London & Capital Global Growth Fund

This Supplement dated 11 January 2021 contains specific information in relation to the **London & Capital Global Growth Fund** (the "**Fund**"), a sub-fund of GemCap Investment Funds (Ireland) plc (the "**Company**") which is an open-ended umbrella investment company with variable capital incorporated with limited liability and segregated liability between Funds.

This Supplement forms part of the Prospectus dated 4 October 2017 and should be read in the context of and together with the Prospectus including the general description of

- **the Company and its management and administration;**
- **its general management and fund charges;**
- **the taxation of the Company and of its Shareholders; and**
- **its risk warnings.**

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

Class A Shares may only be issued to investors who have in place an agreement with the Investment Manager in relation to the collection of an investment management fee or similar fee arrangement, which is not payable from the Net Asset Value of the Fund.

The value of investments and income from them can go down as well as up (this may partly be the result of exchange rate fluctuations in investments which have an exposure to foreign currencies) and investors may not get back the full amount invested.

Investors should note that there is a difference between the nature of a deposit and the nature of an investment in the Fund. The return on the Shares may be less than that of other securities of comparable maturity or less than interest rates available in the market and the principal invested in the Fund is capable of fluctuation.

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

The Directors of the Company, whose names appear under the section headed "Management and Administration" accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus (as complemented, modified or supplemented) is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Directors accept responsibility accordingly.

1. Classes:

Class A Shares and Class B Shares of the Fund are being offered. Classes are denominated in Great Britain Pounds, Euro and United States Dollars.

In relation to the Classes of the Fund which are not designated in the Base Currency ("**Non-Base Currency Classes**"), a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates. Accordingly, any Non-Base Currency Classes will have an exposure to possible adverse currency fluctuations and it is the intention of the Company to use hedging techniques to protect against such currency risk.

The Company will enter into certain currency related transactions in order to hedge the currency exposure of the Non-Base Currency Classes against the Base Currency of the Fund for the purposes of efficient portfolio management ("**EPM**"). Any financial instruments used to implement such strategies with respect to non-Base Currency Classes shall be assets/liabilities of the Fund as a whole but will be clearly attributable to the relevant non-Base Currency Class and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant non-Base Currency Class. Any currency exposure of the relevant non-Base Currency Class may not be combined with or offset against that of any other Class of the Fund or allocated to any other Class of the Fund. Where the Investment Manager seeks to hedge against currency fluctuations while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, the Investment Manager shall ensure that under-hedged positions do not fall short of 95% of Net Asset Value and will keep any under-hedged positions under review to ensure that they are not carried forward from month to month. The Investment Manager shall also ensure that over-hedged positions do not exceed 105% of the Net Asset Value and hedged positions will be kept under review to ensure that positions in excess of 100% of Net Asset Value of the Fund will not be carried forward from month to month. To the extent that hedging is successful for the non-Base Currency Classes the performance of the non-Base Currency Classes are likely to move in line with the performance of the underlying assets (adjusted for the interest rate differential between the respective Class currency and the Base Currency) with the result that investors in the non-Base Currency Classes will not gain if the non-Base Currency Class currency falls against the Base Currency and/or the currency in which the assets of the Fund are denominated.

The Company may also enter into certain currency related transactions in order to hedge the currency exposure of the Fund where the Fund invests in assets denominated in currencies other than the Base Currency.

2. Dealing Days for Subscriptions and Redemptions:

On each Business Day which banks in Ireland and United Kingdom are open for normal banking business and in any other financial centre that the Directors may determine to be relevant for the operations of the Fund, and such additional Business Day or Business Days as the Directors may determine, and notify in advance to Shareholders.

3. Dealing Deadline and Valuation Point

10.00am Irish time on the Dealing Day or such other time as the Directors may determine and notify in advance to Shareholders provided always that the Dealing Deadline is not later than the Valuation Point. The Valuation Point will be the close of business of the relevant market on the Dealing Day.

4. Base Currency:

The base currency of the Fund is Great Britain Pounds.

5. Dividends:

The Company may, at its discretion, declare dividends on any Class of Shares in the Fund at such intervals as shall be determined by the Company, and notified to Shareholders at that time. Dividends may be declared out of the capital of the Fund. Dividends will be paid by electronic transfer within two months thereafter.

6. Investment Objective and Policy:

Investment Objective

To seek to provide growth through investments in a full range of global equity, fixed income instruments and collective investment schemes.

Investment Policy

This multi-asset portfolio combines macro, top-down analysis with security selection. The Investment Manager adopts a dynamic approach to asset allocation, which is determined by the risk versus reward of asset classes over the economic cycle. The Investment Manager may typically allocate between 50% and 90% of the Net Asset Value to equities, 0 to 40% of the Net Asset Value to fixed income securities and 0 to 30% of the Net Asset Value in collective investment schemes.

The Fund targets an annualised return of 5% to 7% over a 7 year horizon.

The Fund's core equity exposure targets global large cap stocks with strong franchises, stable earnings, growing dividends and solid balance sheets. A five phase selection process is used by the Investment Manager to identify stocks with these characteristics. All stocks in the US, UK and developed Europe are screened for appropriate levels of liquidity/market capitalisation, historical earnings dispersion, balance sheet leverage and income generation. In the final phase the Investment Manager will perform valuation analysis on the names that make it through the first 4 phases, in order to select quality stocks at a reasonable price.

The businesses of the global large cap stocks mentioned above are defensive in nature, which it is expected may minimise drawdowns in difficult market conditions. This core exposure will be complemented by tactical allocations to additional equity themes. The equity themes will either be tactical or secular in nature. The secular thematic focus will harness the potential of companies that the Investment Manager believes will succeed in the future by identifying the megatrends in a changing world, for example longer-term social, economic, political, environmental or technological changes. Tactical themes will be shorter term views more associated with an economic view that will result in a period of outperformance for a specific equity subset e.g. Japanese Exporters that will benefit from an anticipated period of Japanese Yen depreciation. The primary purpose of the thematic equities strategy is to enhance the growth potential of the equity component, either tactically via shorter term views or via exposure to long term mega trends. The Fund will not restrict investment to any particular economic sector or industry, but will focus predominately on developed markets stocks.

The Fund may invest in fixed or floating rate fixed income securities issued by governments, quasi-governments and corporate entities. This includes investment in exchange traded commodities (ETCs) and inflation linked securities. The Fund may also from time to time invest in money market instruments (including, without limitation, Treasury bills, time deposits and certificates of deposit).

The minimum average weighted rating of the fixed income securities will typically be BB- by S&P or Ba3 by Moody's with a maximum of 25% of the Net Asset Value allocated to high yield fixed income securities. The Fund will not invest in any individual issuer below a rating of B– by S&P or B3 by Moody's.

The Fund may invest in aggregate up to 60% of the Net Asset Value into fixed income and equity securities issued by issuers who are either incorporated in Emerging Market Countries (as defined below), whose country of risk or whose economic activity predominantly occurs in Emerging Market Countries. Emerging Market Countries are defined as those included in the MSCI Emerging Markets Index.

In addition to, or as an alternative to, investing directly in the equity and fixed income securities referred to above, the Fund may invest in collective investment schemes to implement asset allocation views and gain exposure to the following alternative strategies: long short equity, equity market neutral, event driven, managed futures, macro and relative value. The collective investment scheme which the Fund may invest in may include other UCITS funds, AIFs, exchange traded funds and investment trusts. The UCITS funds, AIFs and exchange traded funds will be regulated and generally will be listed or traded on a Recognised Exchange. The AIFs will fall within the requirements set out in the Central Bank's guidance with a level of protection which is equivalent to that provided to unitholders of a UCITS. The investment trusts the Fund may invest in are closed-ended collective investment schemes which fulfil the criteria for transferable securities and eligible assets under the UCITS Regulations. Such closed-ended investment trusts will generally be listed or traded on a Recognised Exchange.

Such collective investment schemes will not charge annual management fees in excess of 3% of those collective investment schemes' respective net asset values. Periodically the Investment Manager will review the allocations for the Fund in each collective investment scheme and may adjust allocations to collective investment schemes or may add or remove collective investment schemes without notice to shareholders.

It is the policy of the Fund that the portfolio will remain predominately fully invested however, from time to time up to 100% of the Net Asset Value may be held in liquid assets such as cash, bank deposits and money market instruments including but not limited to short-term fixed income instruments including treasury bills issued or guaranteed by any government which are rated and may offer fixed or variable interest rates. The situations in which liquid assets set out above may be held may include: (i) where the Investment Manager considers that there are not sufficient suitable investment opportunities; (ii) to protect the value of the Fund and maintain liquidity at times in falling or volatile markets; (iii) to facilitate the Fund's ability to meet redemption requests; and (iv) where the Fund has received subscriptions that are awaiting investment.

Asset allocation is reviewed periodically by the investment committee of the Investment Manager.

The Fund is actively managed without reference to any benchmark and may use FX forward contracts to hedge currency exposure back to the Fund's Base Currency (Great Britain Pounds) to reduce the volatility of investment returns.

The Fund may employ the techniques and instruments as set out below for the purpose of risk management and EPM; including exchange-traded futures, options, over the counter (OTC) credit FDI (credit default swaps and options), interest rate swaps and securities lending arrangements. This is different to the use of FX forward contracts as described above, which are used to hedge non-Base Currency exposure.

Exchange-Traded 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 the Fund to hedge against market risk or gain exposure to a specific asset or the underlying market. Since these contracts are marked-to-market daily, the Fund can, by closing out its position, exit from its 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.

Options

There are two forms of options, put and call options. Put options are contracts sold for a premium that gives one party (the buyer) the right, but not the obligation, to sell to the other party (the seller) of the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option at a specified price. Options may also be cash settled. The Fund may write and purchase call and put options, the underlying of which may be currencies, investments or indices comprising investments, where such investments are consistent with the investment policy of the Fund. Index options enable investors to gain exposure to a large number of investments with one trading decision. Put options may be purchased to protect the value of the Fund or a portion of the Fund from an expected sharp downside move in a particular market, currency or in a single investment position. Put options may also be written to generate premium for the Fund. Call options may be purchased to gain exposure to an index or single investment position or be sold (covered sale only) to add income from premium.

Swaps

A swap is an individually negotiated OTC agreement between two parties to swap one stream of payments for another. The Fund may utilise a variety of swaps, including but not limited to: credit default swap (type of swap designed to transfer the credit exposure of fixed income products between two or more parties) and interest rate swaps.

Securities Lending

Subject to the conditions and limits set out in the Central Bank Rules, the Fund may use securities lending agreements for efficient portfolio management purposes only. Please refer to the section of the Prospectus entitled "Efficient Portfolio Management" for further details.

The Fund shall not engage in any Securities Financing Transactions (other than securities lending agreement referred to above) or Total Return Swaps and this section will be updated in accordance with the Central Bank Rules and the disclosure requirements of SFTR in advance of any change in this regard.

Investment Process

The Investment Manager adopts a structured approach to asset allocation decisions and security selection as summarised below.

Asset Allocation

Initially the Investment Manager will examine four key drivers of markets. They are:

1) Macro-economic & policy factors:
   a. Analysis of economic growth across countries and sectors
   b. Drivers of growth
   c. Growth risks
   d. Analysis of monetary policy across regions
   e. Analysis of fiscal policy

2) Company earnings revisions and expectations:
   a. Analysis of consensus expectations across sectors and regions
   b. Forward-looking views of profit margins and net earnings across sectors and regions
   c. Analysis of earnings growth drivers (margins and sales)

3) Valuations of assets:
   a. Current valuations versus historical averages
   b. Cross-asset relative valuations

4) Market sentiment & technicals:

a. Analysis of market positioning
b. Technical indicators

Asset allocation is reviewed periodically by the investment committee of the Investment Manager.

These factors help the Investment Manager to form a view on how different asset classes are likely to perform over the following 12 months and the rest of the cycle. Short-term (12 months) asset views will be a function of forecasts of macro-economic and policy drivers, corporate earnings expectations, current asset valuations and market sentiment/technical. Full economic cycle return expectations are based on historical cycle returns, adjusted for long-term trend expectations for growth, interest rates and inflation. They also provide insight into potential risks, correlations between asset classes and sources of volatility/maximum drawdowns. The amount that is allocated to each asset class is determined by what the market drivers are indicating. For example if the Investment Manager expects higher risk adjusted returns from equities versus fixed income over the coming 12 months, the Fund is likely to have an equity allocation towards the higher end of the Fund's equity parameters.

Once asset allocation is decided, the equity and fixed income teams identify appropriate sub-asset classes and sectors. This is followed by security selection, which involves extensive due diligence as described below

Equity

The Investment Manager adopts a structured approach to equity security selection that combines equity analysis and investment stages as summarised below.

Idea Generation: Several sources are used to provide an adequate investment rationale in order to screen and shortlist a sample of attractive stocks:

• Proprietary Screening	• Macroeconomic trends
• Supply Chain Analysis	• Sell-Side Research
• Industry Analysis	• Mega Trend Themes
• Financial Press and Media	• In-house Think Tank
• Regulatory Filings	• Practitioner and Scholar Research Paper

Preliminary Analysis Overview: Having shortlisted a number of stocks, a preliminary fundamental analysis is conducted using a myriad of different key metrics to have an initial understanding of every company shortlisted in terms of profitability, liquidity, solvency, operating efficiency, valuation and core business industry.

Fundamental Company – Specific Analysis: after having identified a specific company using the aforementioned methodology, the process follows several stages shown below:

Business Analysis: thorough analysis of the business dynamics, key profit drivers and risk factors is carried out at both qualitative and quantitative level – when numerical data is available – with the purpose of discovering competitive advantages as well as enable the analyst to make realistic assumptions in forecasting a company's future performance.

Accounting Analysis: The objective is to assess the company's accounting methods with those followed by other peers within the industry. If any accounting items are of extreme distortive nature, a restatement of the affected items will be implemented to provide a more reliable set of inputs.

Financial Analysis: The financial statements are used to evaluate the latest company's performance – normally using a five-year period – through the construction of financial ratios following a fundamental logic related to business profitability, operating efficiency, operating leverage, financial leverage and other company-related areas.

Valuation: The equities valuation methodology looks to select quality companies at a reasonable price. In order to establish a reasonable price, the process makes use of a blended valuation process which includes discounted cashflow analysis and a comparison of price earnings multiples versus peers and the longer-term historic averages of the company.

Momentum/Technical Analysis: Price and earnings momentum, including technical analysis, is incorporated into the equity investment decision to assists in the timing of investments.

Investment Decision: The final investment decision is taken after a thorough review of every detail in each part of the stages outlined above, with special emphasis in reviewing data and valuation accuracy. Qualitative and quantitative conclusions are combined and compared against other sell-side valuations and challenged in an investment committee in order to obtain feedback and either acceptance or rejection.

Fixed Income

The Fund's fixed income allocation is diversified across a range of fixed income securities detailed further above. The Investment Manager adopts a thematic approach, which guides security selection.

The Investment Manager combines a top-down thematic macro approach to fixed income asset allocation with bottom-up fundamental and valuation analysis for security selection.

1. Global Macroeconomic Analysis

The macroeconomic analysis evaluates interest rates, currencies, budget deficits/surpluses, corporate earnings, economic growth and credit/commodity cycles amongst other factors. Using these inputs, the Investment Manager forms coherent views on the potential returns, risk and correlations of asset classes across the globe.

2. Asset Class Evaluation

The strategic long-term allocations are determined by the return, volatility and correlation of each asset class within the fixed income universe. To produce these allocations the Investment Manager undertakes the following key steps:

- Fundamental analysis - to identify which asset classes are over or undervalued on an absolute and relative return basis
- Volatility evaluation – across all fixed income asset classes
- Establish risk/return zones for each asset class – to decide the weightings allocated to each within the Fund. The return zones are based on the Investment Manager's central economic and market outlook, a bull case scenario and a bear case. Probabilities are attached to each scenario, providing a total return expectation (coupon and potential capital moves). Potential capital moves are determined by the expected change in the spreads across fixed income market segments. Segments with attractive relative risk/return zones will be allocated higher weightings whilst remaining within the average credit quality and single issuer parameters of the Fund.

Collective Investment Schemes

The Investment Manager may use collective investment schemes detailed further below in order to implement asset allocation views in bonds and equities, but also exposure to alternative strategies.

Investments will be made in AIFs, such as the AIF fund strategies outlined below and into what the Investment Manager considers to be alternative income strategies i.e. investment trusts or collective investment schemes which offer exposure to non-traditional sources of income-based returns such as direct lending, leasing or renewable energy investments (further details below).

Investment in AIFs will consist of a range of alternative strategies (further details in respect of the strategies are provided below): long short equity, equity market neutral, event driven, managed futures, macro and relative value.

<u>Long Short Equity</u>
Long Short Equity strategies maintain positions both long and short in primarily equity and equity derivative securities (swaps, futures and options). Both fundamental and quantitative techniques will be employed to assess the risk and reward of investing in different companies and use the long short strategy to benefit from both rising and falling share prices.

<u>Equity Market Neutral</u>
Equity Market Neutral strategies typically employ sophisticated quantitative techniques to identify potential equity investments which are expressed directly through equities or equity derivatives (swaps, futures and options). Equity market neutral portfolios are constructed to be neutral to one or multiple variables, such as broader equity markets in dollar or beta terms in order to generate a return profile which is uncorrelated to traditional risk assets.

<u>Event Driven</u>
An Event Driven strategy maintains positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, acquisitions, restructurings, financial distress, tender offers other capital structure adjustments. Investment ideas will typically be expressed through equities and equity derivatives but may also involve credit instruments such as bonds and credit default swaps.

<u>Managed Futures</u>
A Managed Futures strategy typically expresses a directional view on equity, fixed income, currency and commodity markets through the use of futures, forwards and swaps. These strategies utilise a systematic approach to investing, looking at price-based movements and trends in securities as well as other technical factors, in order to attempt to predict their future direction and profit accordingly.

<u>Macro</u>
Macro hedge fund strategies are predicated on movements in underlying economic variables and the impact these have on equity, fixed income, currency and commodity markets. Managers employ a variety of techniques, both discretionary and systematic, in order to express their macro views and generate a profit. Positions in markets can be both long and short and will often be executed through liquid futures, forwards and swaps.

<u>Relative Value</u>
Relative Value hedge fund strategies look to exploit mispricing or differences between related or similar financial instruments, with the expectation that the mispricing will revert or disappear over time. Such arbitrage opportunities may exist in equity and equity derivatives markets as well as in fixed income instruments.

The AIFs utilise equities, bonds and derivatives such as swaps, futures and options in order to benefit from both rising as well as falling prices across multiple asset classes. Such strategies aim to generate absolute returns irrespective of the prevailing market environment and therefore provide good portfolio diversification.

Alternative Income investments will have exposure to income-based strategies: direct lending to corporates, SMEs or consumers; aircraft and business equipment leasing; property-based lending such as bridge loans; trade receivables (factoring) or royalties financing; catastrophe risk insurance or renewable energy investments.

The intention is to create a diversified basket of collective investment schemes which in aggregate deliver an uncorrelated return stream which is complementary to traditional asset classes. A rigorous due diligence process is used by the Investment Manager to select investments which fit within the mandate. The Investment Manager will search the listed investment trust universe and utilise a wide network of industry contacts to source collective investment schemes, which are all then screened and analysed to decide if they are eligible for inclusion in the portfolio.

Efficient Portfolio Management and Leverage

The Fund may engage in transactions in FDI for the purposes of EPM and/or to protect against exchange risks within the conditions and limits laid down by the Central Bank from time to time. The Fund may only use exchange-traded futures, options and over the counter (OTC) credit FDI (credit default swaps and options) and interest rate swaps. EPM transactions relating to the assets of the Fund may be entered into by the Investment Manager with one of the following aims (a) a reduction of risk (including currency exposure risk); (b) a reduction of cost (with no increase or minimal increase in risk); and (c) generation of additional capital or income for the Fund with a level of risk consistent with the risk profile of the Fund and the diversification requirements in accordance with the Central Bank Rules. In relation to EPM operations the Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way. Such EPM transactions may include foreign exchange transactions which alter the currency characteristics of securities held by the Fund.

Due to the nature and the low level of complexity of the use of FDI, the Fund will measure global exposure using the commitment approach. Under the commitment approach, positions in FDI are converted into the equivalent positions of the underlying assets. As a consequence, the leverage of the Fund, which incorporates any FDI that may be held, is less than 100% of the Net Asset Value of the Fund.

The Company, on behalf of the Fund, has filed with the Central Bank a risk management policy which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI.

Investor Profile

This Fund is intended for investors seeking multi-asset exposure who have a higher risk tolerance, consistent with the risk indicator displayed in the Fund's key investor information document and a longer investment time horizon of at least 5 years. Capital is not guaranteed.

7. Investment Manager for the Fund

The Investment Manager of the Fund is London and Capital Asset Management Limited, authorised and regulated by the UK Financial Conduct Authority (registration number 143286).
The Investment Manager was incorporated in England and Wales on 19th March 1987 as a company with limited liability under company number 2112588 and its registered office is at Two Fitzroy Place, 8 Mortimer Street, London, W1T 3JJ, United Kingdom. The Investment Manager is owned by London and Capital Group Limited, a company incorporated in England and Wales. The Investment Manager specialises in providing independent advice, including portfolio construction, using multiple strategies, incorporating high yield bonds and a range of traditional

and non-traditional collective instruments. The Investment Manager has been advising on client monies for over 30 years.

The Investment Manager makes investment decisions for the Fund and continuously reviews, supervises and administers the Fund's investment program. The Manager supervises the Investment Manager and establishes policies that the Investment Manager must follow in its management activities.

Pursuant to the Investment Management Agreement, the Investment Manager has been appointed to provide investment management services to the Fund.

The Investment Management Agreement states that the appointment of the Investment Manager shall continue unless and until terminated by either part giving not less than 180 calendar days' notice. In certain circumstances set out in the Investment Management Agreement, either party may terminate the Investment Management Agreement upon the occurrence of certain events, such as the insolvency or liquidation of either party. The Investment Management Agreement contains certain indemnities in favour of the Investment Manager, which are restricted to exclude matters to the extent that they are attributable to the fraud, bad faith, negligence, wilful default or recklessness of the Investment Manager.

8. Issue of Shares:

The Initial Offer Period for the Class A Shares EUR and Class B Shares EUR in the Fund is ongoing and will close at 5.00pm (Irish time) on 9 July 2021 unless such period is shortened or extended by the Directors, who may delegate the exercise of such discretion to any one Director, in accordance with the requirements of the Central Bank. The Shares will be offered at an initial offer price per Share of EUR100 per Class A Shares EUR and Class B Shares EUR.

All other Shares in the Fund are available on each Dealing Day at the Net Asset Value per Share.

All applications for Shares must be received by the Dealing Deadline (as defined above) in the manner set out in the Prospectus. For further information, please see the section headed "Subscription for Shares" in this Prospectus.

All applications must be received by the Administrator no later than the Dealing Deadline on the relevant Dealing Day. Subscription requests may be submitted by fax to the Administrator. Applications should be made on the Application Form available from the Administrator (and supporting documentation relating to money laundering prevention checks) and the originals must be sent promptly to the Administrator. Applications received after the Dealing Deadline will be held over to the next Dealing Day. No interest will be paid on early subscriptions.

Unless otherwise specified, the minimum initial subscription is GBP50,000 for Class A Shares GBP and USD50,000 for Class A Shares USD. Additional subscriptions for Shares are set at a minimum of GBP50,000 for Class A Shares GBP and USD50,000 for Class A Shares USD. Minimum initial subscription is EUR10,000,000 for Class A Shares EUR. Additional subscriptions for Shares are set at a minimum of EUR50,000 for Class A Shares EUR.

Unless otherwise specified, the minimum initial subscription is GBP50,000 for Class B Shares GBP, and USD50,000 for Class B Shares USD. Additional subscriptions for Shares are set at a minimum of GBP50,000 for Class B Shares GBP and USD50,000 for Class B Shares USD. Minimum initial subscription is EUR10,000,000 for Class B Shares EUR. Additional subscriptions for Shares are set at a minimum of EUR50,000 for Class B Shares EUR.

The Directors or their delegates including the Investment Manager reserve the right to differentiate between Shareholders and to waive or reduce the minimum initial subscription or minimum additional subscription amount for any such Shareholders where the principles of treating Shareholders fairly and equally are observed or to refuse an application for any such Shares in their absolute discretion. The Company may issue fractional Shares, expressed as four decimal place fractions of a Share. Application monies representing smaller fractions of a Share will be retained by the Company.

To preserve the value of the underlying assets and to cover dealing costs, when there are net subscriptions exceeding 5.00% of the Net Asset Value of the Fund, an anti-dilution levy may be applied on behalf of the Company of up to a maximum of 2% of the subscription price. Any such adjustment shall be retained for the benefit of the Fund.

The number of Shares will be rounded up or down to the nearest fourth decimal place.

9. Redemption of Shares

Shares in the Fund may be redeemed on every Dealing Day at the Net Asset Value per Share of the relevant Class subject to the procedures, terms and conditions set out in the Prospectus under the section heading "Subscription and Redemption of Shares". All requests for the redemption of Shares must be received by the Dealing Deadline (as defined above) in the manner set out in the Prospectus.

Redemption monies will normally be paid within 5 Business Days of the relevant Dealing Day for redemptions.

Prior to redemption proceeds being paid an exit charge of up to 2.00% may be deducted from redemption proceeds before the remainder is paid to the Shareholder. The exit charge is an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Fund. An exit charge is only likely to arise if more than 5.00% of the Net Asset Value of the Fund is redeemed on any singular Dealing Day. Shareholders will be notified if an exit charge is to be applied to their redemption on any Dealing Day and may be given the option to reduce or cancel their redemption request in order to avoid an exit charge being applied. Exit charges will be retained by the Fund.

10. Fees and Expenses

The following fees and expenses are payable out of the Fund. Details of how the fees and expenses are accrued and paid as well as details of other general management and fund charges are set out in the Prospectus under the heading "Charges and Expenses".

Net Total Operating Fees and Expenses

Management Fee

The Manager shall be entitled to receive out of the assets of the Fund a fee of 0.10% per annum of the Net Asset Value of the Fund payable monthly in arrears subject to a minimum annual fee of €75,000. The Manager will also be entitled to be reimbursed out of the assets of the Fund for all reasonable, vouched out-of-pocket expenses incurred by it on behalf of the Fund.

Investment Manager Fees

Class A Shares may only be issued to investors who have in place an agreement with the Investment Manager in relation to the collection of an investment management fee or similar fee arrangement, which is not payable from the Net Asset Value.

The Investment Manager will be paid a fee from the Company monthly in arrears at the rate of up to 1.5% per annum of the Net Asset Value of Class B Shares of the Fund on the Valuation Point accrued daily. The Investment Manager may, at its sole discretion and in accordance with applicable law, waive or rebate all or part of its investment management fee to any Shareholder.

Reasonable out-of-pocket expenses incurred by the Investment Manager in the performance of its duties will be reimbursed by the Company as may be approved from time to time by the Directors.

The Administrator's Fee (Fund Accounting, Financial Reporting and Transfer Agent Fees)

The Administrator is entitled to receive out of the assets of the Fund (with VAT thereon, if any) an annual fee of up to 0.0225% on a tiered basis of the Net Asset Value of the Fund which will be accrued and payable monthly in arrears, subject to a total of all of the minimum annual fees for the Fund of €32,250.

The Administrator shall be reimbursed out of the assets of the Fund for all reasonable and vouched out-of-pocket expenses incurred by it. In addition, the Administrator may also receive out of the assets of the Fund a fee for trade order management of 0.02% per annum of the Net Asset Value of the Fund.

Formation and Organisation Costs

The costs of forming the Fund, including the fees and expenses of legal advisers, product development fees and expenses, regulatory and listing fees and expenses and any other fees and expenses arising on the formation and launch of the Fund (which are not expected to exceed GBP50,000) will be borne by the Fund and amortised over five years.

11. Risk Warnings:

Persons interested in purchasing Shares in the Fund should read the section headed "Risk Warnings" in the main body of this Prospectus.

The Company will, on request, provide supplementary information to shareholders relating to the risk management methods employed including the qualitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

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.

Emerging Market Risk

In emerging markets the legal, judicial and regulatory infrastructure is still developing and there is much legal uncertainty both for local market participants and their overseas counterparts. Frontier markets are differentiated from emerging markets in that frontier markets are considered to be somewhat less economically developed than emerging markets. Some markets carry significant risks for investors who should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable.

Price volatility in emerging markets may be higher than in more developed markets. Price discrepancies can be common and market dislocation is not uncommon in such markets. Additionally, as news about a particular country becomes available, financial markets may react significantly in a very short period of time. Emerging markets generally lack the level of transparency, liquidity, efficiency and levels of regulation found in more developed markets. There may be a higher level of political risk attached to investing in emerging markets also.

The trading volume on emerging markets through which the Fund may invest may be substantially less than in the world's leading stock markets, accordingly the income and disposal of holdings in some investments may be time-consuming and may need to be conducted at unfavourable prices. Liquidity in such markets may also be less and volatility of prices greater than in the leading markets as a result of a high degree of concentration of market capitalisation and trading volume in a small number of companies.

The value of the Fund's assets may be affected by uncertainties such as changes in government policies, taxation, interest rates, exchange rates, currency repatriation restrictions, social and religious instability and other political, economic or other developments in the law or regulations of the countries in which the Fund may invest and, in particular, by changes in legislation relating to the level of foreign ownership in the companies in countries in which the Fund may invest.

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, Fund will be exposed to credit risk on parties with whom they trade and will bear the risk of settlement default. The Depositary may be instructed by the Investment Manager to settle transactions on a delivery free of payment basis where the Investment Manager believes that this form of settlement is appropriate. Shareholders should be aware, however, that this may result in a loss to the Fund if a transaction fails to settle.

Some of the Recognised Exchanges on which the Fund may invest may prove to be illiquid or highly volatile from time to time and this may affect the price at which the Fund may liquidate positions to meet redemption requests or other funding requirements. Potential investors should also note that the Fund may have exposure to the securities of small capitalisation companies which are less liquid than larger capitalisation companies and this may result in fluctuations in the price of the Shares of the Fund.

Investing in China

Investments in China are currently subject to certain additional risks. Part of the assets of the Fund may be invested in local Chinese securities through the use of a Qualified Foreign Institutional Investor ("**QFII**") licence. A foreign investment quota is granted to a QFII under the applicable Chinese investment regulations (a "**Quota**") pursuant to which local Chinese securities may be held. Although the laws of China permit setting up nominee accounts for clients of investment managers who are QFIIs, the Chinese regulators required that the QFII name be used to set up the securities and other accounts on behalf of the Fund. As a result, assets of the Fund may not be deemed to be segregated from other investments of the QFII and therefore they may be less protected than keeping the Fund's assets in a separate account in its own name. However, it has been clarified with the Chinese regulators that the assets belong to the Fund and not the QFII licence-holder. Notwithstanding this, in the event of the default of the QFII, there is a risk that creditors of the QFII may attempt to assert that the securities and other assets in the accounts are owned by the QFII and not the Fund. If a court upholds such an assertion, creditors of the QFII could seek payment from the assets of the Fund.

Risk warnings specific to Russian securities

The Fund may invest in regulated markets in Russia which are subject to increased risk with regard to ownership and custody of securities.

Investments in Russia either through the Russian Trading System (RTS) and Moscow Interbank Currency Exchange (MICEX) or on other non-Regulated Markets are subject to increased risk with regard to ownership and custody of securities. There are significant risks inherent in investing in Russia and including: (a) delays in settling transactions and the risk of loss arising out of the systems of securities registration and custody; (b) the lack of corporate governance provisions or general rules or regulations relating to investor protection; (c) pervasiveness of corruption, insider trading, and crime in the Russian economic systems; (d) difficulties associated in obtaining accurate market valuations of many Russian securities, based partly on the limited amount of publicly available information; (e) tax regulations are ambiguous and unclear and there is a risk of imposition of arbitrary or onerous taxes; (f) the general financial condition of Russian and CIS companies, which may involve particularly large amounts of inter-company debt; (g) banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings and (h) the risk that the government of or other executive or legislative bodies may decide not to continue to support the economic reform programs implemented since the dissolution of the Soviet Union. The concept of fiduciary duty on the part of a company's management is generally non-existent. Local laws and regulations may not prohibit or restrict a company's management from materially changing the company's structure without shareholder consent. Foreign investors cannot be guaranteed redress in a court of law for breach of local laws, regulations or contracts. Regulations governing securities investment may not exist or may be applied in an arbitrary and inconsistent manner. Evidence of legal title in many cases will be maintained in "book-entry" form and the Fund could lose its registration and ownership of securities through fraud, negligence or even oversight. Securities in Russia are issued only in book entry form and ownership records are maintained by registrars who are under contract with the issuers. The registrars are neither agents of, nor responsible to the Company, the Depositary or their local agents in Russia. Transferees of securities have no proprietary rights in respect of securities until their name appears in the register of holders of the securities of the issuer. The law and practice relating to registration of holders of securities are not well developed in Russia and registration delays and failures to register securities can occur. Although Russian sub-custodians will maintain copies of the registrar's records ("**Records**") on its premises, such Records may not, however, be legally sufficient to establish ownership of securities. Further a quantity of forged or otherwise fraudulent securities, Records or other documents are in circulation in the Russian markets and there is therefore a risk that the Fund's purchases may be settled with such forged or fraudulent securities. In common with other emerging markets, Russia and the CIS have no central source for the issuance or publication of corporate actions information. The Depositary therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications. Although exposure to these equity markets is substantially hedged through the use of ADRs and GDRs, the Fund may invest in securities which require the use of local depository or custodial services.

FDI, Techniques and Instruments Risks

The prices of FDI, including futures, options and swap prices, are highly volatile. 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 programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, amongst other things, interest rate fluctuations. The use of these techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the price movements of the FDI and price movements of related instruments, (3) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund, (4) 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 redemption. The Fund may invest in certain FDI, which may involve the assumption of obligations as well as rights and assets. 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.

The Fund may from time to time utilise both exchange-traded and over-the-counter ("**OTC**") FDI, such as collateralised debt obligations or credit default swaps as part of its investment policy and for hedging purposes. These instruments may be volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss that is high in proportion to the amount of the funds actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Furthermore, when used for hedging purposes there may be an imperfect correlation between these instruments and the investment or market sectors being hedged. Transactions in OTC FDI, such as credit FDI, may involve additional risk as there is no exchange market on which to close out an open position.

Forward Trading Risk

The Fund, or the underlying investment funds in which the Fund may invest, may enter into forward contracts and options thereon. Forward contracts do not have standard terms and are not traded on exchanges. Each transaction is carried out by individual agreements, with banks and dealers acting as principals. Trading in forwards and "cash" trading are both largely unregulated; there is no limitation on daily price movements and speculative position limits are not applicable to the markets, which can be highly illiquid because the principals involved are not obliged to make markets in the currencies or commodities they trade. At times, participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market because of unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading, to the possible detriment of the Fund. Market illiquidity or disruption could result in major losses to the Fund. The Fund may be exposed to credit risks on the counterparties and to risks associated with settlement default. Such risks could result in substantial losses to the Fund.

Futures and Options Risk

The Investment Manager may engage in various portfolio strategies on behalf of the Fund through the use of futures and options. Due to the nature of futures, cash to meet margin monies will be held by a broker with whom the Fund has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such monies will be returned to the Fund. On execution of an option, the Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

OTC Markets Risk

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

Lending of Securities

The Company may lend its securities to brokers, dealers and other financial institutions needing to borrow securities to complete certain transactions. The Company continues to be entitled to payments of amounts equal to the interest, dividends or other distributions payable in respect of the loaned securities, which affords the Company an opportunity to earn interest on the amount of the loan and on the loaned securities' collateral. In connection with any such transaction, the Company will receive collateral that will be marked to market on a daily basis and maintained at all times in an amount equal or exceeding 100% of the current market value of the loaned securities at all times. However, the Company might experience loss if the institution with which the Company has engaged in a portfolio loan transaction breaches its agreement with the

Company. This may occur if the counterparty were to default at a time when the value of securities lent increased. In this case it is possible that the collateral held by the Fund would not cover the value of securities lost.

12. Listing

The Fund will not be initially listed on the ISE, however the Directors may seek a future listing.

13. Termination of the Fund

The Directors may at their discretion decide to terminate the Fund if the Net Asset Value of the Fund falls below GBP 10 million for a period of greater than 3 months.

14. Net Asset Value per Share information

The Net Asset Value per Share of the Fund is available from the Administrator and Bloomberg.