River and Mercantile Investments Global Macro Fund

Supplement to the Prospectus dated 13 October 2017
for RIVER AND MERCANTILE INVESTMENTS ICAV
(an umbrella fund with segregated liability between sub-funds)

This Supplement contains specific information in relation to **River and Mercantile Investments Global Macro Fund** (the **Fund**), an open-ended Fund of River and Mercantile Investments ICAV (the **ICAV**) an Irish collective asset-management vehicle umbrella fund with segregated liability between sub-funds which is registered in Ireland by the Central Bank of Ireland and authorised under the Regulations.

This Supplement forms part of and should be read in conjunction with the Prospectus dated 13 October 2017

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Date: 28 June 2019

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1. INVESTMENT OBJECTIVE

The Fund aims to seek to achieve long-term capital appreciation through Compound Growth.

2. INVESTMENT POLICIES

Set out below are details of the Fund's investment strategy, an explanation of the investment programme it uses in determining its investment decisions and an overview of the asset classes that the Fund can seek exposure to.

Details of the Investment Strategy

The investment strategy of the Fund is to invest globally long and short, using leverage (where appropriate) in a diversified range of liquid instruments as listed below, by following a systematic investment process that is based on statistical research. The Fund may either invest directly in instruments, or indirectly by investing through financial derivative instruments. Further detail of the specific financial derivative instruments used by the Fund is set out in section 3, 'Financial Derivative Instruments'.

The Fund may invest in equity securities (including common stocks of companies of any market capitalization, depositary receipts and exchange traded funds), exchange traded futures, equity options and forwards, currency forwards traded over-the-counter, U.S. Treasury obligations, debt instruments of any government, corporation or other entity, including instruments that are rated below investment grade, and financial derivative instruments linked to all such instruments (including swaps and equity index futures), all as explained below in the section headed **Asset Class Description**. The Fund may invest in futures which are listed on global indices. A list of the indices which the Fund takes exposure to will be included in the annual report for the Fund. Details of any financial indices used by the Fund will also be provided to Shareholders by the Investment Manager on request. The types of such indices will be consistent with the investment objective and policy of the Fund and are likely to have a global macro focus. The asset classes that forwards will reference will change from time to time, but will be in accordance with the asset classes listed in the section headed **Asset Class Description**.

The Fund may also invest a portion of its assets in other instruments for cash management purposes. These other instruments are expected to be predominantly comprised U.S. Treasury obligations but may include debt instruments of any government, corporation or other entity and may include other instruments such as money market funds, as detailed below.

The Fund is not focused on any one geographical region or industry sector.

Explanation of the Investment Manager's Investment Programme

The Investment Manager seeks to achieve the Fund’s investment objective by following a disciplined process which has been developed and implemented by the Investment Manager (the **Investment Programme**). The Investment Programme is not solely algorithmic and is subject to the exercise by the Investment Manager of judgements regarding the actual timing, positions sizing, leverage and other consideration such as the cost of execution and the persistency of investment returns. Non-algorithmic elements also include ensuring the instruments used to implement the Investment Programme are liquid, capital efficient and used in accordance with the requirements of the Central Bank.

The Investment Manager will use a wide variety of data inputs which may include factors that are intrinsic to markets, such as historical price data, trading volume and open interest (being the total number of open contracts held by market participants at any one time); and those that are external to markets, such as economic statistics, industrial and commodity data and public company financial data. This data is sourced from publically available information or specifically commissioned research studies.

The Investment Manager conducts statistical analysis into the data to develop mathematical models that attempt to forecast (a) market returns, (b) the variability or volatility associated with such returns (often described as 'risk'),

(c) the correlation between different markets and asset, and (d) execution costs. These forecasts are analysed to determine investment opportunities based on the valuation of particular financial asset classes relative to the historical financial information and relative to the valuation of other financial instrument classes in order to determine what positions should be held to seek to maximize profit within a certain range of risk.

The Investment Programme may invest long and short using leverage in any markets that the Investment Manager believes are sufficiently liquid, and for which there is cost effect to execute. Further detail of likely long and short positions is set out below in section 3.2. The use of leverage by the Fund will be within the parameters disclosed under the section 3.4, 'Risk Management Process'.

The investment strategies utilised in the Investment Programme are (i) momentum where the Investment Manager will attempt to exploit trends in global markets through cross asset/multi-asset momentum; (ii) carry (attempting to exploit interest rate differentials between currencies and the roll yield of futures (i.e. the yield generated by moving from a short term to longer term contract)); and (iii) relative value (seeking to benefit from the relative value between, for example, international government bond issues) and value (attempting to identify individual financial instruments at a favourable price). Futures and total return swaps will be the primary derivatives used to implement these strategies. For an outline of how futures and total return swaps will be used to implement these investment strategies, please see sub-sections 3.1.2 and 3.1.7 of the section headed **Specific FDI**.

The amount invested in any given instrument at any given time is determined by the Investment Manager and is constrained by various risk and liquidity considerations. The risk and liquidity considerations of the Investment Programme are rule based and systematically generated within the parameters of the investment strategy, and are in accordance with the requirements of the Central Bank. The Investment Programme provides monthly risk based, investment allocations to asset classes based on relevant indicators, including credit. The Investment Programme is designed to look for the persistency of returns and therefore is not intended to produce a high volume of transactions. Market events may however create opportunities in which transactions volumes could increase where the persistency of returns and opportunities occur in a shorter time frame. During these periods the Fund may buy and sell securities or instruments frequently however the Investment Programme takes into consideration transaction costs in its forecasting models to seek to trade in a cost efficient manner that prioritizes trades with the greatest expected overall benefit to the Fund’s portfolio.

The Investment Programme is modified over time as the Investment Manager monitors its operation and undertakes further research of historical data. Changes to the investment system occur as a result of, among other things, changes in market liquidity, the availability of new data (such as additional detail on historical data or data on new markets), the Investment Manager extracting additional information from existing data or refining its understanding of existing data.

The Investment Programme is divided into a series of strategy portfolios. These portfolios have different weightings over time within the Fund’s total portfolio. These weightings are driven by the Investment Programme. The weightings are determined by the Investment Manager based on market views based on consideration of a variety of factors which may include economic growth, interest rates, inflation, equity markets and asset prices generally. This assessment determines the asset classes in which the Investment Manager believes the Fund should invest in order to achieve the objective of maximizing long-term total return of the Fund. The portfolios of the Fund are as follows:

Currency Portfolio

The currency portfolio strategy of the Fund will focus on the relative strength of one currency against another. A currency pair is quoted one currency's relative value to another currency and the pair fluctuates based on a number of different factors.

The currency investment strategy of the Fund will follow global economic and monetary policy along with the difference between one country's short term interest rates relative to its counter currency. The currency portfolio strategy of the Fund will often involve leverage allowing for enhanced returns but can create substantial risks of loss.

Currency instruments include futures contracts, over-the-counter spot transactions, option instruments and forward rate instruments.

Please note that the investment strategies listed at (i) to (ii) above may be utilised in connection with the currency portfolio strategy of the Fund, from time to time.

Interest Rate Portfolio

The interest rate portfolio strategy of the Fund will focus on global macro trends through investing in instruments that follow the rates of sovereign global debt. This includes US Treasury instruments, European debt instruments, as well as other developed and emerging nation government debt. The majority of these types of instruments are traded in cash bonds, futures, options on regulated exchanges or through other financial derivative instruments detailed in section 3 below. The interest rate portfolio strategy of the Fund can involve the use of leverage. Strategies include outright directional movements on government debt along with relative value trading between different debt instruments. Exposure to debt instruments is available directly and by way of derivatives on futures exchanges, over-the-counter markets and options contracts. Over-the-counter instruments may include total return swaps, equity swaps, credit default swaps, FX swaps and forwards.

Please note that the investment strategies listed at (i) to (ii) above may be utilised in connection with the interest rate portfolio strategy of the Fund, from time to time.

Equity and Equity Index Portfolio

Equity index portfolio strategies use equities and equity indexes to gain exposure to the equities market. Equity strategies can involve directional strategies (based on the direction of markets) or relative value strategies (by reference to the value of other asset classes) based on macro, geographic, industry or asset backed strategies. Exposure to equity indexes is available by way of futures exchanges, options exchanges, and also by investing in exchange traded funds. While it is not intended to transact in the equities of individual companies certain market segments are accessible through the public markets in listed securities. In these cases portfolios of single equities will be held through contracts for differences or equity derivatives linked to an underlying portfolio. An example of this could be the use of Real Estate Investment Trusts (REITS) listed on equity exchanges to gain exposure to real estate.

Please note that the investment strategies listed at (i) to (ii) above may be utilised in connection with the equity and equity index portfolio strategy of the Fund, from time to time.

Commodity Portfolio

The commodity portfolio strategy of the Fund uses broadly followed markets such as oil, gas, gold and other raw materials. These types of instruments usually generate potential profitable price trends during inflationary and deflationary environments. The key to success is to employ strong controls on a portfolio and follow economic and monetary influences that can change the scope of global capital flows, and that are in accordance with the requirements imposed by Central Bank UCITS Regulations and Central Bank Guidance, as applicable. Employing strong portfolio risk controls are the primary investment constraints applicable to the commodity portfolio strategy. The Investment Manager also incorporates certain risk controls that limit total exposure to individual investments or investments in aggregate that, in the Investment Manager's opinion, would lead to a concentration of risk. The commodity strategy of the Fund allows for returns but can create substantial risks of loss. The commodity strategy of the Fund involves trading in asset classes listed in section 2.1.5 below.

Please note that the investment strategies listed at (i) to (ii) above may be utilised in connection with the commodity portfolio strategy of the Fund, from time to time.

Emerging Market Portfolio

An emerging market portfolio involves the investments in the securities, including equities, currencies and bonds of emerging market countries. Emerging markets strategies can involve directional strategies or relative value strategies based on macro, geographic, industry or asset backed strategies. Investment in Emerging markets can involve additional risk due to the possible instability and uncertain with regards to the country's governments, or the imposition of exchange and monetary controls, or the ordinary operation of financial markets in developing countries.

Please note that the investment strategies listed at (i) to (ii) above may be utilised in connection with the emerging market portfolio strategy of the Fund, from time to time.

Credit Portfolio

Fixed-income securities include debt instruments issued by public listed companies, private companies, public entities, and sovereign issuers. Debt securities strategies can involve directional strategies or relative value strategies based on the either the underlying credit characteristics and credit rating of the issue or macro, geographic, industry or asset backed strategies.

Please note that the investment strategies listed at (i) to (ii) above may be utilised in connection with the credit portfolio strategy of the Fund, from time to time.

Cash Management Activities

The assets of the Fund that are not being utilised directly or indirectly in connection with the Investment Programme (including assets that are being used for, or set aside in respect of, collateral or margin), which are not expected to constitute a significant portion of the assets of the Fund, may be invested in other instruments for cash management purposes. These other instruments are expected to be predominantly comprised of U.S. Treasury obligations but may include debt instruments of any government, corporation or other entity and may include other instruments such as money market funds. Further detail is set out below.

Asset Classes

The Fund will have exposure to a range of asset classes as outlined below.

2.1. Asset Class Description

2.1.1. Equity Securities

The Fund may invest in or have exposure to equity securities and equity equivalents such as common shares of companies, yieldcos and American Depository Receipts (**ADRs**), Global Depository Receipts (**GDRs**) and European Depository Receipt (**EDRs**) which are certificates issued by a depository bank or investment bank, representing shares held by the bank, usually by a branch or in the country of issue of the shares, which trade independently from the shares, as an alternative to directly purchasing the underlying securities in jurisdictions where it would not be possible or practical or otherwise more beneficial for the Fund to hold the underlying securities directly and to gain exposure to such underlying securities included without directly investing in those securities. The Fund may also gain exposure to warrants via corporate actions.

The equity securities that the Fund may acquire may also include closed ended funds that qualify as transferable securities for the purposes of the Regulations.

The Fund may seek exposure to equity securities by entering into derivatives (such as futures and swaps, as described below in further detail, section headed **Specific FDI**) on UCITS compliant equity indices or by investing in exchange traded funds.

2.1.2. Debt Securities

The Fund may also invest in or have exposure to debt or fixed income securities of various types and maturities issued by government (including U.S. treasuries), state-owned enterprises, corporate entities and supranationals. Such debt or fixed income securities will include fixed rate, floating rate and variable rate notes, bonds, treasury bills and, in addition, convertible bonds/debentures and preferred stock. Such debt or fixed-income securities may be rated investment grade or below investment grade by a recognised rating agency such as Moody's or Standard & Poor's or unrated.

As part of its investment in debt or fixed income securities, the Fund may invest in asset-backed securities and/ or in mortgage-backed securities (which will not embed leverage). An asset-backed security is a type of security which may be backed by or collateralised by, amongst other things a pool of loans secured on commercial property, residential property, real estate, project finance, infrastructure, receivables and other receivables or cash flows. A mortgage-backed security is a type of asset–backed security backed by or collateralised by a pool of mortgages.

As part of its investment in debt or fixed income securities, the Fund may invest in exchange traded certificates and exchange traded notes (which will not embed leverage) which reference either, equity securities, baskets or indices of equity securities or commodities and which are typically issued by investment grade institutions. The Investment Manager may invest in such assets when it believes that it is preferable for the Fund to do so rather than investing in the relevant underlying equities (for example, where it is more efficient to purchase an exchange traded certificate over a portfolio of assets rather than purchasing all the underlying assets individually) or, in the case of commodity exchange traded certificates or exchange traded notes, equities issued by commodity companies (such as companies involved in mining or exploration).

Also as part of its investment in debt or fixed income securities, the Fund may acquire include preference shares which are shares that ordinarily pay dividends at a specific rate and generally have preference, in respect of the payment of dividends, over ordinary shares but which would rank behind other debt securities. Unlike interest payments on debt securities, dividends and preference shares most generally are paid out of a company's distributable reserves.

The Fund may seek exposure to debt securities by entering into derivatives (such as futures and swaps, as described below in further detail, section headed **Specific FDI**) on UCITS compliant debt indices.

2.1.3. Property Securities

The Fund may invest in or seek exposure to property securities (including REITs, equity and /or debt securities of property companies or through property indices that meet the requirements of the Central Bank). The rationale for such investment by the Fund in property is due to the fact it is a diversifying asset that has both bond and equity type characteristics and can generate a growing yield.

2.1.4. Currencies

The Fund may take currency positions to help achieve the stated investment objective of the Fund. The Investment Manager will seek to contribute to returns for the Fund by taking views on the short, medium and long term value of currencies on a broad fundamental and macroeconomic basis as well as by taking advantage of mis-pricing between currencies. Mis-pricing between currencies will be assessed by assessing volatility, variance and correlation between currencies.

2.1.5. Commodities

The Fund may seek indirect exposure to commodities such as gold, other precious metals and other commodities through exchange traded products (**ETPs**). ETPs are securities which are listed and traded on a regulated stock exchange. ETPs include Exchange Traded Funds (ETFs), Exchange Traded Commodities (ETCs) and Exchange Traded Notes (ETNs). The Fund will not seek to gain exposure to commodities through the use of short or leveraged ETPs. Such investments will be listed and/or traded on Recognised Markets set out in Appendix I of the Prospectus. The Fund may seek exposure to commodities by investing in FDI (described below in further detail, section headed **Specific FDI**) on UCITS compliant indices. Investment in commodities may be made to diversify the Fund's holding or as part of a trend related strategy.

Transferable securities (such as equity and debt securities) held by the Fund will be listed and traded (or to be listed) on an exchange listed in the Prospectus, subject to the Fund's ability to hold up to 10% of its Net Asset Value in unlisted securities.

The Fund may also, for ancillary liquidity purposes, hold and invest in cash, bank deposits and short-term debt instruments which may be fixed or floating rate instruments, including but not limited to commercial paper, floating rate notes, certificates of deposit, freely transferable promissory notes and debentures. Notwithstanding the foregoing, the Fund reserves the right to invest without limitation in short-term debt instruments or to hold a substantial amount of uninvested cash for temporary, defensive purposes, during, for example, periods of extreme market stress or where required to cover derivative positions.

As the Fund may invest more than 30% of its Net Asset Value in securities which are below investment grade and may invest more than 20% of its Net Asset Value in emerging markets, an investment in the Fund should only be made by those persons who could sustain a loss on their investment, should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors.

3. FINANCIAL DERIVATIVE INSTRUMENTS (FDI)

Subject to the Regulations, the restrictions set out in the Prospectus and the conditions set forth by the Central Bank from time to time, the Fund may utilise FDIs for investment purposes and efficient portfolio management and hedging purposes. The use of FDI for investment purposes will result in the creation of financial leverage and any such leverage will be within the limits set down by the Central Bank. See further detail in section 3.4 below.

The ICAV currently employs a risk management process relating to the use of FDIs for this purpose which details how it accurately measures, monitors and manages the various risks associated with using such FDIs for this purpose. The ICAV 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 investments in respect of the Fund.

3.1. Financial Derivative Instruments

The indices through which the Fund may gain exposure to through its investment in FDI will be UCITS eligible indices complying with the Regulations, Central Bank UCITS Regulations and Central Bank Guidance, as applicable.

*Efficient Portfolio Management (**EPM**)*

The Fund may invest in FDIs for the purposes of EPM, hedging purposes and investment purposes subject to the investment restrictions as set out in the Prospectus and within the limits laid down by the Central Bank. Permitted EPM transactions are transactions in FDIs dealt in or traded on an eligible derivatives market or permitted over-the counter derivatives.

There is no limit on the amount of the assets which may be used for EPM. In addition to the foregoing, the transactions must satisfy two broadly based-requirements:

- Transactions for EPM purposes must be economically appropriate in that they are realised in a cost effective way.
- The purpose of an EPM transaction for the Fund must be to achieve one of the following in respect of the Fund, namely (1) reduction of risk (2) reduction of cost, or (3) the generation of additional capital or income for the Fund with no, or an acceptable level of risk which is consistent with the risk profile of the Fund.

Each EPM transaction must be covered globally. There must be adequate cover from within the assets held by the Fund to meet the Fund's total exposure, taking into account the value of the underlying assets, any reasonable foreseeable market movements, counterparty risk and the time available to liquidate any positions. Asset and cash can be used only once for cover.

Specific FDI

3.1.1. Forward Contracts

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date.

3.1.2. Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Frequently using futures to achieve a particular strategy instead of using the underlying or related security or index, results in lower transaction costs being incurred. For example, the Fund may enter into interest rate or bond futures in order to seek to reduce the interest rate exposure of fixed rate bonds. Futures may also be used to equitise cash balances, both pending investment of a cash flow and with respect to fixed cash targets.

3.1.3. Caps/Floors

The purchase of a cap entitles the purchaser, to the extent that a specified index exceeds a predetermined value, to receive payments on a notional principal amount from the party selling the cap. The purchase of a floor entitles the purchaser, to the extent that a specified index falls below a predetermined value, to receive payments on a notional principal amount from the party selling the floor. Swap agreements, including caps and floors can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Caps and floors have an effect similar to buying or writing options.

3.1.4. Options

An option represents a contract sold by one party (option writer) to another party (option holder). The contract offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed upon price (the strike price) during a certain period of time or on a specific date (exercise date). A currency option is a contract that grants the buyer the right, but not the obligation, to buy or sell a specified currency. An index option gives the holder the right to buy or sell the value of the underlying index. An interest rate option is a derivative whose value is based on future interest rates. There are two types of interest rate options. An interest rate call option gives the bearer the right, but not the obligation, to benefit from a rise in interest rates while an interest rate put option gives the bearer the right, but not the obligation, to profit from a decrease in interest rates.

3.1.5. Swaps

Subject to complying with the Central Bank UCITS Regulations, the Fund may enter into transactions in swaps including interest rate swaps, currency swaps, index swaps, total return swaps, equity swaps and credit default swaps.

Under a standard interest rate swap, two counterparties agree to exchange specified cash flows for a specified period of time. Generally, a floating rate cash flow is exchanged for a series of fixed interest rate payments. The counterparty that receives the fixed rate payments obtains interest rate exposure similar to buying a fixed rate bond and the other counterparty obtains floating rate interest exposure. The exchanged cash flows are based off a notional amount of principal that is not physically exchanged between counterparties. Interest rate swaps are customizable and frequently trade out to 10 years, making interest rate swaps a more flexible tool to be used in managing interest rate risk along the yield curve.

A currency swap is an agreement negotiated between two parties to exchange the return on cash for the return on varying currencies. The Investment Manager may enter into currency swap contracts to take a view, both positive or negative, on the direction of currency movements.

An index swap is a swap of a market index for some other asset, such as a stock-for-stock or debt-for-stock swap.

The Fund may also utilise swaptions. A swaption is an option on a swap. It gives the holder the right but not the obligation to enter into a swap at a specific date in the future, at a particular fixed rate and for a specified term. The Fund may use swaptions for hedging and investment purposes and to gain exposure to interest rates.

3.1.6. Credit Default Swaps

In a credit default swap, the credit default protection buyer makes periodic payments, known as premiums, to the credit default protection seller. In return the credit default protection seller will make a payment to the credit default protection buyer upon the occurrence of a specified credit event. A credit default swap can refer to the types of assets (or a basket of such assets representing a particular index) that the Fund can acquire directly as described above, each known as the reference entity, underlying asset, or underlying index. The Fund may act as either the buyer or the seller of a credit default swap. The Fund may buy or sell credit default protection on the assets. In an unhedged credit default swap, the Fund buys credit default protection on the asset without owning the underlying asset. Credit default swaps involve greater and different risks than investing directly in the reference asset, because, in addition to market risk, credit default swaps include liquidity, counterparty and operational risk.

Credit default swaps allow the Fund to acquire or reduce credit exposure to a particular issuer, asset, or index. If a swap agreement calls for payments by the Fund, the Fund must be prepared to make such payments when due. If the Fund is the credit default protection seller, the Fund will experience a loss if a credit event occurs and the credit of the reference entity or underlying asset has deteriorated. If the Fund is the credit default protection buyer, the Fund will be required to pay premiums to the credit default protection seller. In the case of a physically settled credit default swap in which the Fund is the protection seller, the Fund must be prepared to pay par for and take possession of debt of a defaulted issuer delivered to the Fund by the credit default protection buyer. Any loss would be offset in part or in whole by the premium payments the Fund receives as the seller of credit default protection.

3.1.7. Total Return Swaps

A total return swap is a contract whereby one party (e.g. the total return payer) agrees to make a series of payments to another party (e.g. the receiver) based on the change in the market value of the assets underlying such contract during the specified period. Such assets may be fixed income, volatility or equity indices. In exchange, the other party to the contract agrees to make a series of payments calculated by reference to an interest rate and/or some other agreed-upon amount (including the change in market value of other underlying assets). The Fund may use total return swaps to gain exposure to the fixed income, volatility or equity indices without owning them or taking physical custody of them. For example, the Fund will receive the price appreciation of the fixed income, volatility or equity indices in exchange for payment of an agreed-upon fee. The Fund will enter into total return swaps with institutions such as those described in section 3.10 in the Prospectus.

It is not possible to comprehensively list in this Supplement all the counterparties as they have not, as of the date of issue of this Supplement, been selected and they may change from time to time. Such counterparties will have no discretion over the composition of the Fund's portfolio of assets or the underlying assets to any total return swap and the counterparty's consent will not be required for investment portfolio transactions undertaken by the Fund. The Fund will invest a maximum of 100% NAV in total return swaps, with an expected average investment in the 40%-60% NAV range.

3.1.8. Contracts for Differences

The Fund may enter into contracts for differences which allow a direct exposure to the market, a sector or an individual security. Unlike a forward contract, there is no final maturity, the position being closed out at the discretion of the position taker. Contracts for differences (**CFD**) are used to gain exposure to share price movements without buying the shares themselves. A CFD on a company's shares will specify the price of the shares when the contract was started. The contract is an agreement to pay out cash on the difference between the starting share price and when the contract is closed.

3.1.9. Warrants

A warrant is a contract which gives the contract buyer the right, but not the obligation, to exercise a feature of the warrant, such as buying a specified quantity of a particular product, asset or financial instrument, on, or up to and including, a future date (the exercise date). The 'writer' (seller) has the obligation to honour the specified feature of the contract. A warrant in the classic sense is a security that entitles the holder to buy stock of the company that issued it at a specified price. Warrants have similar characteristics to call options, but are typically longer dated. The commercial purpose of warrants can be to hedge against the movements of a particular market or financial instrument, including futures, or to gain exposure to a particular market or financial instrument instead of using a physical security.

3.1.10. Convertible Securities

Convertible securities are convertible bonds, warrants and preferred stock which are convertible into the common equity of a company.

3.2. Long and Short Positions

The Fund may take both long and short positions, and is typically expected to be within the range of 40-50% short and 50-60% long with a maximum of 100% of the Fund's Net Asset Value on a net basis.

The Fund will take short positions in order to achieve the Fund's investment objective, for efficient portfolio management purposes and to hedge global risk. Please note that the Fund will take synthetic short positions only through the use of derivatives.

3.3. Currency Hedging

The base currency of the Fund is US dollars. However, the Fund may hold assets denominated in other currencies or hold assets of issuers, the revenues or value of which may be derived from other currencies in whole or in part. The Investment Manager may hedge non-base currency positions or underlying exposures where it sees fit (for example, where the Investment Manager believes that the non-base currency may weaken against the base currency) though Shareholders should be aware that the Investment Manager may determine not to do so if it believes such course of action is in the best interest of the Fund or otherwise impracticable.

The Fund may take currency positions for investment purposes when the Investment Manager believes that one currency is going to rise in value compared to another. Exposure to such positions may be generated through the use of derivatives listed below in further detail.

3.4. Risk Management Process

The ICAV on behalf of the Fund employs a risk management process to accurately measure, monitor and manage the various risks associated with FDI's.

The Fund will only utilise FDI's which have been included in the risk management process document that has been cleared by the Central Bank.

The use of FDIs for investment purposes will result in the creation of financial leverage and any such leverage will be within the limits set down by the Central Bank.

The Fund must at any time, be capable of meeting all of its payment and delivery obligations incurred in respect of its FDIs transactions. The Investment Manager uses a risk management technique known as absolute value-at-risk (**VaR**) to measure the Fund's global exposure. VaR is an advanced risk measurement methodology used to assess the Fund's global exposure as set out in the Fund's RMP. VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 20% of the Net Asset Value of the Fund and the one-tailed confidence interval shall not be less than 99% with a one month holding period. The historical observation period will be not less than 1 year. VaR will be calculated on a daily basis.

The level of leverage of the Fund (calculated as the sum of the notionals of the FDIs used by the Fund) under normal circumstances is expected not to exceed 400% of the Net Asset Value of the Fund. The level of leverage of the Fund (calculated as based on the commitment approach) under normal circumstances is expected not to exceed 300% of the Net Asset Value of the Fund (the calculation using the commitment approach is included for information purposes only; the Investment Manager uses VaR to measure the Fund's global exposure). It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is high volatility. Global exposure under the commitment approach is different to that under the gross calculation as calculation under the commitment approach excludes netting and hedging exposures (giving a truer reflection of actual leverage). Such positions are included for the purposes of the gross calculation giving an often misleadingly higher figure.

The collateral management policy of the ICAV is set out in the Prospectus. The level of collateral required by the Fund in respect of its investment in OTC FDIs and use of efficient portfolio management techniques will be that required to manage counterparty exposure within the limits set down by the Central Bank.

4. FINANCIAL INDICES

Exposures to the asset classes set out in section 2.1 may be obtained through the use of FDI the returns on which are referenced to the performance of financial indices provided the indices in question are sufficiently diversified, represent an adequate benchmark for the markets to which they refer, are published in an appropriate manner and, where required, have been cleared in advance by the Central Bank.

Financial indices to which exposures are taken must satisfy the criteria set down in the Central Bank UCITS Regulations. The types of such indices will be consistent with the investment objective and policy of the Fund and are likely to have a global macro focus. Subject to compliance with those conditions, the Investment Manager has full discretion as to which financial indices to take exposure to in furtherance of, and in accordance with, the Fund’s investment objective and policies. It is not possible to comprehensively list in this Supplement the actual indices to which exposure may be taken as they have not, as of the date of issue of this Supplement, been selected and they may change from time to time. A list of the indices which the Fund takes exposure to will be included in the annual report for the Fund. Details of any financial indices used by the Fund will also be provided to Shareholders by the Investment Manager on request.

The financial indices to which the Fund may gain exposure will be rebalanced/adjusted on a weekly, monthly, quarterly, semi-annual or annual basis (which will be set out in the annual report) in accordance with the requirements of the Central Bank. The costs associated with gaining exposure to a financial index will be impacted by the frequency with which the relevant financial index is rebalanced. Active indices may pass on rebalancing costs and this will be included in the price of the index. Where the weighting of a particular constituent in the financial index exceeds the UCITS investment restrictions, the Investment Manager will as a priority objective look to remedy the situation taking into account the interests of Shareholders and the Fund.

5. EFFICIENT PORTFOLIO MANAGEMENT

The Fund may enter into securities lending arrangements for efficient portfolio management purposes only subject to the conditions and within the limits laid down by the Central Bank. Securities lending is used to generate additional income for the Fund with an acceptably low level of risk.

Further details on the requirements relating to such transactions and the Collateral Policy for the Fund is contained in the Prospectus.

The Fund may enter into securities financing transactions (**SFTs**) as defined under Article 3 (11) of Regulation (EU) 2015/2365) (the **SFTR**). Please refer to the section entitled **Securities Financing Transactions: Stocklending, Repurchase Agreements and Reverse Repurchase Agreements** in the Prospectus for further details on the use of SFTs by the Fund.

6. PROFILE OF A TYPICAL INVESTOR

Investment in the Fund is suitable for institutional investors seeking to achieve long-term capital appreciation. The Fund may be suitable for investors with an investment horizon of over 3 years that seek capital growth primarily through exposure to a diversified pool of assets who are willing to accept the shorter term fluctuations in price typically associated with such investments. Investors should have an understanding of investments in the above securities and note that there is a high risk of short-term capital loss compared to other investment types but with the potential to deliver higher investment returns over the minimum suggested timeframe.

7. INVESTMENT RESTRICTIONS

The general investment restrictions as set out in the section of the Prospectus entitled **Investment Restrictions** shall apply.

No more than 10% of the Fund's net assets will be invested in collective investment schemes.

8. BORROWING

The Fund may borrow up to 10% of its total Net Asset Value on a temporary basis as further described in the section **Borrowing, Leverage, Lending Powers and Restrictions** in the Prospectus**.**

9. RISK FACTORS

There can be no assurance that the Fund will achieve its investment objective. An investment in the Fund is an appropriate investment only for those investors who can tolerate a high degree of risk. Investors may lose some or all of their investment in the Fund. The Fund is not designed to be a complete investment programme and may not be a suitable investment for all investors. Prospective investors should consult their own legal, tax and financial advisers as to all of these risks and in determining whether an investment in the Fund is a suitable investment.

Investment in the Fund is speculative and involves substantial risks, including the risk of loss of a shareholder's entire investment. No guarantee or representation is made that the Fund will achieve its investment objective, and investment results may vary substantially from year to year. Certain investment techniques utilised by the Investment Programme, including investments in derivatives and synthetic short sales, can, in certain circumstances, substantially increase the adverse impacts to which the Fund may be subject. Prospective investors should consider all of the risks involved in an investment in the Fund including, without limitation, the following risks before investing. The following describes some of the risks the Fund may bear through direct investments in securities and derivatives.

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

Risks Associated with the Investment Process

9.1. Limited Operating History Risk

The Fund has no operating history. The Fund has no historical financial statements or other meaningful operating or financial data on which potential investors may evaluate the Fund and its performance. Officers and employees of the Investment Manager and its affiliates have been using the strategies described herein in connection with the management of private investment funds for several years.

However, the past performance of these officers and employees is not an indication of future success of the Fund.

9.2. Use of Historical Information

The investment process utilises historical data to develop portfolio strategies. There is an inherent risk that the historical relationships between asset prices, or market trends and macro-economic trends are not relevant or persistent in the current period or future periods and actual results may be significantly different from historical performance and the Fund may suffer loss.

9.3. Limitations of Mathematical Models Risk

The Fund utilises the Investment Manager's investment approach, which is based on research into historical data and the application of that research to the development of mathematical models that attempt to forecast returns, risk, correlation and transaction costs. Many of these models are trend-following models that attempt to identify and exploit market trends. Mathematical models may be incomplete and/or flawed and there is an inherent risk that any forecasts derived from them may be inaccurate, particularly if the research or models are based on, or incorporate, inaccurate assumptions or data. Assumptions or data may be inaccurate from the outset or may become inaccurate as a result of many factors such as changes in market structure, increased government intervention in markets or growth in assets managed in accordance with similar investment strategies. In particular, such factors may make the trend-following models of the Investment Manager less effective because they may lessen the prospect of identified trends occurring or continuing in the future. As a result of the foregoing, the Investment Manager's investment system may not generate profitable trading signals and the Fund may suffer losses.

9.4. Crowding/Convergence Risk

There is significant competition among quantitative based investment managers and the ability of the Fund to deliver returns that have a low correlation with global aggregate equity markets and other market participants is dependent on the ability of the Investment Manager to employ an investment system that is simultaneously profitable and differentiated from those employed by other managers. To the extent that the Investment Manager is not able to develop a sufficiently differentiated investment system, the investment objective of the Fund may not be met. The growth in assets managed in accordance with similar investment strategies may result in the Fund and other market participants inadvertently buying and selling the same or similar investments simultaneously, which may reduce liquidity and exacerbate market moves.

9.5. Process Exceptions Risk

The Fund utilises the Investment Manager's investment strategy, which is based on mathematical models which are implemented as an automated computer-based investment system. Issues with the design, development, implementation, maintenance or operation of the investment system, any component of the investment system or any processes and procedures related to the investment system may cause losses to the Fund and such losses may be substantial.

9.5.1. Programming Errors

The Investment Manager may make programming errors in translating its mathematical models into computer code. In addition, as a mathematical model can be expressed in computer code in multiple ways, the choice of code ultimately used may not result in the best representation of the model.

9.5.2. Failure of Technology

The Investment Manager's investment system is reliant on proprietary and third party technology. Such technology may be adversely affected by many issues, some of which may be outside of the Investment

Manager’s control, including issues associated with network infrastructure, software updates, bugs, viruses and unauthorized access.

9.5.3. Incorporation of Data

The Investment Manager may incorporate inaccurate data, or make errors in incorporating data, into the investment system.

Process Exceptions may be extremely difficult to detect, may go undetected for long periods or may never be detected. The impact of such Process Exceptions may be compounded over time and may result in, among other things, the execution of unanticipated trades, the failure to execute anticipated trades, the failure to properly allocate trades, the failure to properly gather and organize available data and/or the failure to take certain hedging or risk mitigating actions. Although the Investment Manager evaluates the materiality of any Process Exceptions that it detects, the Investment Manager may conclude that some are not material and may choose not to address them. Such judgments may prove not to be correct.

9.6. Direct Connectivity to Trading Venues Risk

The Investment Manager uses sophisticated information technology systems to send, on the Fund’s behalf, electronic trading instructions to brokers and exchanges and has servers located close to exchanges in multiple jurisdictions. This technology can increase the likelihood of erroneous orders being made, regulatory requirements not being complied with and/or credit and capital limits being breached due to computer malfunctions, the speed of execution of transactions, human error or a deficiency in algorithm design or implementation. The potential impact on the Fund of such errors or series of errors could be more severe than risks arising in other parts of the Investment Manager’s trading infrastructure.

Trading through an electronic trading or order routing system is also subject to risks associated with system or component failure (whether such failure affects the hardware or software of the exchange or person offering the relevant system or the Investment Manager). In the event of system or component failure, it is possible that, for a certain time period, it might not be possible to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority. Trading venues offering an electronic trading or order routing system typically adopt rules to limit their liability, the liability of member brokers and software and communication system vendors, and the amount that may be collected for system failures and delays, which rules may vary among the venues and may not adequately compensate the Fund for the full extent of its loss.

9.7. Trading Outside the Investment Process Risk

Most of the Investment Manager’s investment decisions are made strictly in accordance with the output of its investment process. However the Investment Manager may, in exceptional circumstances (such as the occurrence of events that fall outside the input parameters of the system), make investment decisions based on other factors and take action to override the output of the system to seek to protect the interests of the Fund’s Shareholders. However, the investment process signals may ultimately prove to be accurate and such actions may not prevent losses to the Fund and may in fact cause or exacerbate losses.

9.8. Temporary Defensive Measures Risk

The Fund may, from time to time, take temporary defensive measures which are inconsistent with the Fund’s principal investment strategies in attempting to respond to, or in anticipation of, market, economic, political or other conditions. For example, during such period, all or a significant portion of the Fund’s assets may be invested in short-term, high-quality, fixed income securities, cash or cash equivalents, or the risk parameters applicable to the Investment Manager’s investment system may be altered. Temporary defensive measures may be initiated by the Investment Manager when the Investment Manager judges that existing market, economic, political or other conditions may make pursuing the Fund’s investment strategies inconsistent with the best interests of its Shareholders. The Investment Manager then may temporarily use these alternative strategies or parameters that are mainly designed to limit the Fund's losses, protect the Fund's gains or create liquidity in anticipation of repurchases. When such temporary defensive measures are taken, it may be more difficult for the Fund to achieve its investment objective.

9.9. Leverage Risk

The Fund may use leverage for the purpose of making investments. The use of leverage creates particular risks and may significantly increase the Fund's investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, increases the Fund's exposure to capital risk. The use of leverage can amplify the effects of market volatility on the Fund's share price and may also cause the Fund to liquidate portfolio positions when it would not be advantageous to do so in order to satisfy its obligations. The use of leverage in a market that moves adversely could result in substantial losses to the Fund, which would be greater than if leverage was not used.

9.10. Borrowing for Operations Risk

The Fund has the authority to borrow money for, among other reasons, cash management purposes and to meet repurchases that would otherwise result in the premature liquidation of its investments, subject to the limitations of the Regulations. The use of short-term borrowing creates several additional risks.

If the Fund is unable to service the debt, a secured lender could liquidate the Fund's position in some or all of the Fund's investments that have been pledged as collateral and cause the Fund to incur significant losses. The occurrence of defaults may trigger cross-defaults under the Fund's agreements with other brokers, lenders, clearing firms or other counterparties, creating or increasing a material adverse effect on the performance of the Fund.

9.11. Portfolio Turnover Risk.

The Fund may buy and sell securities frequently. This may result in higher transaction costs and additional capital gains tax liabilities.

9.12. Counterparty Risk

The Fund will be subject to the risk of the inability of any counterparty (including the Fund's depositary and principal brokers used by the Fund) to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. If there is a failure or default by the counterparty to such a transaction, the Fund will have contractual remedies pursuant to the agreements related to the transaction but these may be of limited or no legal and/or commercial benefit depending on the financial position of the defaulting counterparty. The Fund may not be able to recover all of its cash and/or securities in the event of the insolvency and bankruptcy of its depositary. These risks are heightened to the extent that the Fund gains a substantial amount of investment exposure indirectly through swaps.

The Investment Manager will seek to minimize the Fund's counterparty risk through the selection of financial institutions and types of transactions employed. However, the Fund's operational mechanisms may involve counterparty and other risk elements that may create unforeseen exposures.

9.13. Currency Hedging

The Fund may seek to hedge its foreign currency exposure but will necessarily be subject to foreign exchange risks. There can be no assurance that such hedging, if implemented, will be effective.

Risks Associated with the Investment Manager

9.14. Incentive Fee Risk

In addition to receiving a Management Fee, the Investment Manager may also receive an Incentive Fee based on the appreciation in Fund assets. The Incentive Fee may create an incentive for the Investment Manager to manage the Fund's portfolio in a manner that is riskier than would be the case in the absence of a fee based on the performance of the Fund. An Incentive Fee may be levied on unrealised gains which may never be realised.

Risks Associated with Specific Investments and Investment Strategies

9.15. Equity Risk

The investments of the Fund in securities are subject to normal market fluctuations and other risks inherent in investing in securities. The value of investments and the income from them, and therefore the value of and income from equity securities can go down as well as up and an investor may not get back the amount it invests. Equities as a class have historically outperformed other types of investments over the long term. Individual stock prices, however, tend to go up and down more dramatically over the short term. These price movements may result from factors affecting individual companies or industries, or the securities market as a whole.

The prices of individual equity securities can rise and fall with the fortunes of the companies that issue them or with general stock market conditions. Changes in the price of individual equity securities held by the Fund will affect the Net Value Asset of the Fund.

9.16. Depository Securities and Receipts Risk

In some cases, a Fund may hold securities through a depository security and receipt (an ADR, a GDR or an EDR).

A depository receipt is issued by a bank or trust company to evidence its ownership of securities of a non-local corporation. The currency of a depository receipt may be different than the currency of the non-local corporation to which it relates. The value of a depository receipt will not be equal to the value of the underlying non-local securities to which the depository receipt relates as a result of a number of factors. These factors include the fees and expenses associated with holding a depository receipt, the currency exchange relating to the conversion of foreign dividends and other foreign cash distributions into local currencies, and tax considerations such as withholding tax and different tax rates between the jurisdictions.

In addition, the rights of the Fund, as a holder of a depository receipt, may be different than the rights of holders of the underlying securities to which the depository receipt relates, and the market for a depository receipt may be less liquid than that of the underlying securities. The foreign exchange risk will also affect the value of the depository receipt and, as a consequence, the performance of the Fund holding the depository receipt. As the terms and timing with respect to the depository for a depository receipt are not within the control of the Fund or the Investment Manager and if the Investment Manager chooses only to hold depository receipts rather than the underlying security, the Fund may be forced to dispose of the depository receipt, thereby eliminating its exposure to the non-local corporation, at a time not selected by the Investment Manager of the Fund, which may result in losses to the Fund or the recognition of gains at a time which is not opportune for the Fund.

9.17. REIT Risks

A Fund may invest in real estate securities, including REITs. REITs in which a Fund may invest may be affected by changes in underlying real estate values, which may have an exaggerated effect to the extent that REITs in which a Fund invests may concentrate investments in particular geographic regions or property types. Additionally, rising interest rates may cause investors in REITs to demand a higher annual yield from future distributions, which may in turn decrease market prices for equity securities issued by REITs. Rising interest rates also generally increase the costs of obtaining financing, which could cause the value of a Fund's investments to decline. During periods of declining interest rates, certain mortgage REITs may hold mortgages that the mortgagors elect to prepay, which prepayment may diminish the yield on securities issued by such mortgage REITs. In addition, mortgage REITs may be affected by the ability of borrowers to repay when due the debt extended by the REIT and equity REITs may be affected by the ability of tenants to pay rent.

Certain REITs have relatively small market capitalizations, which may tend to increase the volatility of the market price of securities issued by such REITs. Furthermore, REITs are dependent upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in operating and financing a limited number of projects. REITs depend generally on their ability to generate cash flow to make distributions to investors.

9.18. Collective Investment Scheme Risk

The Fund may invest in one or more collective investment schemes including schemes managed by the Investment Manager or its associated companies. Non-Irish domiciled collective investment schemes may not provide a level of investor protection equivalent to that provided by collective investment schemes authorised by the Central Bank.

As a shareholder of another collective investment scheme, the Fund bears, along with other shareholders, its pro-rata share of the expenses of the other collective investment scheme, including management and/or other fees. These fees would be in addition to the management fees and other expenses which the Fund bears directly in connection with its own operations. Where the Fund is the initial investor in a collective investment scheme, it may suffer a proportionally higher total expense ratio but the Fund would only seed a collective investment scheme in this manner where the Investment Manager has deemed it to be in the best long term interests of the Fund.

Investment in an unregulated collective investment scheme will not provide a level of protection equivalent to Irish regulated collective investment schemes.

Where the Fund invests in a collective investment scheme which itself is leveraged, the potential loss to the investor (if the value of the assets held by such leveraged collective investment scheme falls), is greater than the loss that would be incurred if the collective investment scheme was unleveraged.

9.19. Credit and Other Debt Security Risks

Credit risk is the risk that an issuer of a bond or other fixed income security will not be in a position to pay interest or repay the principal once due. Credit risk is generally lowest among issuers that have a high credit rating from an independent credit rating agency. It is generally highest among issuers that have a low credit rating or no credit rating. Debt securities issued by companies or governments in emerging or frontier markets often have higher credit risk (lower rated debt), while debt securities issued by well-established companies or by governments of developed countries tend to have lower credit risk (higher rated debt). The prices of securities with a low rating or no rating tend to fluctuate more than securities with higher ratings. They usually offer higher interest rates, which may help to compensate for the higher credit risk.

Asset-backed securities are often subject to extension and prepayment risks, which may have a substantial impact on the timing of their cashflows. The average life of each individual security may be affected by a large number of factors such as structural features (including the existence and frequency of exercise of any optional redemption, mandatory redemption or prepayment or sinking fund features), the payment or the prepayment rate of the underlying assets, a change in the repayment profile of the security held by the Fund, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

Rising interest rates tend to extend the duration of mortgage-backed securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, the Fund may exhibit increased levels of volatility should it hold mortgage-backed securities. In addition, mortgage-backed securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of the Fund because the Fund will have to invest that money at the lower prevailing interest rate.

Investment grade assets must have a minimum credit rating. However, even where assets exhibit these minimum ratings, their respective credit ratings may range widely and may vary over time. In particular, where such credit ratings are at the lower end of the range, the obligors of such assets may face uncertainties and exposure to adverse business, financial, or economic conditions. This could lead to them being unable to meet their financial commitments despite their being regarded as issuers of investment grade debt.

Below investment grade debt securities and unrated debt securities are often speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty.

9.20. Default Risk

Investments in fixed income securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by credit research and securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

9.21. Yield Risk

Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's fixed income securities can be expected to decline.

9.22. Preference Shares Risk

Preference shares may pay dividends at a specific rate and generally have preference over ordinary shares, but rank after debt securities. Unlike interest payments on debt securities, dividends on preference shares are generally payable at the discretion of the board of directors of each issuer. The market prices of preference shares are subject to changes in interest rates and are more sensitive to changes in the issuer's creditworthiness than are the price of debt securities.

9.23. Commodity Risk

Exposure to the commodities markets may subject the Fund to greater volatility than investments in traditional securities. Prices of commodities may fluctuate significantly over short periods for a variety of factors, including: changes in supply and demand relationships, changes in interest or currency exchange rates, population growth and changing demographics and factors affecting a particular industry or commodity, such as drought, floods or other weather conditions, transportation bottlenecks or shortages, competition from substitute products, fiscal, monetary and exchange control programs, disease, pestilence, acts of terrorism, embargoes, tariffs and international economic, political, military, legal and regulatory developments. Additionally, the Fund may gain exposure to the commodities markets through investments in commodity-linked instruments, such as structured notes, the value of which may be influenced by, among other things, time to maturity, level of supply and demand for the instrument, interest rates, volatility and lack of liquidity in underlying markets, the performance of the reference commodity or instrument, changes in the issuer’s credit rating and economic, legal, political or geographic events that affect the reference commodity or instrument. Further, a lack of liquidity, participation of speculators and government regulation and intervention, among other factors, may subject commodity markets to temporary distortions or other disruptions, which may, in turn, subject the Fund to losses.

9.24. Liquidity Risk

Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Most of the investments owned by the Fund can usually be sold promptly at a fair price and therefore can be described as relatively liquid but the Fund may also hold investments that may become illiquid, which means they can't be sold quickly or easily. Some investments are illiquid because of legal restrictions, the nature of the investment itself, settlement terms, or for other reasons. Sometimes, there may simply be a shortage of buyers. If the Fund has trouble selling an investment, it can lose value or incur extra costs. In addition, illiquid investments may be more difficult to value accurately and may experience larger price changes. This can cause greater fluctuations in the Fund's value.

9.25. Exchange Traded Certificates and Exchange Traded Notes Risk

Many exchange-traded certificates and notes achieve their objectives through the use of derivatives - typically swaps - which carry counterparty risk. If the counterparty (the issuer of the derivatives) defaults, the Fund may lose all of its capital invested irrespective of the performance of the underlying assets. The daily reset features of exchange-traded certificates or notes can also have a significant impact on returns because exposure to a particular index resets at the end of every trading day, performance over a longer period can often deviate from what investors might be expecting, potentially producing inferior returns.

9.26. Market risk

Market risk is the risk that the market value of an investment may move up and down, sometimes rapidly and unpredictably.

9.27. Correlation risk

Correlation risk is the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index. The Fund's use of forward contracts and swap agreements is also subject to credit risk and valuation risk.

9.28. Valuation risk

Valuation risk is the risk that the derivative may be difficult to value and/or may be valued incorrectly.

9.29. Regulatory Risks Associated with Derivatives

The Irish, UK, U.S. or other regulations in jurisdictions in which derivatives may be traded are in the process of adopting and implementing regulations governing derivatives markets, including mandatory clearing of certain derivatives, margin, reporting and registration requirements. The ultimate impact of the regulations remains unclear. Additionally U.S. or other regulations may make derivatives more expensive, may limit their availability, or may otherwise adversely affect the value or performance of derivatives. In addition, regulators are considering implementing regulations that would govern the use of derivatives by registered investment vehicles, such as the Fund, and such new regulations may require the Fund to alter its structure or operations, which may result in the loss of tax benefits of the Fund's current structure, make it more expensive to implement the Fund's investment strategy or make it more difficult to implement the Fund's investment strategy in an efficient manner.

9.30. Contingent Liability Transactions Risk

Contingent liability transactions, such as transactions in futures and CFDs, which are margined, require the Fund to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. The Fund may sustain a total loss of the margin deposited to establish or maintain a position or may be called upon to pay substantial additional margin at short notice to maintain the position. If the Fund fails to do so within the time required, its position may be liquidated at a loss and the Fund will be responsible for the resulting deficit.

9.31. Daily Price Fluctuation Limits Risk

Futures exchanges limit fluctuations in contract prices during a single day by imposing 'daily price fluctuation limits' or 'daily limits'. During a single trading day no trades may be executed at prices that are either above or below the daily limit. Once the price of a particular futures contract has increased or decreased to the limit point, positions in the contract can be neither established nor liquidated unless traders are willing to effect trades at or within the limit. Futures prices have occasionally moved the daily limit for several consecutive days with little or no trading.

Similar occurrences could prevent the Investment Manager from liquidating positions and subject the Fund to losses that could exceed the margins initially committed to such trades.

9.32. FDI Risks

The prices of FDIs, including futures and swap prices, are highly volatile. There is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective. Price movements of forward contracts, futures contracts and other FDI 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. As a result of using FDIs for EPM, there is a risk that, in a rising market, potential gains may be restricted.

The use of these techniques and instruments involves certain risks, including:

a) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates;

b) imperfect correlation between the price movements of the FDI and price movements of related instruments;

c) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund;

d) the possible absence of a liquid market for any particular instrument at any particular time which may result in possible impediments to effective portfolio management or the ability to meet redemptions;

e) the Fund may invest in certain FDI which may involve the assumption of obligations as well as rights and assets; and

f) assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

9.33. Risks associated with specific types of FDI

9.33.1. Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund’s position with cash. They carry a high degree of risk. The gearing or leverage often obtainable in futures (where applicable) trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund’s investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

9.33.2. Forwards

A forward is a contract between two parties agreeing that at a certain time in the future one party will deliver a pre-agreed quantity of some underlying asset (or its cash equivalent in the case of non-tradable underlyings) and the other party will pay a pre-agreed amount of money for it. This amount of money is called the forward price. Once the contract is signed, the two parties are legally bound by its conditions: the time of delivery, the quantity of the underlying and the forward price. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

9.33.3. Swaps

The Fund may enter into swap agreements and similar derivative transactions. Depending on their structure, swap agreements may increase or decrease the Fund's exposure to equity securities, long-term or short-term interest rates, foreign currency values, corporate borrowing rates or other factors. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Fund's portfolio. The most significant factors in the performance of swap agreements is the change in the individual equity values, the specific interest rate, the currency value and other factors that determine the amounts of payments due to the Fund. If a swap agreement calls for payments by the Fund, the Fund must be prepared to make such payments when due. Swap agreements and similar derivative transactions are not currently traded on exchanges; rather, banks and dealers act as principals in these markets. As a result, the Fund is subject to the risk of the inability or refusal to perform with respect to such contracts on the part of the counterparties with which the Fund trades. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Fund. Speculative position limits are not currently applicable to swap transactions, although the counterparties with which the Fund deals may limit the size or duration of positions available to the Fund as a consequence of credit considerations. Participants in the swap markets are not required to make continuous markets in the swap contracts they trade.

9.33.4. Swaps on Equity Securities Risk

The Fund intends to enter into Equity Swaps on individual equity securities or baskets of equity securities. Equity Swaps are privately negotiated contracts between two parties, buyer and seller, stipulating that the seller will pay to or receive from the buyer the difference between the nominal value of the underlying instrument at the opening of the contract and that instrument's value at the end of the contract. As is the case with owning any financial instrument, there is the risk of loss associated with entering into Equity Swaps. There may be liquidity risk if the underlying instrument is illiquid because the liquidity of Equity Swaps is based on the liquidity of the underlying instrument. Equity Swaps also carry counterparty risk, i.e., the risk that the counterparty to the transaction may be unable or unwilling to make payments or to otherwise honour its financial obligations under the terms of the contract. If the counterparty were to do so, the value of the contract may be reduced. A further risk in respect of Equity Swaps is that adverse movements in the underlying security will require the buyer to post additional margin. To the extent that there is an imperfect correlation between the return on the Fund's obligation to its counterparty under an Equity Swap and the return on related assets in its portfolio, the Equity Swap transaction may increase the Fund's financial risk.

9.33.5. Warrants

Warrants often involve a high degree of gearing, so that a relatively small movement in the price of the underlying security results in a disproportionately large movement, favourable or unfavourable in the price of the warrant. The prices of warrants can therefore be volatile.

9.33.6. Convertible Securities

The Fund may invest in convertible bonds which may be converted into or exchanged for a prescribed amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible bond entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible bonds ordinarily provide a stream of income, which generate higher yields than those of common stocks of the same or similar issuers but lower than the yield on non-convertible debt. The price of a convertible security often reflects such variations in the price of the underlying common stock in a way that non-convertible debt does not.

The risks associated with convertible bonds, are similar to the risks associated with normal bonds, i.e. there is interest rate risk (the risk that the interest rate associated with the bond is below the prevailing market rate), credit risk (the risk that the bond par value is not paid back in part or in full), liquidity risk (the bond may not trade frequently with a resulting large spread between the price at which bonds are sold or purchased).

9.33.7. Foreign Currency Forward Contract Risk

The Fund may enter into foreign exchange forward contracts. A foreign exchange forward contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Foreign exchange forward contracts are currently not traded on exchanges. Instead, they are affected through the interbank market. Unlike in futures markets, there is no limitation as to daily price movements in this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for foreign exchange forward contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Thus, the Fund will be subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Fund to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses to the Fund.

The Fund may enter into foreign exchange forward contracts in respect of the currencies of certain emerging markets. Many emerging markets have underdeveloped capital market structures where the risks associated with holding currency are significantly greater than in other, less inflationary markets. Such currency exchange rates are highly volatile and subject to severe event risks, as the political situation with regard to the relevant non-U.S. government may itself be volatile. Further detail of the risks associated with emerging markets is set out below in section 9.37.

9.33.8. Options

The seller (writer) of a call option which is covered (i.e., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically-unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing securities to satisfy the exercise of the call option can itself cause the price of the securities to rise further, sometimes by a significant amount, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire investment in the call option. The seller (writer) of a put option which is covered (i.e., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing. In the case of stock index options, successful use by the Fund of options on stock indices will be subject to the Investment Manager's ability to correctly predict movements in the direction of the stock market generally or of particular industries, or market segments. This requires different skills and techniques than predicting changes in the price of individual stocks.

When the Fund purchases an option on a futures contract in the United States, there is no margin requirement because the option premium is paid for in full. The premiums for certain options traded on foreign exchanges may be paid for on margin. When the Fund sells an option on a futures contract, it may be required to deposit margin in an amount that may be determined by the margin requirement established for the futures contract underlying the option and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the writing of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Whether any margin deposit will be required for over-the-counter options (and other over-the-counter options instruments, such as equity or currency forwards, swaps and certain other derivative instruments), will depend on the credit determinations and specific agreements of the parties to the transaction, which are individually negotiated.

9.34. Credit Default Swaps

The market for credit default swaps is OTC and to a material extent unregulated, and the contracts are traded often. There is a possibility that the risk buyer may not have the financial strength to abide by the contract's provisions, which makes it difficult to value the contracts. Leverage involved in many credit default swap transactions and a downturn in the market could cause defaults and challenge the ability of risk buyers to pay their obligations which may cause loss to the Fund.

9.35. Small and Medium Capitalization Companies Risk

Small and medium capitalization companies in which the Fund invests may be more vulnerable to adverse business or economic events than larger, more established companies. Therefore, small and medium capitalization stocks may be more volatile than those of larger companies.

9.36. Currency Risk

The Net Asset Value per Share will be computed in the base currency of the Fund, whereas the Fund's investments may be acquired in a wide range of currencies, some of which may be affected by currency movements of a more volatile nature than those of developed countries and some of which may not be freely convertible. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the Investment Manager may consider it desirable not to hedge against such risk and accordingly the Fund may hold unhedged currency positions which may cause a loss to the Fund.

9.37. Emerging and Frontier Markets Risks

Emerging market countries are those countries that are: (i) characterized as developing or emerging by any of the World Bank, the United Nations, the International Finance Corporation, or the European Bank for Reconstruction and Development; (ii) included in an emerging markets index by a recognised index provider; or (iii) countries with similar developing or emerging characteristics as countries classified as emerging market countries pursuant to sub paragraph (i) and (ii) above, in each case determined at the time of purchase. Emerging market countries may be more likely to experience political turmoil or rapid changes in market or economic conditions than more developed countries. Emerging market countries often have less uniformity in accounting and reporting requirements and unreliable securities valuation.

The Fund may invest in emerging or frontier markets and investors should be aware of risks attached to investing in such markets which could have an impact on the performance of the Fund. Along with Currency Risk described above, in particular, the following risks should be noted:

(1) Settlement and Credit Risks

The trading and settlement practices of some of the stock exchanges or markets on which the Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by the Fund. In addition, the Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Depositary may be instructed by the AIFM to settle transactions on a delivery free of payment basis where the AIFM (or the Investment Manager) believes that this form of settlement is common market practice. Shareholders should be aware, however, that this may result in a loss to a relevant Fund if a transaction fails to settle.

(2) Regulatory and Accounting Standards Risk

Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a company and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.

(3) Political Risks

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership. In addition, it is sometimes difficult to obtain and enforce court judgments in such countries and the financial stability of issuers (including governments) in emerging market countries may be more precarious than in other countries.

As a result, there will tend to be an increased risk of price volatility associated with the Fund’s investments in emerging market countries, which may be magnified by currency fluctuations relative to the U.S. dollar.

(4) Custody Risks

Local custody services remain underdeveloped in many emerging or frontier market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances the Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some emerging or frontier market countries evidence of title to shares is maintained in book-entry form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of the Fund's holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by a Fund in investing and holding investments in such markets will generally be higher than in more organised securities markets.

(5) Liquidity Risk

Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

(6) Emerging and Frontier Market Debt Securities Risk

The funds and securities selected by the Investment Manager may invest in emerging or frontier market debt securities, including short term and long term securities denominated in various currencies. These securities may be unrated or rated in the lower rating categories by the various credit rating agencies. These securities are subject to greater risk of loss or principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally subject to greater risk than securities with higher credit ratings in the case of deterioration of general economic conditions. Additionally, evaluating credit risk for emerging or frontier market debt securities involves great uncertainty because credit rating agencies throughout the world have different standards, making comparisons across countries difficult. Because investors generally perceive that there are greater risks associated with lower-rated securities, the yields or prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for emerging or frontier market debt securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which securities are sold. In addition, adverse publicity and investor perceptions about emerging or frontier market debt securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such securities.

9.38. Legal and/or Regulatory Risk

Legal and regulatory (including taxation) changes could adversely affect the Fund. Regulation (including taxation) of investment vehicles such as the Fund 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. The effect of any future legal or regulatory (including taxation) change on the Fund is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

9.39. Changes in Legislation Risk

There can be no assurance that income tax, securities or other law, or any administrative practice or interpretation thereof, will not be changed in a manner which adversely affects the Fund or its Shareholders.

9.40. Substantial Redemption / Subscription Risk

The purchase or redemption of a substantial number of shares in the Fund may require the Investment Manager to change the composition of the Fund's portfolio significantly or may force the Investment Manager to buy or sell investments at unfavourable prices, which may adversely affect the Fund's returns, its overall performance and may increase the Fund's realised capital gains. Portfolio turnover for the Fund may also result in increased trading costs, and may adversely impact the Fund's overall costs of operation.

10. KEY INFORMATION FOR SUBSCRIPTIONS AND REDEMPTIONS

Available Share Classes:

Share Class Name	Currency	Hedged Share Class (Yes/No)	Annual Investment Management Fee	Incentive Fee (Yes/No)	Initial Offer Price
Class A (Accumulation)	USD	No	1%	Yes	100
Class B (Accumulation)	GBP	Yes	1%	Yes	100
Class C (Accumulation)	JPY	Yes	1%	Yes	11,000
Class A (Distribution)	USD	No	1%	Yes	100
Class B (Distribution)	GBP	Yes	1%	Yes	100
Class C (Distribution)	JPY	Yes	1%	Yes	11,000
Class U (Accumulation)	CHF	Yes	0%	No	100
Class V (Distribution)	AUD	Yes	0%	No	100
Class W (Accumulation)	JPY	Yes	0%	No	11,000
Class X (Accumulation)	EUR	Yes	0%	No	100
Class Y (Accumulation)	USD	No	0%	No	100
Class Z (Accumulation)	GBP	Yes	0%	No	100

All classes of Shares are for institutional investors. Share Classes U, V, W, X, Y and Z are limited to investors that already have an arrangement with the Investment Manager as regards to fees so as to avoid double charging of fees.

Minimums applicable to each Share Class (USD equivalent of the Class currency):

Minimum Initial Investment Amount	**USD 500,000**
Minimum Additional Investment Amount	USD 10,000
Minimum Shareholding	USD 500,000

The Directors may for each relevant Share Class waive the Minimum Initial Investment Amount, Minimum Additional Investment Amount or Minimum Shareholding at their discretion.

Share Class Currency Hedging

A Currency Share Class may be hedged against exchange rate fluctuation risks between the denominated currency of the Currency Share Class and the Base Currency of the Fund. Any financial instruments used to implement such strategies with respect to one or more Hedged Share Classes shall not be assets/liabilities of a Fund as a whole but will be attributable to the relevant Hedged Share Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class. Any currency exposure of a Hedged Share Class may not be combined with or offset against that of any other Share Class of a Fund. The currency exposure of the assets attributable to a Hedged Share Class may not be allocated to other Share Classes. Where the ICAV 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 ICAV. However, the ICAV seeks to ensure that levels of under-hedged and over-hedged positions are in the range of 95% to 105% of the Net Asset Value of the relevant Share Class and hedged positions will be kept under review to ensure that positions materially in excess of 100% of the Net Asset Value will not be carried forward from month to month. To the extent that hedging is successful for a particular Hedged Share Class the performance of the Hedged Share Class is likely to move in line with the performance of the Base Currency with the result that Shareholders in that Hedged Share Class will not gain if the Hedged Share Class currency falls against the Base Currency. A Hedged Share Class will not be leveraged as a result of such currency hedging transactions.

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

Base Currency: US Dollar

Business Day means every calendar day except a Saturday or a Sunday on which banks in Ireland and New York are open for normal business or such other day(s) as the Directors may determine and notify to Shareholders in advance.

Compound Growth means the annual growth rate of an investment applied year on year for a specified period of time.

Dealing Day means the Wednesday in each week (or if not a Business Day, the following Business Day, and, if different, the last Business Day of each month) or such other day as the Directors may determine and notify to Shareholders in advance provided there is at least one per fortnight.

Dealing Deadline means 4.30p.m. (Irish time) on the relevant Dealing Day or such other time as the Directors may determine provided it is prior to the relevant Valuation Point.

Issue Price means, during the Initial Offer Period for the Share Class in question, the Initial Offer Price for the Class in question, and thereafter, subject as hereinafter provided, the Net Asset Value per Share of the relevant Share Class.

Initial Offer Period means in respect of each Share Class except the Z Share Class, from 9.00a.m. (Irish time) on 16 October 2017 to 5.30p.m (Irish time) on 13 April 2018 or such shorter or longer period as the Directors may determine on behalf of the Fund and notify to the Administrator. In respect of the Z Share Class, 9.00a.m. (Irish time) on 1 July 2019 to 5.30p.m (Irish time) on 30 December 2019 or such shorter or longer period as the Directors may determine on behalf of the Fund and notify to the Administrator. Where the initial offer period is shortened or extended, the ICAV will notify the Central Bank in accordance with the Central Bank's requirements.

Initial Offer Price: please see table above in Section 10.

Settlement Date means, in the case of subscriptions, within three Business Days after the Dealing Day in question or such other time as the Directors may agree provided that the Application Form is received by the Dealing Deadline. In the case of redemptions, provided all documentation required by the Administrator, including that required for anti-money laundering purposes, has been received by the Administrator, proceeds will usually be paid (by wire transfer to a specified account at the Shareholder's risk and expense or by negotiable instrument) within five Business Days or such other time as the Directors may agree after the later of (i) the Dealing Day in question; or (ii) the receipt of the relevant duly signed redemption documentation.

Valuation Point means 4.00p.m. New York time (using the close of business prices in the relevant markets) on the relevant Dealing Day or such other time as the Directors may determine from time to time and notify in advance to Shareholders.

Minimum Fund Size

The minimum size of the Fund will be $50 million or foreign currency equivalent thereof or such other amount as may be determined by the Directors at their discretion. When the size of the Fund is below such amount or foreign currency equivalent, the Directors of the ICAV may compulsorily redeem all of the Shares of the Fund in accordance with the **Mandatory Redemptions** section of the Prospectus.

11. CHARGES AND EXPENSES

Manager

The Manager will be entitled to a management fee payable out of the assets of the Fund calculated and accruing at each Valuation Point and payable monthly in arrears at a maximum rate of up to 0.03% of the Net Asset Value of the Fund, subject to an annual minimum fee of €30,000. The Manager is also entitled to receive a once off, set-up cost which will not exceed €10,000.

The Manager will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Manager including expenses relating to due diligence and monitoring of the Fund.

Investment Manager

Pursuant to the Investment Management Agreement, the Fund pays to the Investment Manager a monthly fee at the annual rate of 100 basis points (1%) (the **Management Fee**) on all Share Classes.

The Management Fee is applied to the Fund's NAV, before the deduction of any Incentive Fee. The Management Fee is accrued daily and paid weekly.

Depositary and Administrator

The ICAV shall pay from the assets of the Fund the following fees to the Depositary and the Administrator together with value added tax thereon, if applicable.

The ICAV shall pay the Depositary a base fee up to a maximum 0.03% of the Net Asset Value of the Fund subject to a minimum of $40,000 per annum accrued on each Dealing Day and payable monthly in arrears. The Depositary is also entitled to recover sub-custody fees at normal commercial rates.

The ICAV shall pay the Administrator a fee which shall not exceed 0.0825% of the Net Asset Value of the Fund. The Administrator shall be entitled to a minimum fee per Fund of $90,000 per annum accrued on each Dealing Day and payable monthly in arrears.

The Administrator is also entitled to receive a fee for the maintenance of the share register and investor accounts as well as processing investor transactions at normal commercial rates.

The Depositary and Administrator will also be entitled to be reimbur**s**ed their reasonable out-of-pocket expenses from the assets of the Fund.

Incentive Fee

There will be no Incentive Fee payable in respect of the following Share Classes:

- Class U (Accumulation)
- Class V (Distribution)
- Class W (Accumulation)
- Class X (Accumulation)
- Class Y (Accumulation)
- Class Z (Accumulation)

The Fund will pay to the Investment Manager a performance-based fee (**Incentive Fee**), which will be calculated for each Performance Period and accrued as of the end of each Valuation Point paid quarterly in arrears following the last day of each Performance Period, with respect to each Share Class of an amount equal to the product of: (i) 15.00% of the Investment Profits (as defined below) attributable to each Class of Shares for such Performance

Period; and (ii) the amount by which the NAV per relevant Share before the deduction of any accrued unpaid Incentive Fee exceeds the High Water Mark for such Share as at the Valuation Point for the relevant Performance Period. The performance periods of the Fund comprise successive quarterly periods ending on the last Business Day in each calendar quarter (each a **Performance Period**).

The first Performance Period of the Fund commences on the first Dealing Day of the Fund after the Initial Offer Period closes and ends on the last Business Day of the calendar quarter in which such Dealing Day occurs. Calendar quarters end on 31 March, 30 June, 30 September and 31 December in each year.

The **High Water Mark** for each such Share is the greater of the: (i) the highest NAV per Share of the relevant Share Class achieved as at the Valuation Point for any previous Performance Period; and (ii) the Initial Offer Price per Share of the relevant Class.

The term **Investment Profits** refers to an increase in the NAV of a share attributable to the net realized and unrealized gains arising from the Fund's investment activities and income/expenditure during the Performance Period.

Any Incentive Fee that is payable will be paid within 15 days of the end of the relevant Performance Period. The calculation of the Incentive Fee will be verified by the Depositary.

If a Shareholder that has subscribed for Shares at a time when the NAV per relevant Share before the deduction of any accrued unpaid Incentive Fee is above or below the relevant High Water Mark, the adjustments described below will be made to reduce inequities that could otherwise result to the Shareholder or to the Investment Manager.

Included in the calculation of the Incentive Fee will be net realised and unrealised capital gains plus net realised and unrealised capital losses as at the end of the relevant Performance Period. As a result, Incentive Fees may be paid on unrealised gains which may subsequently never be realised.

<u>Subscription of Shares where the NAV per Share is less than the High Water Mark</u>

If a Shareholder subscribes for Shares at a time when the NAV per relevant Share before the deduction of any accrued unpaid Incentive Fee is below the relevant High Water Mark, the Shareholder will be required to pay an Incentive Fee with respect to any subsequent appreciation in the value of those Shares, up to the relevant High Water Mark, in respect of each Performance Period.

The Incentive Fee will be charged by redeeming such number of those Shares held by the Shareholder as have an aggregate NAV equal to 15 % of the appreciation in the value of those Shares from the NAV per Share at the date of subscription up to the relevant High Water Mark. The aggregate NAV of the Shares so redeemed will be paid to the Investment Manager as an Incentive Fee.

<u>Subscription of Shares where the NAV per Share is greater than the High Water Mark</u>

If a Shareholder subscribes for Shares at a time when the NAV per Share, before the deduction of any accrued unpaid Incentive Fee, for the relevant Share is greater than the relevant High Water Mark, the Shareholder will be required to pay an equalisation credit (an **Equalisation Credit**) equal to 15.00% of the difference between the NAV per Share of such Shares at such time before the deduction of any accrued unpaid Incentive Fee and the High Water Mark.

The Equalisation Credit is payable to: (i) account for the fact that the NAV per applicable Share of that Class has been reduced to reflect an accrued Incentive Fee to be borne by existing Shareholders of the same Class and serves as a credit against Incentive Fees that might otherwise be payable by the Fund but that should not be charged against the Shareholder making the subscription because, as to such Shares, no favourable performance has yet occurred; and (ii) to ensure that all holders of the same Class of Shares have the same amount of capital at risk per Share. The Equalisation Credit will be invested in accordance with the Fund's investment strategy.

In the event of a decline as at any Valuation Point in the NAV per Share of those Shares, the Equalisation Credit will also be reduced by an amount equal to 15.00% of the difference between the NAV per Share, before the deduction of any accrued unpaid Incentive Fee, at the date of issue and the NAV per Share, before the deduction of any accrued unpaid Incentive Fee, as at that Valuation Point for such Shares. Any subsequent appreciation in the NAV per Share of the relevant Class for such Shares will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit.

At the end of each Performance Period, if the NAV per Share, before the deduction of any accrued unpaid Incentive Fee, for those Shares in respect of which an Equalisation Credit was previously paid exceeds the relevant High Water Mark, that portion of the Equalisation Credit equal to 15.00% of the excess will be applied to subscribe for additional Shares of that Class for the relevant Shareholder. Additional Shares of that Class will continue to be so subscribed for the Shareholder at the end of each Performance Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for Shares of that Class was made, has been fully applied.

If the relevant Shareholder redeems his Shares before the Equalisation Credit has been fully applied in the purchase of additional Shares for such person, the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Shares being redeemed and the denominator of which is the number of Shares held by the Shareholder immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription.

Any additional redemption proceeds to which a Shareholder is entitled upon an exchange of Shares, resulting from any Equalisation Credit not having been fully applied before the time of such exchange, will be applied in subscribing for Shares of any New Class at the Initial Offer Price per Share or NAV per Share (as applicable) of the applicable New Class as at the Valuation Point for the relevant Dealing Day.

Other Expenses

The Fund pays all other expenses incurred in the operation of the Fund. All units held incur other expenses. Fees are exclusive of VAT, if any.

Reimbursement of Fund Expenses

The Investment Manager has contractually agreed to reduce fees and reimburse expenses to the extent necessary to keep total annual fund operating expenses after fee reductions and/or expense reimbursements (excluding interest, taxes, brokerage commissions, dividend and interest expenses on securities synthetically sold short, acquired fund fees and expenses, Incentive Fees and non-routine expenses) from exceeding 0.45% of the Fund's average daily net assets until five years from the date of authorisation of the Fund unless terminated as provided for below (the **Expense Limitation**). This agreement may be terminated: (i) by the Board for any reason at any time, or (ii) by the Investment Manager, upon ninety (90) days' prior written notice to the Board, and Shareholders will be notified of the termination of this agreement.

Distribution

The ICAV may pay ongoing distribution and marketing assistance fees to the Manager or any distributor appointed by the Manager of the Fund which shall be on normal commercial rates.

Other

The Fund may incur additional charges that are not described above, such as trading related expenses consisting of broker commissions and charges, stamp duties, taxes (not attributable to any fees or expenses covered above) and levies, which will be payable out of the assets of the Fund and described in the annual report and audited accounts of the ICAV.

Anti-Dilution Levy

When there are net subscriptions or net redemptions the Fund may add to the subscription price or deduct from the redemption proceeds respectively, an Anti-Dilution Levy. Any such levy will be retained for the benefit of the Fund. The Directors reserve the right to waive such levy at any time.

This **Charges and Expenses** section should be read in conjunction with the section in the Prospectus entitled **Fees and Expenses**.

12. DIVIDEND POLICY

The Fund offers Classes of Shares that accumulate income or pay regular dividends out of net current income or, on occasion, make payments out of capital, net realised gains or net realised and unrealised gains. The distribution of dividends is not guaranteed and is subject to the sole discretion of the Directors.

Accumulation Classes

It is not the current intention of the Directors to declare a dividend in relation to the following Share Classes:

- Class A (Accumulation)
- Class B (Accumulation)
- Class C (Accumulation)
- Class U (Accumulation)
- Class W (Accumulation)
- Class X (Accumulation)
- Class Y (Accumulation)
- Class Z (Accumulation)

All such profits shall be reinvested in the Fund.

Distributing Classes

The following Classes of Shares may distribute dividends:

- Class A (Distribution)
- Class B (Distribution)
- Class C (Distribution)
- Class V (Distribution)

Subject to the discretion of the Directors, dividends (if any) will be declared and paid bi-annually; declared April 1st and October 1st and paid end of May and November in each calendar year. Shareholders will have the option to either receive the declared dividend (if any) or re-invest in the purchase of Shares of the relevant class. The Directors reserve the right to change the dividend policy of the Fund and will notify Shareholders of any changes to the Dividend Policy.

In the event that the net distributable income attributable to the relevant Class during the relevant period is insufficient to pay dividends as declared, the Directors may in their discretion determine such dividends be paid from capital. **Where distributions are made out of the capital of the Fund, there is a greater risk that capital will be eroded and 'income' will be achieved by foregoing the potential for future capital growth of your investment and the value of future returns may also be diminished. This cycle may continue until all capital is depleted. Distributions out of the capital of the Fund should be understood as a type of capital reimbursement. Please note that distributions out of capital may have different tax implications to distributions of income and you are recommended to seek advice in this regard.**

Investors should refer to their tax advisors in relation to the implications of these Share Classes obtaining such status and any payment of dividends.

This section should be read in conjunction with the **Dividend Policy** section of the Prospectus.

13. SUBSCRIPTION FOR SHARES

Applications for Shares should be made on the Application Form and be submitted in accordance with the provisions set out in the Prospectus to be received by the Administrator on or before the Dealing Deadline for the relevant Dealing Day.

The Minimum Shareholding must be maintained by each Shareholder in the Fund (subject to the discretion of the Directors) following any partial redemption, exchange or transfer of Shares.

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Share Class.

The Directors may issue Shares of any Class and, with the consent of the Central Bank and without notice to the Shareholders, create new Classes of Shares on such terms as they may from time to time determine in accordance with the requirements of the Central Bank. Shares of any particular Class may accommodate different subscriptions and/or redemption and/or dividend provisions and/or charges and/or fee arrangements.

This section should be read in conjunction with the section in the Prospectus entitled **Subscription for Shares**.

14. REDEMPTION OF SHARES

When the Fund meets a redemption request in cash, the amount due on the redemption of Shares on a particular Dealing Day will be paid by the relevant Settlement Date by electronic transfer to an account in the name of the Shareholder. Payment of any proceeds of redemption will only be paid after receipt by the Administrator of any relevant redemption documentation (including any anti-money laundering documentation requested).

No Shareholder shall be entitled to request redemption of part only of its holding of Shares of any Class in the Fund if such realisation would result in its holding of Shares of such Class after such realisation being below the applicable Minimum Shareholding (subject to the discretion of the Directors).

In the event that a Shareholder requires payment of redemption proceeds to an account other than that specified in the Application Form, the Shareholder must provide an original request in writing, executed by an authorised signatory of the Shareholder, to the Administrator on or prior to the receipt of the redemption request form. No third party payments will be made.

This section should be read in conjunction with the section in the Prospectus entitled **Redemption of Shares**.

15. EXCHANGE OF SHARES

As applicable, Shares of the Fund may be exchanged for other Shares in the Fund (subject to meeting the eligibility criteria for that class) as set out under the heading **Exchange of Shares** in the Prospectus.

16. MISCELLANEOUS

New Funds may be created from time to time by the Directors with the prior approval of the Central Bank in which case further Supplements incorporating provisions relating to those Funds will be issued by the ICAV.

As at the date of this Supplement there is one other sub-fund in existence, the River and Mercantile Inflation Plus Fund.