risk of a Sub-Fund's positions and their contribution to the overall risk profile of the portfolio of assets of a Sub-Fund. It must employ a process for accurate and independent assessment of the value of OTC Derivatives. Before utilising any FDI on behalf of a Sub-Fund, the Company must file a risk management process report with the Central Bank and in accordance with particular requirements of the Central Bank shall specify, for that purpose, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in any FDI applicable to a Sub-Fund. A Sub-Fund will not employ any instruments that are not included in the existing risk management process which has been cleared by the Central Bank. Prior to investing in financial derivative instruments which are not included in the cleared risk management process, a revised risk management process report will be cleared by the Central Bank. The Company will ensure that a Sub-Fund's global exposure to FDI does not exceed the total Net Asset Value of its portfolio and that counterparty risk exposure to any OTC Derivative transactions never exceeds the limits permitted under the Regulations.

The Company will on request provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments in respect of the relevant Sub-Funds.

3.7. Currency Forwards

A Sub-Fund may use forward currency contracts. A forward contract is a contract to buy or sell an underlying security or currency at a pre-determined price on a specific future date. The initial terms of the contract are set so that the contract has no value at the outset. Forward prices are obtained by taking the spot price of a security or currency and adding to it the cost or carry. No money is transferred upon entering into a forward contract and the trade settlement is delayed until the specified date when the underlying security or currency is exchanged for cash. Subsequently, as the price of the underlying security or currency moves, the value of the contract also changes. They can be used to hedge currency exposure of an investment back to a Base Currency or to hedge a foreign currency Class against a Base Currency.

3.8. Hedged Share Classes

The Company may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of a Sub-Fund attributable to a particular Class into the currency of denomination of the relevant Class for the purposes of efficient portfolio management. In addition, a Class designated in a currency other than the Base Currency may be hedged against exchange rate fluctuation risks between the designated currency of the Class and the Base Currency. Any financial instruments used to implement

such strategies with respect to one or more Classes shall be assets/liabilities of a Sub-Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. Where a Class is to be hedged this will be disclosed in the Supplement for the Sub-Fund in which such Class is issued. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Sub-Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. Where the Company seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, over-hedged positions will not generally exceed 105 per cent of the Net Asset Value and hedged positions will be kept under review to ensure that positions in excess of 100 per cent of the Net Asset Value will not be carried forward from month to month. To the extent that hedging is successful for a particular Class the performance of the Class is likely to move in line with the performance of the underlying assets with the result that Shareholders in that Class will not gain if the Class currency falls against the Base Currency and/or the currency in which the assets of the particular Sub-Fund are denominated.

In the case of an Unhedged Share Class, a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates. The value of the Share expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency.

3.9. **Dividend Policy**

The Directors decide the dividend policy and arrangements relating to each Sub-Fund and where applicable, details are set out in the relevant Supplement. The Articles provide that the Directors are entitled to declare dividends out of a Sub-Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised gains on the disposal/ valuation of investments less realised and unrealised losses of the relevant Sub-Fund.

The Company will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Sub-Fund who is or is deemed to be a Taxable Irish Person and pay such sum to the Irish tax authorities. Dividends (if any) will be paid in accordance with the policy of the Irish Stock Exchange, where applicable.

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

Dividends payable to Shareholders will be paid by electronic transfer to a bank account with the Investment Manager and Distributor for onward transmission by electronic transfer to the account designated by the Shareholder in the original Subscription Agreement (or as otherwise agreed with the Directors) at the expense of the payee and will be paid within four months of the date the Directors declared the dividend.

The dividend policy for each Sub-Fund and the type of Shares available therein are set out in the Supplement for the relevant Sub-Fund. Any change in the dividend policy for a Sub-Fund will be notified to all Shareholders in that Sub-Fund in advance and full details of such a change will be provided in an updated Supplement for that Sub-Fund.

4. **RISK FACTORS**

4.1. **General**

The risks described below should not be considered to be an exhaustive list of the risks which potential investors should consider in addition to all of the information in this Prospectus and the relevant Supplement before investing in a Sub-Fund. Different risks may apply to different Sub-Funds and/or Classes. Details of risks specific to any Sub-Fund or Class in addition to those set out below will be disclosed in the relevant Supplement. Potential investors should be aware that an investment in a Sub-Fund may also be exposed to normal market fluctuations

and other risks from time to time. Although care is taken to understand and manage the risks described below and in the relevant Supplement, the Sub-Funds and accordingly the Shareholders in the Sub-Funds will ultimately bear the risks associated with the investments of the Sub-Funds. Potential investors should consult their professional financial and tax advisers before making an investment. The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term. The attention of potential investors is also drawn to the taxation risks associated with investing in the Company, an overview of which are set out in the Section of the Prospectus entitled **Taxation**.

Among the principal risks of investing in the Sub-Funds which could adversely affect their Net Asset Value, yield and total return, are:

4.2. **General Risks**

An investment in a Sub-Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. Shares of a Sub-Fund are not deposits or obligations of, or guaranteed or endorsed by, any bank and the amount invested in Shares may fluctuate up and/or down. An investment in a Sub-Fund involves certain investment risks, including the possible loss of principal and there is no assurance that that any appreciation in the value of investments will occur or that the investment objective of a Sub-Fund will actually be achieved and results may vary substantially over time. A Sub-Fund's investment strategy may carry considerable risks.

The Sub-Funds will be investing in assets selected by the Investment Manager and Distributor in accordance with the respective investment objectives and policies of the Sub-Fund. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Sub-Fund, will be closely linked to the performance of such investments. Investments made by the Investment Manager and Distributor will be speculative and an investment in a Sub-Fund, therefore, involves a degree of risk.

4.3. **Market Risk**

The value of securities may be affected by a decline in the entire market of an asset class in which investments are made thus affecting the prices and values of the assets in the Sub-Fund. Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously. Equity securities generally have greater price volatility than fixed-income securities. In addition, some of the Regulated Markets on which a Sub-Fund may invest may be less well-regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which a Sub-Fund may liquidate positions to meet redemption requests or other funding requirements. The higher the volatility of the market in which a Sub-Funds invests, the greater the market risk. Such markets are subject to greater fluctuations in return.

4.4. **Liquidity Risk**

Liquidity risk is the risk of a Sub-Fund having insufficient realisable cash, investments and borrowing capacity to fund redemption requests net of subscriptions. A Sub-Fund's assets primarily comprise realisable securities which can be readily sold in normal market conditions. However, subject to the UCITS restrictions, not all securities or instruments invested in by a Sub-Fund may be listed or rated and consequently liquidity of such securities or instruments may be low. A Sub-Fund may also encounter difficulties in disposing of assets at their fair market price due to adverse market conditions. A Sub-Fund's liabilities arise primarily through

its exposure to redemption of Shares that Shareholders wish to sell. The Investment Manager and Distributor endeavours to manage the Sub-Funds' investments, including cash, to meet its liabilities. However, investments may need to be sold if insufficient cash is available to finance such redemptions. If the size of disposals is sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of a Sub-Fund. The Directors may, at their discretion, elect to restrict the total number of Shares redeemed in a Sub-Fund on any Dealing Day as described in the section entitled **Limitations on Redemption**, in which case all requests will be scaled down pro rata to the number of Shares requested to be redeemed. The remaining balance of Shares may be redeemed on the next Dealing Day provided no such restriction is applicable.

4.5. **Credit Risk**

Credit risk also arises from the uncertainty surrounding the ultimate repayment of principal and interest or other investments by the issuers of such securities. There can be no assurance that the issuers of securities or other instruments in which a Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or other instruments. A Sub-Fund will also be exposed to a credit risk in relation to the counterparties with whom a Sub-Fund trades and may bear the risk of settlement default. Changes in the credit quality of an issuer could affect the value of a security or other instrument or a Sub-Fund's share price.

4.6. **Portfolio Currency Risk**

A Sub-Fund's investments may be acquired in a wide range of currencies other than the Base Currency of the Sub-Fund. Changes in the exchange rate between the Base Currency of the Sub-Fund and the currency of the asset may lead to a depreciation of the value of the Sub-Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The Investment Manager and Distributor may, but is not obliged to, mitigate this risk by using financial instruments.

A Sub-Fund may from time to time utilise techniques and instruments to seek to protect (hedge) currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of a Sub-Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline.

A Sub-Fund may enter into currency exchange transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Sub-Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations. Sub-Fund performance may be strongly influenced by movements in FX rates because currency positions held by the Sub-Fund may not always correspond with the securities positions held.

4.7. **Share Currency Risk**

A Class of Shares of a Sub-Fund may be designated in a currency other than the Base Currency of the Sub-Fund. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as

expressed in the designated currency. The Investment Manager and Distributor may try but is not obliged to mitigate this risk by using financial instruments such as those described under the heading **Currency Risk**, provided that such instruments shall in no case exceed 100% of the Net Asset Value attributable to the relevant Class of Shares of the Sub-Fund. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Sub-Fund are denominated. In such circumstances Shareholders of the relevant Class of Shares of the Sub-Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Sub-Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Shares of the Sub-Fund.

4.8. **Custody and Settlement Risk**

If a Sub-Fund or any Acceptable Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of the Sub-Funds or Acceptable Funds which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risks in circumstances where by the custodian will have no liability. Such risks include (i) a non-true delivery versus payment settlement, (ii) a physical market, and as a consequence the circulation of forged securities, (iii) poor information in relation to corporate actions, (iv) registration process that impacts the availability of the securities, (v) lack of appropriate legal/fiscal infrastructure advices, and (vi) lack of compensation/risk fund with the relevant central depository. Furthermore, even when a Sub-Fund or Acceptable Fund settles trades with counterparties on a delivery-versus-payment basis; it may still be exposed to credit risk to parties with whom it trades. The insolvency of the custodian, or of any local broker, sub-custodian bank or clearing corporation used by the custodian, may result in the loss of all or a substantial portion of the Sub-Fund's or the Acceptable Funds assets or in a significant delay in the Sub-Fund or Acceptable Fund having access to those assets.

4.9. **Political, Regulatory, Settlement and Sub-Custodial Risk**

The value of a Sub-Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. As some of the Sub-Funds may invest in markets where the trading, settlement and custodial systems are not fully developed, the assets of the a Sub-Fund which are traded in such markets and which have been entrusted to sub-custodians in such markets may be exposed to risk in circumstances in which the Custodian will have no liability.

4.10. **Taxation Risk**

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

In addition, potential Applicants' attention is drawn to the taxation risks associated with investing in the Company and in the Sub-Funds. See section headed **Taxation**.

4.11. **Legal and Regulatory Risks**

Legal and regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the Company is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of Shareholder's rights under such laws and regulations may involve significant uncertainties, may not be consistent with those of other nations and may vary from region to region. Furthermore, there may be differences in accounting and auditing standards, reporting practices and disclosure requirements to those generally accepted internationally. The information provided in this Prospectus is based upon the laws and regulations as at the date of the Prospectus but it is not exhaustive and does not constitute legal or tax advice. Laws and regulations of any country may change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where a Sub-Fund is registered, listed, marketed, or invested could affect the tax status of the Sub-Fund, the value of the Sub-Fund's investments in the affected jurisdiction, the Sub-Fund's ability to achieve its investment objective, and/or alter the post tax returns to Shareholders. The effect of any future legal or regulatory (including taxation) change on the Company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

4.12. **Valuation Risk**

A Sub-Fund may invest some of its assets in illiquid and/or unquoted securities or instruments. Such investments or instruments will be valued by the Directors or their delegate in good faith as to their probable realisation value as set out in this Prospectus. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or **close-out** prices of such securities.

In addition, assets in which a Sub-Fund invests may be valued on a less frequent basis than the Sub-Fund. Accordingly there is a risk that (i) the valuations of a Sub-Fund may not reflect the true value of assets held by a Sub-Fund at a specific time which could result in losses or inaccurate pricing for a Sub-Fund and/or (ii) the valuations may not be available at the relevant Valuation Point so that some of the assets of the Sub-Fund may be valued at their probable realisation value.

4.13. **Investment Manager and Distributor Risk**

The Administrator may seek the advice of the Investment Manager and Distributor with respect to the valuation of certain investments and Shareholders should be aware of an inherent conflict of interest between the involvement of the Investment Manager and Distributor in recommending the valuation price of a Sub-Fund's investment and the Investment Manager and Distributor's other duties and responsibilities in relation to the Sub-Funds.

4.14. **Securities of Other Investment Companies**

Investing in other investment companies involves substantially the same risks as investing directly in the underlying instruments, but may involve additional expenses at the investment company-level, such as portfolio management fees and operating expenses. The Company and/or the Investment Manager and Distributor will not have control over the activities of any investment company or collective investment scheme invested in by a Sub-Fund. Administrators of collective investment schemes and companies in which a Sub-Fund may invest may manage the collective investment schemes or be managed in a manner not anticipated by the Company or the Investment Manager and Distributor.

4.15. **Derivatives and Techniques and Instruments Risk**

While the prudent use of financial derivative instruments (**FDI**) can be beneficial, FDI also involve risks different from, and in certain cases greater than, the risks presented by more

traditional investments.

A Sub-Fund may from time to time utilize various financial instruments both for investment purposes and for risk management purposes in order to seek to: (i) protect against possible changes in the market value of the Sub-Fund's investment portfolio resulting from fluctuations in the currency exchange rates, securities markets and/or changes in interest rates, (ii) protect the Sub-Fund's unrealized gains in the value of the Sub-Fund's investment portfolio, (iii) facilitate the sale of any such investments, (iv) enhance or preserve returns, spreads or gains on any investment in the Sub-Fund's portfolio, (v) hedge the interest rate or currency exchange rate on any of the Sub-Fund's liabilities or assets, (vi) protect against any increase in the price of any securities the Sub-Fund anticipates purchasing at a later date or (vii) for any other reason that the Investment Manager and Distributor deems appropriate.

4.15.1. **Techniques and Instruments**

The prices of derivative instruments are highly volatile. Price movements of derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select the Sub-Fund's securities and (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet redemption requests.

4.15.2. **Derivatives**

Derivatives, in general, involve special risks and costs and may result in losses to a Sub-Fund. The successful use of derivatives requires sophisticated management, and a Sub-Fund will depend on the ability of the Investment Manager and Distributor to analyse and manage derivatives transactions. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular derivative and an asset or liability of a Sub-Fund may prove not to be what the Investment Manager and Distributor expected. Some derivatives are **leveraged** and therefore may magnify or otherwise increase investment losses to the Sub-Fund. Other risks arise from the potential inability to terminate or sell derivatives positions. A liquid secondary market may not always exist for a Sub-Fund's derivatives positions at any time. In fact, many over-the-counter instruments will not be liquid and may not be able to be **closed out** when desired. Over-the-counter instruments also involve the risk that the other party will not meet its obligations to the Sub-Funds. The participants in **over-the-counter** markets are typically not subject to credit evaluation and regulatory oversight as are members of **exchange based** markets, and there is no clearing corporation which guarantees the payment of required amounts. This exposes a Sub-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 Sub-Fund to suffer a loss.

4.15.3. **Counterparty Risk**

The Sub-Funds will be exposed to a credit risk on the counterparties with which they trade in relation to non-exchange traded contracts. Non-exchange traded contracts are not afforded the same protections as may apply to participants trading such

contracts on organised exchanges, such as the performance guarantee of an exchange clearing house. Non-exchange traded contracts are agreements specifically tailored to the needs of an individual investor which enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific company or firm involved in the transaction rather than a recognised exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which a Sub-Fund trades such contracts could result in substantial losses to a Sub-Fund. If settlement never occurs the loss incurred by the Sub-Fund will be the difference between the price of the original contract and the price of the replacement contract or, in the case where the contract is not replaced, the absolute value of the contract at the time it is voided. Furthermore, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the Sub-Fund meets its settlement obligations but the counterparty fails before meeting its obligations under the relevant contract. Furthermore, if the creditworthiness of a derivative counterparty declines, the risk that the counterparty may not perform could increase, potentially resulting in a loss to the portfolio. Regardless of the measures a Sub-Fund may implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that a Sub-Fund will not sustain losses on the transactions as a result.

4.15.4. **OTC Markets Risk**

Where any Sub-Fund acquires securities on OTC markets, there is no guarantee that the Sub-Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

4.15.5. **Forward Trading**

Forward contracts are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and **cash** trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Sub-Fund.

4.15.6. **Foreign Exchange Transactions**

Where a Sub-Fund utilises derivatives which alter the currency exposure characteristics of transferable securities held by the Sub-Fund, the performance of the Sub-Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Sub-Fund may not correspond with the securities positions held.

4.16. **Borrowing**

If a Sub-Fund borrows money, its share price may be subject to greater fluctuation until the borrowing is paid off. If the Sub-Fund makes additional investments while borrowings are outstanding, this may be considered a form of leverage.

4.17. **Cross Liability**

The Company has segregated liability between its Sub-Funds and accordingly any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund. While the provisions of the Companies Acts provide for segregated liability between Sub-Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors claims.

Additional risk factors (if any) in respect of each Sub-Fund are set out in the Supplement for

the relevant Sub-Fund.

5. MANAGEMENT OF THE COMPANY

5.1. Directors of the Company

The Directors of the Company are described below:

Andrew V Lodge has been the managing director of the Investment Manager and Distributor since 1996, prior to which he was the managing director of Alliance & Leicester (Isle of Man) Limited. In addition to being a director of the Company, Mr Lodge is also a director of a number of other Isle of Man domiciled open-ended investment companies managed by the Investment Manager and Distributor; these include Nedgroup Investment Funds Plc and Nedgroup Investment Premium Portfolio Plc.

Tracey A Wiltcher is a director of the Investment Manager and Distributor; she is responsible for their product management. In addition to being a director of the Company, Ms Wiltcher is also a director of a number of other Isle of Man domiciled open-ended investment companies managed by the Investment Manager and Distributor, these include Nedgroup Investments Funds Plc and Nedgroup Investments Premium Portfolio Plc.

John Skelly (Irish resident) joined Carne Global Financial Services Limited (**Carne**) in 2006 and specializes in compliance, product and operations for traditional funds and hedge funds. Prior to joining Carne he was COO of Carlton Capital Partners, London from 2005 to 2006 where he was responsible for developing and running its fund of hedge fund operations. Prior to this he was General Manager of the Dublin Branch of BNP Paribas Securities Services from 2000 to 2005 where he set up and managed the Company's Trust and Custody business in Dublin. During this period, he was a member of the Irish Funds Industry Association Trustee Committee. From 1999 to 2000 he acted as Financial Controller of Investments for Norwich Union Insurance Group (Ireland) and from 1997 to 1999 as Head of Operations at Custom House Fund Management, an alternative investment/hedge fund administrator. Previous to this, he was Accounting and Tax manager with Ulster Bank Investment Services Limited having trained with Deloitte in Dublin. Mr. Skelly is a Fellow of the Institute of Chartered Accountants in Ireland and holds a Bachelor of Commerce degree from University College Dublin.

Yvonne Connolly (Irish resident) is a Principal with Carne Dublin and has twenty years' experience in Financial Services. Her specialist areas are corporate governance, product development and fund administration. Yvonne has assisted investment managers and Service Providers with various aspects of change management and operational development. She also serves as a director for Irish Management companies. Prior to joining Carne, Yvonne worked as an independent consultant to a number of the large service providers in Dublin. In addition she was Head of Operational Development at State Street International Ireland (formerly Deutsche Bank). She was a member of the senior management team reporting to the CEO and a key contributor to the overall strategy and direction of the business. She was also a director of a number of investment companies. Ms Connolly trained as a chartered accountant with KPMG specialising in corporate taxation. She is a Fellow of the Institute of Chartered Accountants. She holds a Professional Diploma in Accounting from Dublin City University and a Bachelor of Education degree from St. Patrick's College of Education Dublin.

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

5.2. Investment Manager, Distributor and Promoter

The Company has appointed Nedgroup Investments (IOM) Limited to act as the Investment Manager and Distributor of the Sub-Funds pursuant to an Investment Management and Distribution Agreement (further details of which are set out under the heading **Material Contracts** below). Nedgroup Investments (IOM) Limited is also the Promoter of the Company.

Subject to the overall supervision of the Directors and to each Sub-Fund's investment objectives, policies and restrictions, the Investment Manager and Distributor will manage the investment and re-investment of each Sub-Fund's assets and the distribution and marketing of its Shares and conduct all contact with Shareholders and applicants for Shares.

The Investment Manager and Distributor, with the prior approval of the Central Bank, may from time to time seek the advice of or recommendation of any adviser, analyst, consultant or other suitably qualified person to assist it in the performance of its duties.

The Investment Manager and Distributor are a limited liability company incorporated with unlimited duration under the provisions of the Companies Acts 1931-2004 of the Isle of Man with number 57917C on 23 March 1992. The Investment Manager and Distributor is a wholly-owned subsidiary of the Nedbank Group Limited, a company incorporated with limited liability in South Africa.

The Investment Manager and Distributor is the holder of a licence issued under section 7 of the Financial Services Act 2008 of the Isle of Man. As such the Investment Manager and Distributor is an authorised person licensed by the Isle of Man Government Financial Supervision Commission to manage the Company.

The principal activity of the Investment Manager and Distributor is the management and distribution of collective investment schemes, the giving of investment advice and the distribution and marketing of collective investment schemes. As at 31 May 2011, the Investment Manager and Distributor had US\$810 million assets under management.

5.3. **Custodian**

The Company has appointed Citibank International plc, Ireland Branch to act as custodian of the Company's assets pursuant to the Custodian Agreement. The Custodian is the Irish branch of Citibank International plc which is a public limited liability company incorporated with limited liability under the laws of England. It is a holder of a banking licence from the Bank of England. Its head office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB and conducts its banking business in Ireland from its office at 1, North Wall Quay, Dublin 1, Ireland. The principal activity of the Custodian is to act as trustee/custodian of the assets of collective investment schemes.

5.4. **Administrator**

Citi Fund Services (Ireland), Limited will serve as administrator, registrar and transfer agent to the Company pursuant to the Administration Agreement. The responsibilities of the Administrator with respect to the Company include shares registration and transfer agency services, calculation of the Net Asset Value per Share and assistance in the preparation of annual and interim reports.

The Administrator is a limited liability company incorporated in Ireland on 18 September 1992 and is ultimately owned by Citigroup Inc.

5.5. **Portfolio Transactions and Conflicts of Interest**

Subject to the provisions of this section the Directors, the Investment Manager and Distributor, the Administrator, the Custodian, any other distributor, any Shareholder and any of their respective subsidiaries, affiliates, associates, agents or delegates (each a **Connected Person**) may contract or enter into any financial, banking or other transaction with one another or with the Company. This includes, without limitation, investment by the Company in securities of any Connected Person or investment by any Connected Persons in any company or bodies any of whose investments form part of the assets comprised in any Sub-Fund or be interested in any such contract or transactions. In addition, any Connected Person may invest in and deal in Shares relating to any Sub-Fund or any property of the kind included in the property of any Sub-Fund for their respective individual accounts or for the account of

someone else. In the event of a conflict arising, each Connected Person shall ensure that the conflict will be resolved fairly.

Any cash of the Company may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2010, of Ireland, as amended by the Central Bank and Financial Services Regulatory Authority of Ireland Acts, 2003 to 2004, with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

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

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

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

As the fees of the Investment Manager and Distributor, Custodian and Administrator are based on the Net Asset Value of a Sub-Fund, if the Net Asset Value of the Sub-Fund increases so too do the fees payable to them and accordingly there is a conflict of interest for them in cases where, for example, the Investment Manager and Distributor are responsible for determining or approving, as the case may be, the valuation price of a Sub-Fund's investments.

Directors of the Company affiliated with the Investment Manager and Distributor are not permitted to purchase Shares in the Company.

5.6. **Soft Commissions**

It is not intended, unless disclosed in the relevant Supplement, that any soft commission arrangements will be entered into in relation to any Sub-Fund created in respect of the Company. In the event that the Investment Manager and Distributor, the Custodian, the Administrator or any of their respective subsidiaries, affiliates, associates, agents or delegates does enter into soft commission arrangement(s) they shall ensure that such arrangement(s) shall (i) be consistent with best execution standards (ii) assist in the provision of investment services to the relevant Sub-Fund and (iii) brokerage rates will not be in excess of customary institutional full-service brokerage rates. Details of any such arrangement will be contained in

the next following report of the Sub-Fund. In the event that this is the unaudited semi-annual report, details shall also be included in the following annual report.

6. SHARE DEALINGS

Shareholder should contact the Investment Manager and Distributor, as opposed to the Administrator, in the event they have any queries in connection with matters described in this section.

Subscription for Shares

6.1. Purchases of Shares

Issues of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. The Dealing Deadline relating to each Sub-Fund is set out in the Supplement for the relevant Sub-Fund. The Directors may nominate additional Dealing Days upon advance notice to Shareholders.

Applications for the initial issue of Shares should be submitted in writing by way of a signed original Subscription Agreement or sent by facsimile to the Investment Manager and Distributor on or prior to the Dealing Deadline for onward transmission to the Administrator (initially by fax with originals to follow) with the original and supporting documentation in relation to money laundering prevention checks to follow promptly by post to the Investment Manager and Distributor. Applications received after the Dealing Deadline for the relevant Dealing Day shall be deemed to have been received by the next Dealing Deadline. The Investment Manager and Distributor and Administrator may, only with the agreement of the Directors, in exceptional circumstances, accept applications received after the Dealing Deadline provided they are received prior to the Valuation Point for the relevant Dealing Day. Applications will be irrevocable unless the Investment Manager and Distributor otherwise agrees.

Subsequent subscription requests may be sent by facsimile or other electronic methods (such as email or FTP upload) as previously agreed with the Investment Manager and Distributor for onward transmission to the Administrator (initially by fax with any originals to follow). An original need not follow by post in respect of such applications for the additional issue of Shares. Any changes to a Shareholder's payment details or payment instructions will only be made on receipt of an original instruction. No redemption payment may be made to a Shareholder until the original Subscription Agreement has been received by the Investment Manager and Distributor (including supporting documentation in relation to money laundering prevention checks) and anti-money laundering procedures have been completed.

Applications from existing Shareholders, be they in respect of applications that were made for initial or subsequent issues of Shares in the Isle of Man, submitted before the date of this Prospectus will be retained by the Investment Manager and Distributor.

The Minimum Initial Investment Amount for Shares of each Sub-Fund that may be subscribed for by each Applicant on initial application and the Minimum Shareholding for Shares of each Sub-Fund is set out in the Supplement for the relevant Sub-Fund.

Fractions of Shares will be issued up to four decimal places. Subscription moneys representing smaller fractions of Shares will not be returned to the Applicant but will be retained as part of the assets of the relevant Sub-Fund.

Under the Articles, the Directors have absolute discretion to accept or reject in whole or in part any applications for Shares without assigning any reason therefore. The Subscription Agreement contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Directors, the Investment Manager and Distributor, the Administrator, the Custodian and the other Shareholders for any loss suffered by them as a result of certain Applicants acquiring or holding Shares.

If an application is rejected, the Administrator will return application monies to an account of the Investment Manager and Distributor and the Investment Manager and Distributor will return such application monies or the balance thereof, without interest, by electronic transfer to the account from which it was paid within 6 Business Days of the rejection at the cost and risk of the Applicant, subject to any applicable laws,

6.2. **Issue Price**

The Initial Issue Price for Shares in the relevant Sub-Fund shall be the amount set out in the Supplement for the relevant Sub-Fund.

Unless otherwise stated in the Supplement of the relevant Sub-Fund, the issue price at which Shares of any Class of any Sub-Fund will be issued on a Dealing Day when Shares are in issue after the Initial Offer Period is the Issue Price.

A Subscription Charge of up to 5 per cent of the Issue Price may be charged by the Directors for payment to the Investment Manager and Distributor or its nominee. Details of such charge, if any, will be set out in the relevant Supplement.

6.3. **Payment for Shares**

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

If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, all or part of any allotment of Shares made in respect of such application may, at the discretion of the Directors, be cancelled, or, alternatively, the Investment Manager and Distributor may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Directors may charge the Applicant for any resulting loss incurred by the relevant Sub-Fund. The Directors reserve the right to charge interest at a reasonable commercial rate on subscriptions which are settled late.

6.4. **In Specie Issues**

The Directors may in their absolute discretion and as outlined in the relevant Supplement accept payment for Shares of a Sub-Fund in specie, provided that (a) the Custodian is satisfied that no material prejudice would result to any existing Shareholder in any Sub-Fund, allot Shares in any Sub-Fund against the vesting in the Custodian on behalf of the Company of investments which would form part of the assets of the relevant Sub-Fund provided and (b) such investments would qualify as an investment of the relevant Sub-Fund in accordance with its investment objective, policies and restrictions. The number of Shares to be issued in this way shall be the number which would on the day the investments are vested in the Custodian on behalf of the Company have been issued for cash against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described under the section entitled **Calculation of Net Asset Value/ Valuation of Assets** below.

6.5. **Anti-Money Laundering Provisions**

Measures provided for under the AML Acts which are aimed towards the prevention of money laundering, require identification and verification of the identity of each Applicant and its beneficial owners, as applicable, and on-going due diligence of the Applicant and the Applicant's account.

The Administrator and the Investment Manager and Distributor reserve the right to request information and documentation to comply with their requirements under the AML Acts or otherwise, including but not limited to information and documentation in relation to the verification of identity of an Applicant and its beneficial owners, as applicable, the source of funds and/or ongoing due diligence of an Applicant and its account. By way of example an individual will be required to produce a copy of a passport or national identification card which must display a photograph, signature (where required) and date of birth of the bearer and be duly certified by a notary public, together with two forms of evidence of his/her address such as original or certified utility bills or bank statements from a reputable financial institution. In the case of corporate Applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), and the names, occupations, dates of birth and residential and business addresses of all directors. Additional information may be required at the Administrator's or the Investment Manager and Distributor's discretion to verify the source of the subscription monies. In the event of delay or failure by the Applicant to produce any information or documentation required for such purposes, the Administrator or Investment Manager and Distributor may refuse to accept the application and return all subscription monies or compulsorily redeem such Shareholder's Shares and/or payment of redemption proceeds will be withheld and will not be dispatched to a Shareholder until such information or documentation is received by the Investment Manager and Distributor and none of the Sub-Fund, the Directors, the Investment Manager and Distributor, the Custodian or the Administrator shall be liable to the Applicant or Shareholder where an application for Shares is not processed or Shares are compulsorily redeemed or redemption proceeds are withheld in such circumstances. If an application is rejected, the Investment Manager and Distributor will return application monies or the balance thereof by electronic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the Applicant.

6.6. Form of Shares and Confirmation of Ownership

Shares will be in non-certificated and registered form. A contract note(s) providing details of a trade on a Shareholder's account and confirmation of entry onto the register of shareholders will normally be issued within 5 working days after the trade.

6.7. Data Protection

Prospective investors should note that by completing the Subscription Agreement and providing any other personal information in connection with an application for or the holding of Shares in the Company they are providing to the Administrator and the Investment Manager and Distributor personal information, which may constitute personal data within the meaning of the data protection legislation of Ireland. This data will be used for the purposes of administration, transfer agency, statistical analysis, research and disclosure to the Company, its delegates and agents. By signing the Subscription Agreement, Applicants acknowledge that they are providing their consent to the Company, its delegates and its or their duly authorised agents and any of their respective related, associated or affiliated companies obtaining, holding, using, disclosing and processing the data for any one or more of the following purposes:

- (a) to manage and administer the Applicant's holding in the relevant Sub-Fund and any related accounts on an on-going basis;
- (b) for any other specific purposes where the Applicant has given specific consent;
- (c) to carry out statistical analysis and market research;
- (d) to comply with legal and regulatory obligations applicable to the investor and the Company;
- (e) for disclosure or transfer whether in Ireland or countries outside Ireland including without limitation South Africa, the Isle of Man or India which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory

bodies, tax authorities, auditors, technology providers or to the Company, the Investment Manager and Distributor, the Administrator, the Custodian and their delegates or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above; and

- (f) for other legitimate business interests of the Company or the Investment Manager and Distributor.

Pursuant to data protection legislation in Ireland and the Isle of Man Shareholders have a right of access to their personal data kept by the Administrator or Investment Manager and Distributor and the right to amend and rectify any inaccuracies in their personal data held by the Administrator or Investment Manager and Distributor by making a request to either of them in writing.

The Administrator will hold any personal information provided by investors in accordance with data protection legislation of Ireland.

By signing the Subscription Agreement, Applicants consent to the recording of telephone calls made to and received from Applicants and Shareholders by the Investment Manager and Distributor and the Administrator its delegates, its duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes.

6.8. **Limitations on Purchases**

Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Sub-Fund is suspended in the manner described under **Suspension of Calculation of Net Asset Value** below. Applicants for Shares will be notified of such postponement and, unless withdrawn, their applications will be processed as at the next Dealing Day following the ending of such suspension.

6.9. **Redemption of Shares**

All requests for the redemption of Shares should be made to the Investment Manager and Distributor in writing, by facsimile or other electronic methods (such as email or FTP upload) as will be previously agreed with the Investment Manager and Distributor for onward transmission to the Administrator (initially by fax with any originals to follow). All such requests must quote the relevant Shareholder account number, the relevant Sub-Fund(s) and Class and any other information that the Investment Manager and Distributor reasonably requires and must be signed by or on behalf of the Shareholder by a person authorised by the Shareholder with the ability to bind the Shareholder and where the details of any such authorised person have been previously provided to the Investment Manager and Distributor before payment of Redemption Proceeds can be made.

Redemption requests by facsimile or other electronic methods (such as email or FTP upload) received in the prescribed format, containing all required information, and signed by or on behalf of the Shareholder by an authorised person will be treated as definite orders. Requests received on or prior to the relevant Dealing Deadline will, subject as mentioned in this section and in the relevant Supplement, normally be dealt with on the relevant Dealing Day. Redemption requests received after the Dealing Deadline shall, unless the Investment Manager and Distributor, only with the agreement of the Directors, shall otherwise agree in exceptional circumstances and provided they are received before the relevant Valuation Point, be treated as having been received by the following Dealing Deadline.

Shareholders must notify the Investment Manager and Distributor of any withdrawals of a redemption request by the Dealing Deadline unless otherwise specified in the relevant Supplement. The Investment Manager and Distributor may, only with the agreement of the Directors, in exceptional circumstances accept such withdrawals on less notice.

If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Custodian and notification to all of the Shareholders in the relevant Sub-Fund, agree to

designate additional Dealing Days and Valuation Points for the redemption of Shares relating to any Sub-Fund.

The Directors, the Administrator or the Investment Manager and Distributor may decline to effect a redemption request which would have the effect of reducing the value of any holding of Shares relating to any Sub-Fund below the Minimum Shareholding for that Class of Shares of that Sub-Fund. Any redemption request having such an effect may be treated by the Company as a request to redeem the Shareholder's entire holding of that Class of Shares.

Neither the Investment Manager and Distributor nor the Administrator will accept redemption requests, which are incomplete, until all the necessary information is received in the prescribed form by them.

6.10. **Redemption Price**

The price at which Shares will be redeemed on a Dealing Day is the Net Asset Value per Share of the relevant Class on the relevant Dealing Day less any duties and charges as set out in this Prospectus or the relevant Supplement. The method of establishing the Net Asset Value of any Sub-Fund and the Net Asset Value per Share of any Class of Shares in a Sub-Fund is set out in the Articles as described herein under the section entitled **Calculation of Net Asset Value/Valuation of Assets** below.

6.11. **Payment of Redemption Proceeds**

No redemption payment may be made to a Shareholder until the original Subscription Agreement and all documentation required by the Investment Manager and Distributor and the Administrator, including any document in connection with the AML Acts or other requirements and/or any anti-money laundering procedures have been completed, sent to and received by the Investment Manager and Distributor and (in respect of Shareholders admitted after the date of this Prospectus) forwarded to the Administrator. In respect of Shareholders that were admitted in the Isle of Man before the date of this Prospectus all such documentation will be retained by the Investment Manager and Distributor in which case redemption payments will be made to Shareholders once the Administrator receives confirmation from the Investment Manager and Distributor that it is in receipt of the required documentation. Any changes to a Shareholder's payment details or payment instructions will only be made on receipt of an original instruction by the Investment Manager and Distributor.

The Redemption Proceeds (minus any charge provided for above or in the relevant Supplement) will be paid at the Shareholder's risk and expense by electronic transfer to an account at the Investment Manager and Distributor for onward transmission by electronic transfer to an account in the name of the Shareholder in the currency of denomination of the relevant Class (or in such other currency as the Directors shall determine) by the Settlement Date. In respect of redemption requests received by facsimile or other electronic methods (such as email or FTP upload), payment of such Redemption Proceeds will be made to the Investment Manager and Distributor for onward transmission to the registered Shareholder. Redemptions should be processed on receipt of faxed instructions only where payment is made to the account of record.

Any redemptions for which instructions are received within a 24 hour period of a change being made to the Shareholder's bank mandate instructions on record will be sent to the old mandate instructions.

6.12. **Limitations on Redemption**

The Company may not redeem Shares of any Sub-Fund during any period when the calculation of the Net Asset Value of the relevant Sub-Fund is suspended in the manner described under the section entitled **Suspension of Calculation of Net Asset Value** below. Shareholders requesting redemption of Shares will be notified of such postponement and, unless withdrawn, their applications will be processed as at the next Dealing Day following the

ending of such suspension.

The Directors may at their discretion limit the number of Shares of any Sub-Fund redeemed on any Dealing Day to Shares representing ten per cent or more of the outstanding Shares in any Sub-Fund or Shares representing ten percent or more of the total Net Asset Value of that Sub-Fund on that Dealing Day. In this event, the limitation will apply *pro rata* so that all Shareholders wishing to have Shares of that Sub-Fund redeemed on that Dealing Day realise the same proportion of such Shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently (subject always to the foregoing limit). If requests for redemptions are so carried forward, the Investment Manager and Distributor will inform the Shareholders affected.

6.13. **In Specie Redemptions**

The Directors may at the request of the Shareholder satisfy a redemption request by a distribution of investments of the relevant Sub-Fund in specie provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Sub-Fund. In addition, the Articles contain special provisions where a redemption request received from a Shareholder would result in Shares representing more than five per cent of the Net Asset Value of any Sub-Fund being redeemed by the Company on any Dealing Day. In such a case, the Company may satisfy the redemption request by a distribution of investments of the relevant Sub-Fund in specie provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Sub-Fund. Where the Shareholder requesting such redemption receives notice of the Company's intention to elect to satisfy the redemption request by such a distribution of assets that Shareholder may require the Company, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale. The particular assets to be transferred will be determined by the Directors on such basis as the Directors in their discretion, with the approval of the Custodian of the asset allocation, consider not to be prejudicial to the interests of the remaining Shareholders in the Sub-Fund. The value of the assets to be transferred will be determined on the same basis as used in calculating the Net Asset Value and may be adjusted as the Directors may determine to reflect the liabilities of the Sub-Fund as a result of the transfer of such assets. Any shortfall between the value of the assets transferred on a redemption in specie and the redemption proceeds which would have been payable on a cash redemption will be satisfied in cash. Any decline in the value of the assets to be transferred in settlement of a redemption between the relevant Dealing Day and the day on which such assets are delivered to the redeeming Shareholder will be borne by the redeeming Shareholder.

6.14. **Mandatory Redemptions**

The Company, at the discretion of the Directors, may redeem any holding which is less than the Minimum Shareholding. In such circumstances, the Company will give thirty (30) days' prior written notice to Shareholders whose Shares are being redeemed to allow them to purchase sufficient additional Shares of the Sub-Fund to avoid such redemption.

The Company may compulsorily redeem all of the Shares of any Sub-Fund if the Net Asset Value of the relevant Sub-Fund is less than the Minimum Fund Size specified in the Supplement for the relevant Sub-Fund.

The Company reserves the right to impose restrictions on the holding or transfer of Shares directly or indirectly by or to (and consequently to redeem Shares held by):

- (i) a person or entity who, in the opinion of the Directors is a U.S. Person (unless the Directors determine (i) the transaction is permitted under an exemption available under the Securities Act and (ii) that the relevant Sub-Fund and the Company continue to be entitled to an exemption from registration as an investment company under the Investment Company Act if such person holds Shares);
- (ii) a person or entity who breached or falsified representations on the Subscription

Agreement;

- (iii) a person or entity who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such entity is not qualified to hold Shares;
- (iv) a person or entity who has not provided the required tax documentation or supporting documentation for money laundering prevention checks;
- (v) a person or entity if the holding of the Shares by that entity is unlawful or is less than the Minimum Shareholding or Minimum Initial Investment Amount set for that class of Shares by the Directors;
- (vi) a person or entity in circumstances which (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Sub-Fund incurring any liability to taxation or suffering any pecuniary liability to taxation or suffering other pecuniary, legal, regulatory or material administrative disadvantage which the relevant Sub-Fund might not otherwise have incurred or suffered (including where the relevant Sub-Fund suspects market timing) or might result in the relevant Sub-Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Articles of Association;
- (vii) a person under the age of 18 years or of unsound mind; and
- (viii) any transfer in regard to which any payment of taxation remains outstanding.

If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Shares are owned directly or beneficially by any person or persons in breach of any restrictions imposed by the Directors, the Directors shall be entitled to (i) give notice (in such form as the Directors deem appropriate) to such person requiring him to request in writing the redemption of such Shares in accordance with the Articles of Association and/or (ii) as appropriate, compulsorily redeem and/or cancel such number of Shares held by such person and may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by such person including any interest or penalties payable thereon.

Any outstanding proceeds of such compulsory redemption will not be paid unless the original Subscription Agreement signed by or on behalf of the Shareholder has been received by the Investment Manager and Distributor and forwarded to the Administrator and all documentation required by them, including any document in connection with the AML Acts or other requirements and/or any anti-money laundering procedures have been completed.

6.15. **Exchange of Shares**

Unless otherwise determined by the Directors, Shareholders will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any Class in any Sub-Fund (the **Original Class**) for Shares in another Class in a Sub-Fund which are being offered at that time (the **New Class**) (such Class being in the same Sub-Fund or in a separate Sub-Fund) provided that all the criteria for applying for Shares in the New Class have been met (including being entitled to the same tax treatment/benefits under taxation treaties as the other Shareholders in the New Class) and by giving notice to the Investment Manager and Distributor on or prior to the Dealing Deadline for the relevant Dealing Day. The Directors may in their sole and absolute discretion accept requests for exchange received after the relevant Dealing Deadline in exceptional circumstances provided they are received prior to the relevant Valuation Point. The Directors may at their discretion nominate an additional Dealing Day to facilitate applications for exchange of Shares which will be notified in advance to all Shareholders. The Investment Manager and Distributor shall pay all costs associated with additional Dealing Days. The general provisions and procedures relating to the issue and

redemption of Shares will apply equally to exchanges, save in relation to charges payable, details of which are set out below and in the relevant Supplement.

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

The Directors may deduct a charge on an exchange of Shares which the Investment Manager and Distributor considers represents an appropriate figure to cover dealing costs, stamp duties, market impact and to preserve the value of the underlying assets of the Sub-Fund when there are net subscriptions and redemptions. Any such charge will be retained for the benefit of the relevant Sub-Fund the Directors reserve the right to waive such charge at any time.

The Directors may impose an exchange charge of up to 3% of the repurchase amount of the Shares being exchanged.

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

$$S = \frac{[(RP - EC)]}{SP}$$

where:

- S** = the number of Shares of the New Class to be issued;
- RP** = the Redemption Proceeds
- EC** = the Exchange Charge
- SP** = the Issue Price per Share of the New Class as at the Valuation Point for the applicable Dealing Day.

6.16. **Limitations on Exchanges**

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

6.17. **Transfer of Shares**

Shares in each Sub-Fund will be transferable by instrument in writing in common form or in any other written form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor. The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the registered office of the Company or with the Investment Manager and Distributor for onward transmission to the Administrator (initially by email and fax with any originals to follow) together with such other evidence as may reasonably be required to show the right of the transferor to make the transfer and/or any evidence required to discharge the Company's and the Investment Manager and Distributor's and Administrator's duties in respect of any applicable AML Laws and/or regulations.

The transferee will be required to complete a Subscription Agreement and any other documentation required by the Investment Manager and Distributor in addition to providing

any documentation or information under the AML Acts or its anti-money laundering procedures.

The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof.

Shares may not be transferred to any person as described in the Mandatory Redemptions section above.

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

In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders.

6.18. Dealing Restrictions

6.18.1. Market Timing

The Company, at its discretion, reserves the right to refuse to accept any application for initial or subsequent subscription or to compulsorily redeem Shares held by any Shareholder, without giving any reason where the Company suspects market timing. Without limiting the foregoing, and as further described below, the Company may not be used as a vehicle for frequent trading in response to short term market fluctuations (so called **market timing**). Accordingly, the Company may reject any subscriptions (or compulsorily redeem Shares) from any investor that it determines is engaged in market timing or other activity which it believes is harmful to the Company or any Sub-Fund. If a subscription is rejected, subscription proceeds will be returned without interest to the Applicant, as soon as practicable.

6.18.2. Excessive Trading Policies

The Company emphasises that all Applicants and Shareholders are bound to place their subscription, redemption or switching order(s) no later than the relevant Dealing Deadline for transactions in the Sub-Fund's Shares.

Excessive trading into and out of a Sub-Fund can disrupt portfolio investment strategies and increase the Sub-Fund's operating expenses. The Sub-Funds are not designed to accommodate excessive trading practices. The Directors reserve the right to restrict, reject or cancel purchase, redemption and switching orders as described above, which represent, in their sole judgment, excessive trading.

Shareholders seeking to engage in excessive trading practices may deploy a variety of strategies to avoid detection, and there is no guarantee that the Company or its agents will be able to recognise such Shareholders or curtail their trading practices. The ability of the Company and its agents to detect and curtail excessive trading practices may also be limited by operational systems and technological limitations.

To the extent that the Company or its agents are unable to curtail excessive trading practices in a Sub-Fund, these practices may interfere with the efficient management of the Sub-Fund's portfolio, and may result in the Sub-Fund engaging in certain activities to a greater extent than it otherwise would, such as maintaining higher cash balances, using a line of credit and engaging in portfolio transactions. Increased portfolio transactions and the use of a line of credit would correspondingly increase a Sub-Fund's operating costs and decrease the Sub-Fund's investment performance, and maintenance of a higher level of cash balances would likewise result in lower Sub-Fund investment performance during periods of rising markets.

6.19. Calculation of Net Asset Value/Valuation of Assets

The Net Asset Value of each Sub-Fund shall be calculated by the Administrator as at the Valuation Point for each Dealing Day by valuing the assets of the Sub-Fund and deducting therefrom the liabilities of the Sub-Fund. The Net Asset Value of a Sub-Fund divided by the number of Shares of the relevant Sub-Fund in issue as at the relevant Valuation Point is equal to the Net Asset Value of a Share of the relevant Sub-Fund. Where there is more than one Class in issue in a Sub-Fund, the Net Asset Value per Share of the relevant Class is calculated by determining that proportion of the Net Asset Value of the relevant Sub-Fund which is attributable to the relevant Class at the Valuation Point, and adding thereto or deducting therefrom such sum (if any) as the Administrator may consider represents the appropriate provision for purchase or sales charges and by dividing this sum by the total number of Shares of the relevant Class in issue at the relevant Valuation Point (which is set out in the Supplement for the relevant Sub-Fund).

The price at which Shares of any class will be issued on a Dealing Day, after the initial issue, is based on the Net Asset Value per Share or Net Asset Value per Share of the relevant Class (where there is more than one Class in issue in a Sub-Fund) plus a provision for any duties and charges as set out in this Prospectus or in the relevant Supplement. The price at which Shares of any class will be redeemed on a Dealing Day, is based on the Net Asset Value per Share or Net Asset Value per Share of the relevant Class (where there is more than one Class in issue in a Sub-Fund) less a provision for any duties and charges as set out in this Prospectus or in the relevant Supplement. The Net Asset Value and the Net Asset Value per Share will in each case be rounded to four decimal places or such other number of decimal places as the Directors may determine.

The Articles provides for the method of valuation of the assets and liabilities of each Sub-Fund and of the Net Asset Value of each Sub-Fund. The Company has delegated the calculation of the Net Asset Value to the Administrator. The assets and liabilities of a Sub-Fund will be valued as follows:-

In general, the Articles provides that the value of any investments quoted, listed or dealt in on a market shall be calculated by reference to the last traded price as at the relevant Valuation Point provided that the value of any investment listed or dealt in on a Regulated Market but acquired or traded at a premium or at a discount outside the relevant market may be valued taking into account the level of premium or discount as at the date of valuation of the investment and the Custodian must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.

Where such investment is quoted, listed or dealt in on more than one Regulated Market, the Directors shall, in their absolute discretion, select the Regulated Market which in its opinion constitutes the main Regulated Market for such investment for the foregoing purposes.

The value of any investment which is not quoted, listed or dealt in on a Regulated Market or of any investment which is normally quoted, listed or dealt in on a Regulated Market but in respect of which no price is currently available or the current price of which does not in the opinion of the Directors reflect the fair market value thereof in the context of currency, marketability, dealing costs and/or such other considerations as are deemed relevant, shall be the probable realisation value estimated with care and in good faith by (i) the Directors or (ii) by a competent person appointed by the Directors approved, for such purpose, by the Custodian or (iii) any other means provided that the value is approved by the Custodian. In determining the probable realisation value of any such investment, the Directors may accept a certified valuation from a competent independent person, or in the absence of any independent person, (notwithstanding that the Investment Manager and Distributor has an interest in the valuation), the Investment Manager and Distributor, who in each case shall be approved by the Custodian to value the relevant securities. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics. The matrix methodology will be compiled by the Directors or a competent person, firm or corporation appointed by the Directors and approved for the

purpose by the Custodian or any other means provided that the value is approved by the Custodian.

Units or shares in collective investment schemes will be valued at the latest available net asset value as published by the collective investment scheme, or if listed, the latest market prices as described above.

The Articles further provide that cash in hand or on deposit and other liquid assets, prepaid expenses, cash dividends, interest declared or accrued and not yet received and tax reclaims filed and not yet received as at the relevant Valuation Point shall normally be valued at their face value (unless in any case the Directors are of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof).

The value of any over the counter derivative contracts shall be the quotation from the counterparty to such contracts at the Valuation Point and shall be valued daily. The valuation will be approved or verified weekly by a party independent of the counterparty who has been approved, for such purpose, by the Custodian. Alternatively, the value of any over-the-counter derivative contract may be an alternative valuation provided that the Sub-Fund will follow international best practice and adhere to specific principles on such valuation by bodies such as IOSCO and AIMA. Any such alternative valuation must be 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 such value is approved by the Custodian. Any such alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise they must be promptly investigated and explained.

The value of any exchange traded futures contracts, share price index futures contracts and options and other derivative instruments shall be the settlement price as determined by the Regulated Market in question as at the Valuation Point provided that where such settlement price is not available for any reason as at a Valuation Point, such value shall be the probable realisation thereof estimated with care and in good faith by (i) the Directors or (ii) a competent person appointed by the Directors, provided that the Directors or such other competent person have been approved for such purpose by the Custodian (iii) any other means provided that the value is approved by the Custodian.

Forward foreign exchange contracts shall be valued by reference to the prevailing market maker quotations, namely, the price as at the Valuation Point at which a new forward exchange contract of the same size and maturity could be undertaken, or if unavailable, at the settlement price provided by the counterparty. The settlement price shall be valued at least daily by the counterparty and shall be verified at least weekly by a party who is independent from the counterparty and approved for such purpose by the Custodian.

In the case of a Sub-Fund which is a money market fund, the Directors or their delegates may value any investment through the use of amortised cost. The amortised cost method of valuation may only be used in relation to Sub-Funds which comply with the Central Bank's requirements for money market funds and where a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank's guidelines.

Money Market Instruments in a non-money market Sub-Fund may be valued by the Directors or their delegates at their amortised cost, in accordance with the Central Bank's requirements.

Notwithstanding the foregoing valuation rules, in the event of substantial or recurring net subscriptions (where total subscriptions of a Sub-Fund exceeds total redemptions), the Directors may adjust the Net Asset Value per Share to reflect the value of the Company's assets using the lowest market dealing offer price as at the relevant Valuation Point in order to preserve the value of the shareholding of continuing Shareholders. In the event of substantial or recurring net redemptions (where total redemptions of any Sub-Fund exceeds total subscriptions), the Directors may adjust the Net Asset Value per Share to reflect the value of the Company's assets using the lowest market dealing bid price in order to preserve the value of the shareholding of continuing Shareholders.

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

Notwithstanding the generality of the foregoing, the Directors may adjust the value of any such security if, having regard to currency, anticipated rate of dividend, applicable rate of interest, maturity, liquidity, marketability, dealing costs and/or such other considerations as the Directors and the Investment Manager and Distributor may deem relevant, the Directors considers that such adjustment is required to reflect the fair value thereof as at any Valuation Point.

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

Any particular valuation provisions applicable to a Sub-Fund are set out in the Supplement for the relevant Sub-Fund.

6.20. **Suspension of Calculation of Net Asset Value**

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Sub-Fund or the issue, redemption and exchange of Shares and the payment of redemption proceeds:

- (i) during any period when any of the Regulated Markets on which a meaningful portion of the investments of the relevant Sub-Fund, from time to time, are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (ii) during any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a meaningful portion of the investments of the relevant Sub-Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Sub-Fund or if, in the opinion of the Directors, the Net Asset Value of the Sub-Fund cannot be fairly calculated; or
- (iii) during any breakdown in the means of communication normally employed in determining the price of a meaningful portion of the investments of the relevant Sub-Fund, or when, for any other reason the current prices on any Regulated Market of any of the investments of the relevant Sub-Fund cannot be promptly and accurately ascertained; or
- (iv) during any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Sub-Fund or when payments due on the redemption of Shares from Shareholders cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- (v) during any period when the Directors are unable to repatriate funds required for the purpose of making payments due on the redemption of Shares in the relevant Sub-Fund; or
- (vi) during any period when the Directors consider it to be in the best interest of the Shareholders of the relevant Sub-Fund; or
- (vii) upon mutual agreement between the Company and the Custodian, any period following the circulation to Shareholders of a notice of a general meeting at which a resolution for the purpose of terminating the Company or any Sub-Fund is to be

proposed; or

- (viii) when any other reason makes it impracticable to determine the value of a meaningful portion of the assets of the Company or any Sub-Fund; or

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

Shareholders who have requested issue or redemption of Shares of any class or the exchange of Shares of one class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified on the same Business Day to the Central Bank and will be communicated without delay to the competent authorities in any country in which the Shares are registered for sale.

6.21. Notification of Prices

The Net Asset Value per Share of each class of Shares in each Sub-Fund will be available from the Investment Manager and Distributor and the Administrator following calculation on each Valuation Point and will be published on the Investment Manager and Distributor's website www.nedgroupinvestments.com or such other websites or newspapers as the Directors may decide from time to time and as notified to the Shareholders in advance. Such prices will be the prices applicable to the previous Dealing Day's trades and are therefore only indicative after the relevant Dealing Day.

7. FEES AND EXPENSES

7.1. Redomiciliation Expenses

The Investment Manager will bear the redomiciliation costs and expenses, including legal fees incurred with the establishment of the Company in Ireland and each of the existing Sub-Fund in Ireland.

7.2. Operating & Service Providers' Fees and Expenses

The Company may pay out of the assets of each Sub-Fund the fees and expenses payable to the Investment Manager and Distributor, Administrator, the Custodian, any other distributor at normal commercial rates, any facilities agent, any paying agent, the fees and expenses of sub-custodians (which will be at normal commercial rates), the fees and expenses of any investment advisers or any other delegates of the Company, the fees (if any) and expenses of the Directors, any fees in respect of circulating details of the Net Asset Value, stamp duties, all taxes and VAT, company secretarial fees, any costs incurred in respect of meetings of Shareholders, marketing and distribution costs, investment transaction charges, costs incurred in respect of the distribution of income to Shareholders, pricing and bookkeeping costs, the fees and expenses of any other facilities agent or representative appointed in compliance with the requirements of another jurisdiction (which will be at normal commercial rates), any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company, all sums payable in respect of directors' and officers' liability insurance cover, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors, tax and legal advisers, regulatory fees, the fees connected with registering the Company for sale in other jurisdictions, the fees and expenses in connection with obtaining and maintaining a credit rating for any Sub-Fund, Class or Shares. The costs of printing and distributing this Prospectus, KIID, reports, accounts and any explanatory memoranda, any necessary translation fees, the costs of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) may also be paid out of the assets of the Company. Further details of such fee arrangements shall be disclosed in the

Supplement for the relevant Sub-Fund. All recurring expenses and fees will be charged against current income or against realised and unrealised capital gains, or, where there is not sufficient income or capital gains to cover the fees and expenses of the Company, against the capital or assets of the Company in such manner and over such period as the Directors may from time to time decide.

If a Sub-Fund invests more than 20% of its net assets in other CIS the maximum level of the management fees that may be charged in respect of that Sub-Fund and to the other CIS in which it intends to invest will be set out in the relevant Supplement. Details of such fees will also be contained in the Company's annual report.

When a Sub-Fund invests in the shares of other CIS and those other CIS are managed directly or by delegation, by the Investment Manager and Distributor or by any other company with which the Investment Manager and Distributor is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager and Distributor or other company shall not charge subscription, conversion or redemption fees on account of the investment of the Sub-Fund in the shares of such other CIS.

7.3. Investment Manager and Distributor Fees

The Investment Manager and Distributor shall be paid such fees and in such manner as set out in the relevant Supplement.

7.4. Administrator Fees

The Administrator shall be paid such fees and in such manner as set out in the relevant Supplement.

7.5. Custodian Fees

The Custodian shall be paid such fees and in such manner as set out in the relevant Supplement.

7.6. Directors Fees

Unless and until determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Those Directors who are not associated with the Investment Manager and Distributor will be entitled to remuneration for their services as directors provided however that the aggregate emoluments of such Directors in each year shall not exceed €30,000 (excluding VAT). In addition, all of the Directors will be entitled to be reimbursed out of the assets of each Sub-Fund for their reasonable out of pocket expenses incurred in discharging their duties as directors, including all travelling, hotel and other out of pocket expenses properly incurred by them in connection with their attendance at meetings of Directors or committees established by the Directors or separate meetings of the holders of any class of Shares of the Company or otherwise in connection with the discharge of their duties.

7.7. Subscription Charge

Shareholders may be subject to an initial charge calculated as a percentage of Issue Price as specified in the relevant Supplement subject to a maximum of 5 per cent. of the Issue Price of Shares purchased by Shareholders. The Subscription Charge may be waived or reduced at the absolute discretion of the Directors.

7.8. Redemption Charge

Shareholders will not be subject to a Redemption Charge.

7.9. Exchange Charge

The Directors may impose an exchange charge of up to 3 per cent. of the repurchase amount of the Shares being exchanged for Shares in another Sub-Fund or another Class.

7.10. Anti-Dilution Levy/ Duties & Charges

The Directors reserve the right to impose an anti-dilution levy representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), duties and charges and other dealing costs relating to the acquisition or disposal of assets and to preserve the value of underlying assets of a Sub-Fund, in the event of receipt for processing of net subscription or redemption requests of a Sub-Fund, including as a result of requests for conversion from one Sub-Fund into another Sub-Fund which shall for this purpose be treated as a redemption request on the first Sub-Fund. Any such provision will be determined by the Directors as representing an appropriate figure for such purposes and will be added to the price at which Shares will be issued in the case of net subscription requests of the Sub-Fund and deducted from the price at which Shares will be redeemed in the case of net redemption requests of the Sub-Fund. The Directors may also apply a provision for market spreads and duties and charges in any other case where it considers such a provision to be in the best interests of a Sub-Fund. Any such sum will be paid into the account of the relevant Sub-Fund.

7.11. Allocation of Fees

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

8. TAXATION

8.1. General

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this document.

The following statements are by way of a general guide to potential investors and Shareholders only and do not constitute tax advice. Shareholders and potential investors are therefore advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Shareholders and potential investors should note that the following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this document and proposed regulations and legislation in draft form. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.

8.2. Ireland

Tax on income and capital gains

The Company

The Company will only be subject to tax on chargeable events in respect of Shareholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes – see Irish Tax Definitions for more details).

A chargeable event occurs on:

- (i) a payment of any kind to a Shareholder by the Company;
- (ii) a transfer of Shares; and
- (iii) on the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary

but does not include any transaction in relation to Shares held in a clearing system recognised by the Irish Revenue Commissioners, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses.

If a Shareholder is not a Taxable Irish Person at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Shareholder.

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the Company which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances, and only after notification by the Company to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the Company become a liability of the Shareholder rather than the Company. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rate set out below) to the Irish Revenue Commissioners.

In the absence of the appropriate declaration being received by the Company or filed by the Company (if applicable) that a Shareholder is not a Taxable Irish Person or if the Company has information that would reasonably suggest that a declaration is incorrect, and in the absence of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the Company will be obliged to pay tax on the occasion of a chargeable event. Where the chargeable event is an income distribution tax will be deducted at the rate of 27% on the amount of the distribution. Where the chargeable event occurs on any other payment to a Shareholder, on a transfer of Shares and on the eight year rolling chargeable event, tax will be deducted at the rate of 30% on the increase in value of the shares since their acquisition. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

The Finance Act 2007 introduced an anti-avoidance provision that increases the 30% to 50% rate of tax if, under the terms of an investment in a fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the fund.

Other than in the instances described above the Company will have no liability to Irish taxation on income or chargeable gains.

Shareholders

Shareholders who are neither resident nor ordinarily resident in Ireland in respect of whom the appropriate declarations have been made (or in respect of whom written notice of approval from the Revenue Commissioners has been obtained by the Company to the effect that the requirement to have been provided with such declaration from that Shareholder or class of shareholders to which the Shareholder belongs is deemed to have been complied with), or in respect of whom the Company has made a declaration where applicable, will not be subject to tax on any distributions from the Company or any gain arising on redemption, repurchase or transfer of their shares provided the shares are not held through a branch or agency in Ireland

and the shares, if unlisted, do not derive the greater part of their value from Irish land or mineral rights. No tax will be deducted from any payments made by the Company to those Shareholders who are not Taxable Irish Persons.

Shareholders who are Irish resident or ordinarily resident or who hold their shares through a branch or agency in Ireland may have a liability under the self-assessment system to pay tax, or further tax, on any distribution or gain arising from their holdings of Shares. In particular where the Company has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Shareholder will have an obligation to file a self assessment tax return and pay the appropriate amount of tax to the Irish Revenue Commissioners.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Shareholders within the charge to Irish corporation tax.

Stamp duty

No Irish stamp duty will be payable on the subscription, transfer or redemption of Shares provided that no application for Shares or re-purchase or redemption of Shares is satisfied by an in specie transfer of any Irish situated property.

Capital acquisitions tax

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

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

Other tax matters

The income and/or gains of a Company from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. 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 repayment to that Company, the net asset value of the Company will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

EU Savings Tax Directive

On 3 June, 2003 the Council of the European Union (ECOFIN) adopted a directive regarding the taxation of interest income. Each EU Member State must implement the directive by enacting legislation that requires paying agents (within the meaning of the directive) established within its territory to provide to the relevant competent authority details of interest payments (which includes certain payments made by collective investment undertakings such as the Company) made to any individual and certain intermediate entities resident in another EU Member State or a territory being a dependent or associated territory of an EU Member State (**Relevant Territory**). The competent authority of the EU Member State of the paying agent (within the meaning of the directive) is then required to communicate this information to the competent authority of the Relevant Territory of which the beneficial owner of the interest is a resident.

Austria and Luxembourg may opt instead to withhold tax from interest payments within the meaning of the directive. Belgium previously operated a withholding system but changed to the provision of information with effect from 1 January 2010.

Ireland has implemented the directive into national law. Any Irish paying agent making an

interest payment on behalf of the Company to an individual, and certain residual entities defined in the TCA, resident in another Relevant Territory may have to provide details of the payment to the Irish Revenue Commissioners who in turn will provide such information to the competent authorities of the Relevant Territory of residence of the individual or residual entity concerned.

Broadly speaking, for income distributions, it is only if the fund has invested more than 15% of its assets directly or indirectly in interest bearing securities and for capital distributions it is only if the fund has invested more than 25% of its assets directly or indirectly in interest bearing securities, that payments received from the Company would be subject to reporting obligations.

Irish Tax Definitions

The following definitions should be used:

- (a) **Taxable Irish Person** means any person, other than
- (i) a Foreign Person;
 - (ii) an intermediary, including a nominee, for a Foreign Person ;
 - (iii) the Manager for so long as the Manager is a qualifying management company within the meaning of section 734 TCA;
 - (iv) a specified company within the meaning of section 734 TCA;
 - (v) an investment undertaking within the meaning of section 739(B) of the TCA;
 - (vi) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;
 - (vii) a company carrying on life business within the meaning of section 706 TCA;
 - (viii) a special investment scheme within the meaning of section 737 TCA;
 - (ix) a unit trust to which section 731(5)(a) TCA applies;
 - (x) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
 - (xi) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA , section 787I TCA or section 848E TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A TCA);
 - (xii) the Courts Service;
 - (xiii) a Credit Union;
 - (xiv) a company within the charge to corporation tax under section 739G(2) TCA, but only where the fund is a money market fund;
 - (xv) a company within the charge to corporation tax under section 110(2) TCA;
 - (xvi) the National Pensions Reserve Fund Commission; and
 - (xvii) any other person as may be approved by the directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under

section 739 TCA

in respect of each of which the appropriate declaration set out in Schedule 2B TCA, or as mentioned in (c) (iii), and such other information evidencing such status is in the possession of the Company on the appropriate date.

- (b) **TCA** means the Taxes Consolidation Act, 1997, as amended.
- (c) **Foreign Person** means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the company with the appropriate declaration under Schedule 2B TCA and the Company is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject have been satisfied or (iii) by way of Revenue concession, the applicability of which has been confirmed in writing in respect of the Company, a person who is neither resident nor ordinarily resident in Ireland for tax purposes and in respect of whom the Company has within 30 days of redomiciliation taking place provided a declaration in the form designated by the Revenue Commissioners to them declaring to the best of the Company's knowledge and belief that at the time of redomiciliation such person(s) holding Shares, other than those specifically detailed at the time of making the declaration, was/were not resident in Ireland.

Residence - Company

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

- the company or a related company carries on a trade in the State, and either the company is ultimately controlled by persons resident in EU Member States or, resident in countries with which the Republic of 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 tax treaty country
- or
- the company is regarded as not resident in the State under a double taxation treaty between the Republic of 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 declarants are referred to the specific legislative provisions which are contained in section 23A Taxes Consolidation Act 1997.

Residence - Individual

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

1. Spends 183 or more in the State in that tax year;
- Or
2. has a combined presence of 280 days in the State, taking into account the number of days spent in the State in that tax year together with the number of days spent in the State in the preceding year.

Presence in a tax year by an individual of not more than 30 days in the State will not be reckoned for the purpose of applying the two year test. Up to 31 December, 2008, presence in

the State for a day means the personal presence of an individual at the end of the day (midnight). **From 1 January 2009, presence in the State for a day means the personal presence of an individual at any time during the day.**

Ordinary Residence - Individual

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

An individual who has been resident in the State for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2004 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2007.

Intermediary

this means a person who:-

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (b) holds units in an investment undertaking on behalf of other persons.

8.3. United Kingdom

General

The statements on taxation below are intended to be a general summary of certain UK tax consequences that may arise on the Company and its Shareholders. This is not a comprehensive summary of all technical aspects of the structure and is not intended to constitute legal or tax advice to investors. Prospective investors should familiarise themselves with and, where appropriate, should consult their own professional advisers on the overall tax consequences of investing in the Company. The statements relate to investors entering into the Company for investment purposes. It does not deal with the position of certain classes of Shareholders, such as dealers in securities and insurance companies, trusts and persons who have acquired their Shares by reason of their or another's employment.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. The tax consequences for each investor of investing in the Company may depend upon the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject. The statements below relate to the UK tax implications of a UK resident, ordinarily resident and domiciled individual, or UK resident company, investing in the Company. The tax consequences may differ for investors who are not resident or ordinarily resident in the UK or are not domiciled in the UK for tax purposes. Investors and prospective investors should seek their own professional tax advice. The statements are based on current tax legislation and HM Revenue & Customs practice, both of which are subject to change at any time, possibly with retrospective effect.

The Company

The Directors intend to manage the affairs of the Company so that it does not become resident in the United Kingdom for UK taxation purposes or otherwise become liable to UK tax by reason of carrying on a trade in the United Kingdom.

Taxation of UK Shareholders – Treatment of Gains

Taxation of distributions

Subject to their personal circumstances, individual Shareholders resident in the UK for taxation purposes will, in general, be liable to UK income tax in respect of the gross amount of the dividends received or other distributions by a Sub-Fund, whether or not such distributions are reinvested in further Shares of the Sub-Fund. Provided the Sub-Fund is not substantially invested in interest bearing assets (see below) a Shareholder who is an individual will generally be chargeable to UK income tax on dividends received from the Company at the dividend ordinary rate of 10% or, to the extent that the amount of the gross dividend when treated as the top slice of his or her income exceeds the threshold for the higher rate tax, at the dividend upper rate of 32.5% (with effective rate of 25% after deducting a non payable dividend tax credit). From 6 April 2010, a new 42.5 % dividend additional rate (with effective rate of 36.11% after deducting a non payable dividend tax credit) was introduced which applies to dividend income forming part of an individual's taxable income in excess of £150,000.

Special rules apply to UK resident individual Shareholders who are not domiciled in the UK or are resident but not ordinarily resident in the UK.

Shareholders who are subject to UK corporation tax should generally expect to be exempt from UK taxation in respect of dividends from the Sub-Fund, subject to the non-qualifying investments test which is outlined below and provided the dividend income would not fall to be treated as trading income.

UK offshore fund rules

A new regime for offshore funds, in accordance with Schedule 22 Part 1 of the Finance Act 2009 and the Offshore Funds (Tax) Regulations 2009 (the **Regulations**), has been introduced for periods of account beginning on or after 1 December 2009. Under the new rules, the definition of an offshore fund is based on a characteristics approach detailed in section 40A Finance Act 2008. Investors are considered to have an interest in an offshore fund if they do not have day to day control over the management of the Sub-Fund's property and if a reasonable investor would expect to realise any investment based entirely or almost entirely by reference to the net asset value of the Sub-Fund.

Under the reporting fund regime, an investor who is resident or ordinarily resident in the UK for taxation purposes and holds an interest in an offshore fund will be taxed on any accrued gain at the time of sale, redemption or other disposal as an offshore income gain, unless the Sub-Fund is regarded as a reporting fund throughout the period during which the investor holds an interest. If reporting fund status is obtained, investors shall be subject to tax on reported income attributable to the investor. Any gain accruing to the investor upon the sale, redemption or other disposal of their interest in a reporting fund will be subsequently taxed as a capital gain, but any undistributed income relating to that interest that has been subject to tax will be treated as capital expenditure for the purpose of computing the amount of the chargeable gain.

Offshore funds that can issue more than one class of share must treat each class of share as a separate offshore fund for the purposes of the legislation and therefore need only obtain reporting fund status for those separate classes that require it. The separate Classes of the Sub-Funds of the Company will therefore each be an **offshore fund** for the purposes of Section 40 A(2) of the Finance Act 2008.

The Directors do not intend to apply for reporting fund status in respect of all Classes and those Classes for which reporting fund status will not be obtained will be non-reporting funds for the purposes of the Regulations.

The Directors do not intend to apply for reporting fund status in respect of all Classes and those Classes for which reporting status will not be obtained will be non-reporting funds for the purposes of the Regulations.

In accordance with the Regulations, reporting fund status will broadly require the Company to

report to both investors and HM Revenue & Customs the income of the reporting regime classes for each reporting period, which will generally follow the accounting period.

To obtain reporting fund status for a Class, the Company will need to apply to HM Revenue & Customs to be a reporting fund within specified time limits and demonstrate to HM Revenue & Customs that it complies with the rules currently in force for reporting fund status.

The Directors will take all steps that are practicable and consistent both with the laws and regulatory requirements of Ireland and the United Kingdom and with the investment objectives and policies of the relevant Sub-Fund or Sub-Funds or Classes of the Company, to ensure that the Company is accepted by HM Revenue & Customs as a reporting fund in respect of the relevant Sub-Fund or Sub-Funds or Classes and that the reporting fund status is retained in respect of each of its accounting periods. It must be appreciated, however, that no assurance can be given as to whether such approval will, in practice, be granted in the first instance, and retained in respect of any particular accounting period, especially since the exact conditions that must be fulfilled for the Company to obtain that reporting fund status may be affected by changes in HM Revenue & Customs practice or by subsequent changes to the relevant provisions of UK tax legislation.

HM Revenue & Customs has introduced a facility whereby offshore funds which are UCITS funds or funds recognised by the UK Financial Services Authority can obtain certainty that defined transactions will not be treated as trading transactions for tax purposes. The Regulations set out a **white list** of transactions which, when undertaken by offshore funds, and subject to certain conditions being met, are treated as non-trading. The Directors intend to make an application to HM Revenue & Customs for confirmation that they can place reliance on the white list in respect of those Classes for which it is seeking reporting fund approval. If this application is accepted it shall provide certainty that gains arising from transactions on the white list will not be included in the reportable income of such Classes.

Individuals

On the assumption that the Company is able to obtain approval to be a reporting fund in respect of one or more Sub-Funds or Classes and this status is maintained for each of its accounting periods, Shareholders holding Shares in such Sub-Funds or Classes who are resident or ordinarily resident in the United Kingdom for taxation purposes should, unless holding Shares as securities to be realised in the course of a trade (in which case different rules apply), be liable, subject to their personal circumstances, to United Kingdom capital gains tax (**CGT**) (rather than United Kingdom income tax) in respect of gains arising from the sale, redemption, conversion or other disposal of Shares under Chapter 8 of the Regulations.

Most UK resident individuals are entitled to the annual tax-free allowance and they do not pay tax on capital gains up to this limit. For the year 6 April 2010 to 5 April 2011 the allowance is £10,100. Individuals pay tax on any capital gains in excess of this amount at 18% where their total taxable income and gains are below the upper limit of the income tax basic rate band (£37,400 for the year 6 April 2010 to 5 April 2011). Individuals who have total taxable income and gains above the upper limit of the income tax basic rate band pay CGT at a flat rate of 28%.

A charge to income tax may arise on the equalisation element of the disposal proceeds of any Shares if the Directors exercise their power to operate an equalisation account.

Gains realised by UK investors on disposals of investments in Sub-Funds or Classes for which the Company does not obtain reporting fund approval will be subject to United Kingdom income tax.

Corporate Tax Payers

On the assumption that the Company is able to obtain approval to be a reporting fund in respect one or more Sub-Funds or Classes and this status is maintained for each of its accounting periods, Shareholders in such Sub-Funds or Classes liable to corporation tax will, unless the Company fails the non-qualifying investments test referred to below, be subject to

corporation tax in respect of gains arising from the sale, redemption, conversion or other disposal of Shares (save that a charge to taxation as income may arise on the equalisation element of the disposal proceeds of any Shares if the directors exercise their power to operate an equalisation account).

Taxation of UK Shareholders – Treatment of Income

According to their circumstances, Shareholders resident in the UK for tax purposes will be liable to income tax or corporation tax in respect of dividends paid or other income distributed by the Company as an overseas dividend. This will be the case even for Classes where distributions are reinvested. Any dividends to be reinvested will be paid to the Investment Manager and Distributor who will reinvest the money on behalf of the Shareholders in additional Shares of the same class.

To the extent that the Company does not fail the non-qualifying investment test (see below) UK resident individuals subject to the higher rate will be taxed on dividend income at an effective rate of 25%/32.5% (subject to tax credits) or 36.11%/42.5% (subject to tax credits). Basic rate taxpayers have no further liability.

If the Company fails to satisfy the non-qualifying investment test (see below) distributions received by UK resident individuals are treated as interest. UK resident individuals subject to the higher rate are taxed at a maximum rate of 50%, basic rate taxpayers would be subject to tax at 20% and corporate Shareholders at 28% (lowering to 27% from 1 April 2011 under Finance Act 2010).

Taxation of UK Shareholders – Anti-avoidance provisions

Non-qualifying investments

Persons within the charge to UK corporation tax should note that the regime for the taxation of most corporate debt contained in Part 6 of the UK Corporation Tax Act 2009 (the **loan relationships regime**) provides that, if the person holds an interest in an offshore fund at any time in an accounting period such a person holds a material interest in an offshore fund within the meaning of the relevant provisions of the Taxes Act. If there is a time in that period when that fund fails to satisfy the **non-qualifying investments** test, the material 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 non-qualifying investments test at any time when more than 60 per cent of its assets by market value comprise government and corporate debt securities or cash on deposit or certain derivative contracts or holdings in other collective investment schemes which at any time in the relevant accounting period do not themselves satisfy the non-qualifying investments test.

The investment policies of the Sub-Fund are such that certain sub-funds could fail the non-qualifying investment test. In the eventuality of failing the non-qualifying investments test, the Shares will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on the Shares 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 may, depending on their 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).

The attention of Shareholders subject to UK income tax is drawn to Section 39 of Finance Act 2009 which provides that certain distributions from offshore funds that are economically similar to payments of yearly interest will be chargeable to tax as if they were yearly interest. A distribution is treated as interest if the offshore fund, at any time during the 'relevant period', holds more than 60 per cent of its assets in the form of qualifying investments. As such, where the offshore fund fails to satisfy this test then any distribution will be treated as interest for income tax purposes and the UK investors will be subject to income tax on such distributions

at their appropriate marginal rate.

Controlled Foreign Companies

The attention of companies resident in the UK for taxation purposes is drawn to the fact that the **controlled foreign companies** legislation contained in Chapter IV of Part XVII of the Taxes Act could apply to any UK 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 Sub-Fund arising in an accounting period, if at the same time the Sub-Fund 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 UK for taxation purposes, or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40 per cent of the interests, rights and powers by which those persons control the Sub-Fund, 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 Sub-Fund do not include any of the capital gains of the Sub-Fund. The effect of these provisions could be to render such companies liable to UK corporation tax in respect of the income of the Sub-Fund.

Close Company Provisions

The attention of persons resident or ordinarily resident in the UK for taxation purposes is drawn to the provisions of section 13 Taxation of Chargeable Gains Act 1992 (**section 13**) and the supplementary provision of section 762 of the Taxes Act (**section 762**). Section 13 could be material to any such person who has an interest in the Company as a **participator** for UK taxation purposes (which term includes, but is not limited to, a Shareholder) at a time when a chargeable gain accrues to the Company (such as on a disposal of any of its investments) 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 UK for taxation purposes, be a **close** company for those purposes. The provisions of section 13 would result in any such person who is a participator being treated for the purposes of UK taxation as if a part of any chargeable 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 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 UK taxation purposes does not exceed one-tenth of the gain. Section 13 was extended with effect from 6 April 2008 to individuals domiciled outside the UK, subject to the remittance basis in particular circumstances.

As disposals of certain interests in offshore funds are subject to tax as offshore income gains, the provisions of section 762 substitute **offshore income gains** for any reference to **chargeable gain** in section 13. There is some uncertainty as regards whether section 762 actually operates in the way that it was intended, since it may be interpreted as only applying to offshore income gains generated by offshore funds, as opposed to any capital gains accruing to the offshore funds. Despite this uncertainty, it would be prudent to assume that section 762 applies to all capital gains realized by offshore funds in the same way as section 13, since this would appear to have been the intention of the UK tax authorities when the legislation was drafted.

Transfer of Assets Abroad

The attention of Shareholders who are individuals ordinarily resident in the United Kingdom for tax purposes is drawn to the provisions contained in Chapter 2 of Part 13 of Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through the transfer of assets or income to persons (including companies) resident or domiciled outside the UK. These provisions may render them liable to taxation in respect of undistributed amounts which would be treated as UK taxable income and profits of the Company (including, if the Company or any Sub-Fund thereof were treated as carrying on a

financial trade making profit on the disposition of securities and financial profits) on an annual basis.

There are, however, provisions which provide exemption from a charge to income tax in the above circumstances provided the individual satisfies the Board of HM Revenue & Customs that:

- avoidance of tax was not the purpose or one of the purposes for which the transfer or associated operations were effected; or
- the transfer or associated operations (the Transactions) were genuine commercial Transactions and it would not be reasonable to draw the conclusion from all the circumstances of the case that any one or more of those Transactions was more than incidentally designed for the purposes of avoiding tax.

Transaction in Securities

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Chapter 1, Part XVII of ICTA that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions.

Individual Savings Accounts and Existing Personal Equity Plans

Shares will be eligible to be held in the stocks and shares component of an ISA and any existing PEP subject to applicable subscription limits. It is the intention of the Directors that the Company will operate to ensure that the Shares within an ISA or an existing PEP continue to qualify for inclusion within an ISA or an existing PEP. Gains and dividends on Shares within an ISA or an existing PEP are exempt from capital gains tax and income tax.

Stamp duty

Transfers of Shares will not be liable to UK stamp duty unless the instrument of transfer is executed within the UK when the transfer will be liable to UK ad valorem stamp duty at the rate of 0.5 per cent of the consideration paid and rounded up (if necessary) to the nearest multiple of £5. No UK stamp duty reserve tax is payable on such transfers. It should be noted that the levels and bases of, and reliefs from, taxation can change.

8.4. Other Jurisdictions

As Shareholders are no doubt aware, the tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. Therefore the Directors strongly recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares. It is the Directors' intention to manage the affairs of the Company so that it does not become resident outside of Ireland for tax purposes.

9. GENERAL INFORMATION

9.1. Reports and Accounts

The Company's year end is 30 June in each year. The annual report and audited accounts of the Company will be sent to Shareholders within four months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. In any event, the annual report and audited accounts of the Company will be sent to Shareholders or prospective investors on request. The first annual report will be published within four months of 30 June 2012. The Company will also prepare semi-annual report and unaudited accounts which will be made available to Shareholders within two months after the six month period ending on 30 June in each year.

The first semi-annual report will be published within two months of 31 December 2011.

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

9.2. Share Capital

The Company was incorporated as a public limited liability company in the Isle of Man on 28 August 2001. The Company was incorporated with unlimited duration under the provisions of the Companies Acts 1931-1993 of the Isle of Man. On 24 April 2009 the Company re-registered as a company limited by shares pursuant to the provisions of the Companies Act 2006 of the Isle of Man.

The Company was registered (by way of continuation) in Ireland under the Companies Acts as an open-ended umbrella investment company with variable capital and with segregated liability between Sub-Funds on 19 August 2011. Accordingly, the Company is supervised by the Central Bank.

At the date hereof the authorised share capital of the Company is 100 Subscriber Shares of 1 Euro each and 1,000,000,000 Shares of no par value initially designated as unclassified shares.

9.3. Memorandum and Articles of Association

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

The Articles contain provisions to the following effect:

- (i) **Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company;
- (ii) **Variation of rights.** The rights attached to any class may, be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy and the quorum at an adjourned meeting shall be one person holding Shares of the class in question or his proxy;
- (iii) **Voting Rights.** On a show of hands every holder who is present in person or by proxy shall have one vote and the holder(s) of subscriber shares present in person or by proxy shall have one vote in respect of all the subscriber shares in issue. On a poll every holder present in person or by proxy shall have one vote for every Share of which he is the holder and every holder of a subscriber share present in person or by proxy shall have one vote in respect of his holding of subscriber shares. Holders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share;
- (iv) **Alteration of Share Capital.** The Company may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe;

The Company may also by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into Shares of larger amount;
 - (b) subdivide its Shares, or any of them, into Shares of smaller amount or value;
 - (c) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled; or
 - (d) redenominate the currency of any class of Shares.
- (v) **Directors' Interests.** Provided that the nature and extent of his interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the Company nor shall any such contract or any contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

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

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

- (vi) **Borrowing Powers.** The Directors may exercise all of the powers of the Company to borrow or raise money and to mortgage, or charge its undertaking, property and assets (both present and future) and uncalled capital or any part thereof and to issue Shares, whether outright or as collateral security for any debt, liability or obligation of the Company provided that all such borrowings shall be within the limits and conditions laid down by the Central Bank;
- (vii) **Delegation to Committee.** The Directors may delegate any of their powers to any committee consisting of Directors. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles of Association regulating the proceedings of Directors so far as they are capable of applying;
- (viii) **Retirement of Directors.** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age;
- (ix) **Directors' Remuneration.** Unless and until otherwise determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who is appointed as an executive director (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs

services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of fees, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any class of Shares of the Company or otherwise in connection with the discharge of their duties;

- (x) **Transfer of Shares.** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors in their absolute discretion and without assigning any reason therefore may decline to register any transfer of a Share to a U.S. Person (other than pursuant to an exemption available under the laws of the United States), any person who, by holding Shares, would appear to be in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or might result in the relevant Sub-Fund incurring any liability to taxation or suffering pecuniary legal or material administrative disadvantages which the Company might not otherwise have incurred, suffered or breached or which might result in the Company having to comply with registration or filing requirements in any jurisdiction which it would not otherwise be required to comply with, any transfer to an individual under the age of 18, any transfer to or by a minor or a person of unsound mind, any transfer unless the transferee of such Shares would following such transfer be the holder of Shares with a value at the then current subscription price equal to or greater than the Minimum Initial Investment Amount, any transfer in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding, any transfer in regard to which any payment of taxation remains outstanding, any transfer to a person who breached or falsified representations on the Subscription Agreement and any transfer to a person who has not provided the required tax documentation or supporting documentation for money laundering prevention checks.

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

- (xi) **Right of Redemption.** Shareholders have the right to request the Company to redeem their Shares in accordance with the provisions of the Articles of Association;
- (xii) **Dividends.** The Articles of Association permit the Directors to declare such dividends on any class of Shares as appear to the Directors to be justified by the profits of the relevant Sub-Fund. The Directors may satisfy any dividend due to holders of Shares in whole or in part by distributing to them in specie any of the assets of the relevant Sub-Fund and, in particular, any investments to which the relevant Sub-Fund is entitled. A holder may require the Directors instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Sub-Fund;
- (xiii) **Sub-Funds.** The Directors are required to establish a separate portfolio of assets for each Sub-Fund created by the Company from time to time, to which the following shall apply:-
- (a) for each Sub-Fund the Company shall keep separate books and records in which all transactions relating to the relevant Sub-Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each class in the Sub-Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to

the provisions of the Articles;

- (b) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Sub-Fund, shall be applied in the books and records of the Company to the same Sub-Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Sub-Fund;
 - (c) in the event that there are any assets of the Company which the Directors do not consider are attributable to a particular Sub-Fund or Sub-Funds, the Directors shall, with the approval of the Custodian, allocate such assets to and among any one or more of the Sub-Funds in such manner and on such basis as they, in their discretion, deems fair and equitable; and the Directors shall have the power to and may at any time and from time to time, with the approval of the Custodian, vary the basis in relation to assets previously allocated;
 - (d) each Sub-Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Sub-Fund and any such liabilities, expenses, costs, charges, or reserves of the Company not attributable to any particular Sub-Fund or Sub-Funds shall be allocated and charged by the Directors, with the approval of the Custodian, in such manner and on such basis as the Directors, in their sole and absolute discretion deem fair and equitable, and the Directors shall have the power to and may at any time and from time to time, with the approval of the Custodian, vary such basis including, where circumstances so permit, the re-allocation of such liabilities, expenses, costs, charges and reserves;
 - (e) in the event that any asset attributable to a Sub-Fund is taken in execution of a liability not attributable to that Sub-Fund, the provisions of section 256E of the Companies Act, 1990 shall apply;
- (xiv) **Sub-Fund Exchanges.** Subject to the provisions of the Articles of Association, a Shareholder holding Shares in any class in a Sub-Fund on any Dealing Day shall have the right from time to time to exchange all or any of such Shares for Shares of another class (such class being either an existing class or a class agreed by the Directors to be brought into existence with effect from that Dealing Day);
- (xv) **Winding Up.** The Articles contain provisions to the following effect:
- (a) If the Company shall be wound up the liquidator shall, subject to the provisions of the Companies Acts, apply the assets of each Sub-Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Sub-Fund;
 - (b) The assets available for distribution amongst the holders shall be applied as follows: first the proportion of the assets in a Sub-Fund attributable to each class of Share shall be distributed to the holders of Shares in the relevant class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such class of Shares in issue as at the date of commencement to wind up; secondly, in the payment to the holder(s) of the subscriber shares of sums up to the notional amount paid thereon out of the assets of the Company not attributable to any class of Share. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to other classes of Shares; and thirdly, any balance then remaining and not attributable to any of the classes of Shares shall be apportioned pro-rata as between the classes of Shares based on the Net Asset Value attributable to each class of Shares as at the date of commencement to wind up and the amount so apportioned to a class shall be distributed to holders pro-rata to the number of Shares in that class of Shares

held by them;

- (c) A Sub-Fund may be wound up pursuant to section 256E of the Companies Act, 1990 and in such event the provisions reflected in this paragraph 15 shall apply mutatis mutandis in respect of that Sub-Fund;
- (d) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the Companies Acts, divide among the holders of Shares of any class or classes 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, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between all the holders of Shares of different classes of Shares. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A holder may require the liquidator instead of transferring any asset in specie to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.

(xvi) **Share Qualification.** The Articles do not contain a share qualification for Directors.

(xvii) **Termination of Sub-Funds**

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

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

9.4. **Litigation and Arbitration**

The Company is not involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.

9.5. **Directors' Interests**

- (i) At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as provided below, no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its

nature and conditions or significant in relation to the business of the Company. A Sub-Fund may invest in Units in the Nedgroup Investment Funds plc, another fund to which the Investment Manager and Distributor have been appointed. Andrew Lodge and Tracey Wiltcher are each a director of this fund;

- (ii) At the date of this Prospectus none of the Directors nor any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of such capital;
- (iii) Andrew Lodge and Tracey Wiltcher each serve as employees, officers or directors of the Investment Manager and Distributor;
- (iv) John Skelly and Yvonne Connolly are employees of Carne Global Financial Services Limited, the secretary of the Company.

9.6. **Material Contracts**

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

- (a) the Investment Management and Distribution Agreement dated 19 August 2011 between the Company and the Investment Manager and Distributor; this agreement provides that the appointment of the Investment Manager and Distributor as Investment Manager and Distributor will continue in force unless and until terminated by either party giving to the other 90 days' notice in writing although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. Under this agreement, the Investment Manager and Distributor shall not be liable to the Company or any Shareholders or otherwise for any error of judgement or loss suffered by the Company or any such Shareholder in connection with the Investment Management and Distribution Agreement unless such loss arises from the negligence, fraud, bad faith, wilful default or wilful misfeasance in the performance or non-performance by the Investment Manager and Distributor or persons designated by it of its obligations or duties under the agreement or breach of contract on the part of the Investment Manager and Distributor or any of its agents or delegates or their agents;
- (b) the Custodian Agreement between the Company and the Custodian dated 19 August 2011. This Agreement provides that the appointment of the Custodian shall continue until terminated by either party on not less than 90 days' prior written notice or earlier upon certain breaches or the insolvency of either party. The Custodian Agreement contains provisions governing the responsibility and limitations on the responsibility of the Custodian and provides for its indemnification in certain circumstances, subject to exclusion in the case of matters arising by reason of the unjustifiable failure of the Custodian to perform its obligations or its improper performance of them;
- (c) the Administration Agreement dated 19 August 2011 between the Company and the Administrator. The Administration Agreement provides that the appointment of the Administrator shall continue until terminated by either party on not less than 90 days' notice or earlier upon certain breaches or the insolvency of either party. In the absence of fraud, negligence, recklessness, bad faith or wilful default, the Administrator will not be liable for any loss arising as a result of the performance or non-performance by the Administrator of its obligations and duties under the Administration Agreement. The Company has agreed to indemnify the Administrator against losses suffered by the Administrator in the performance or non-performance of its duties and obligations under the Administration Agreement, except for losses arising out of the fraud, recklessness, negligence, bad faith or wilful default of the Administrator in the performance or non-performance of its duties under the Administration Agreement.

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

9.7. **Miscellaneous**

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

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

9.8. **Documents Available for Inspection**

Copies of the following documents may be obtained free of charge from the Administrator and may be inspected free of charge during usual business hours during a Business Day at the registered office of the Company or available via the Investment Manager and Distributor's website www.nedgroupinvestments.com.

- (i) the Memorandum and Articles of Association of the Company;
- (ii) the Prospectus (as amended and supplemented) and the Supplements;
- (iii) KIID;
- (iv) the most recent annual and semi-annual reports relating to the Company;
- (v) the Company's complaints procedure;
- (vi) the material contracts referred to above;
- (vii) the Regulations; and
- (viii) the UCITS series of notices issued by the Central Bank; and

10. APPENDIX I

The Regulated Markets

With the exception of permitted investments in unlisted investments and over-the-counter derivative instruments, the investments of any Sub-Fund will be restricted to the following exchanges and markets:

- (i) any stock exchange which is:-
located in any Member State of the European Union; or
located in any Member State of the European Economic Area (EEA) (Norway, Iceland and Liechtenstein); or
located in any of the following countries:-

Australia
Canada
Japan
Hong Kong
New Zealand
Switzerland
United States of America

- (ii) any of the following stock exchanges or markets:-

Argentina	-	Bolsa de Comercio de Buenos Aires
Argentina	-	Bolsa de Comercio de Cordoba
Argentina	-	Bolsa de Comercio de Rosario
Bahrain	-	Bahrain Stock Exchange
Bangladesh	-	Dhaka Stock Exchange
Bangladesh	-	Chittagong Stock Exchange
Bermuda	-	Bermuda Stock Exchange
Botswana	-	Botswana Stock Exchange
Brazil	-	Bolsa de Valores do Rio de Janeiro
Brazil	-	Bolsa de Valores de Sao Paulo
Chile	-	Bolsa de Comercio de Santiago
Chile	-	Bolsa Electronica de Chile
Chile	-	Bolsa de Valparaiso
Peoples' Rep. of China	-	Shanghai Securities Exchange
	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Bogota
Colombia	-	Bolsa de Medellin
Colombia	-	Bolsa de Occidente
Croatia	-	Zagreb Stock Exchange
Ecuador	-	Quito Stock Exchange
Egypt	-	Alexandria Stock Exchange
Egypt	-	Cairo Stock Exchange
Ghana	-	Ghana Stock Exchange
India	-	Bangalore Stock Exchange
India	-	Delhi Stock Exchange
India	-	Mumbai Stock Exchange
India	-	National Stock Exchange of India
Indonesia	-	Jakarta Stock Exchange
Indonesia	-	Surabaya Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Jamaica	-	Jamaican Stock Exchange
Jordan	-	Amman Financial Market
Kazakhstan (Rep. Of)	-	Central Asian Stock Exchange
Kazakhstan (Rep. Of)	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Stock Exchange
Lebanon	-	Beirut Stock Exchange
Malaysia	-	Kuala Lumpur Stock Exchange

Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores
Mexico	-	Mercado Mexicano de Derivados
Morocco	-	Societe de la Bourse des Valeurs de
Casablanca		
New Zealand	-	New Zealand Stock Exchange
Nigeria	-	Nigerian Stock Exchange
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Russia	-	Moscow Stock Exchange
	-	Russian Trading System
	-	Moscow Interbank Currency Exchange
Singapore	-	Singapore Stock Exchange
South Africa	-	Johannesburg Stock Exchange
	-	South African Futures Exchange
	-	Bond Exchange of South Africa
South Korea	-	Korea Stock Exchange/KOSDAQ Market
Sri Lanka	-	Colombo Stock Exchange
Taiwan		
(Republic of China)	-	Taiwan Stock Exchange Corporation
	-	Gre Tai Securities Market
	-	Taiwan Futures Exchange
Thailand	-	Stock Exchange of Thailand
	-	Market for Alternative Investments
	-	Bond Electronic Exchange
	-	Thailand Futures Exchange
Tunisia	-	Bourse des Valeurs Mobilieres de Tunis
Turkey	-	Istanbul Stock Exchange
	-	Turkish Derivatives Exchange
Ukraine	-	Ukrainian Stock Exchange
Uruguay	-	Bolsa Electronica de Valores del Uruguay SA
Venezuela	-	Caracas Stock Exchange
	-	Maracaibo Stock Exchange
	-	Venezuela Electronic Stock Exchange
Zimbabwe	-	Zimbabwe Stock Exchange
	-	Zimbabwe Derivatives Exchange
Zambia	-	Lusaka Stock Exchange

(iii) any of the following markets:

MICEX (equity securities that are traded on level 1 or level 2 only);

RTS1 (equity securities that are traded on level 1 or level 2 only);

RTS2 (equity securities that are traded on level 1 or level 2 only);

the market organised by the International Securities Market Association;

the market conducted by the **listed money market institutions**, as described in the Financial Services Authority 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;

NASDAQ in the United States;

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 National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

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

NASDAQ Europe (is a recently formed market and the general level of liquidity may not compare favourably to that found on more established exchanges);

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

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

- (iv) 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 (European Union Norway, Iceland Liechtenstein);

in the United States of America, on the

- Chicago Board of Trade;
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- Eurex US;
- New York Futures Exchange;
- New York Board of Trade;
- New York Mercantile Exchange;

in China, on the Shanghai Futures Exchange;

in Hong Kong, on the Hong Kong Futures Exchange;

in Japan, on the

- Osaka Securities Exchange;
- Tokyo International Financial Futures Exchange;
- Tokyo Stock Exchange;

in New Zealand, on the New Zealand Futures and Options Exchange;

in Singapore, on the

- Singapore International Monetary Exchange;
- Singapore Commodity Exchange.

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

11. DIRECTORY

Registered Office

2nd Floor Block E
Iveagh Court
Harcourt Road
Dublin 2

Secretary

Carne Global Financial
Services Limited
2nd Floor Block E
Iveagh Court
Harcourt Road
Dublin 2

Legal Advisers in Ireland

A&L Goodbody
International Financial Services
Centre
North Wall Quay
Dublin 1
Ireland

Administrator & Registrar

Citi Fund Services (Ireland),
Limited
1 North Wall Quay
Dublin 1

Custodian

Citibank International Plc,
Ireland Branch
1 North Wall Quay
Dublin 1

Auditors

KPMG
1 Stokes Place
St Stephen's Green
Dublin 2

Investment Manager and Distributor and Promoter

Nedgroup Investments (IOM)
Limited
First Floor
Samuel Harris House
5-11 St. George's Street
Douglas
Isle of Man IM1 1AJ
British Isles