

PROSPECTUS

CARMIGNAC ALTS ICAV

(an umbrella Irish Collective Asset-management Vehicle with segregated liability between Sub-Funds and limited liability incorporated under the laws of Ireland with registration number C475684)

Carmignac Gestion Luxembourg S.A.
(MANAGER)

22 April 2026

IMPORTANT INFORMATION

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

Reliance on Prospectus

The Shares are offered solely on the basis of the information and representations contained in this Prospectus and any further information given or representations made by any person may not be relied upon as having been authorised by the Fund or the Directors. Neither the delivery of this Prospectus nor the allotment or issue of Shares shall under any circumstances create any implication that there has been no change in the affairs of the Fund since the date hereof.

Central Bank authorisation

The Fund has been authorised by the Central Bank as an Irish collective asset-management vehicle with variable capital and segregated liability between Sub-Funds pursuant to the ICAV Act. The Fund has been authorised by the Central Bank to market solely to Qualifying Investors. Accordingly, the Fund is a Qualifying Investor AIF under the Central Bank's current rules and, while the Fund is authorised by the Central Bank, the Central Bank has not set any limits or other restrictions on the investment objectives, the investment policies or on the degree of leverage, which may be employed by the Fund nor has the Central Bank reviewed this Prospectus.

The authorisation of the Fund is not an endorsement or guarantee of the Fund by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The Central Bank shall not be liable by virtue of its authorisation of this scheme or by reason of its exercise of the functions conferred on it by legislation in relation to this scheme for any default of the scheme. Authorisation of this scheme does not constitute a warranty by the Central Bank as to the creditworthiness or financial standing of the various parties to the scheme. The minimum initial investment into the Fund is not less than the Regulatory Minimum Initial Investment (subject to the exemptions set out in the section of this Prospectus entitled "Knowledgeable Persons Exemption") and an investment in the Fund may only be made by a Qualifying Investor.

No key information document will be prepared in respect of any Class of Shares in accordance with Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs). Accordingly, Shares are not available to, and no person may advise on, offer or sell Shares for or to, any retail client (as defined in MiFID) in the EEA.

Investors should note that all of the fees and expenses of certain Classes may be charged to the capital of the Fund. This will have the effect of lowering the capital value of an investor's investment. Thus, on redemptions of holdings, investors may not receive back the full amount invested.

Restrictions on Distribution

Generally: The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. The information below is for general guidance only, and it is the responsibility of any person or persons in possession of this Prospectus and wishing to make an application for Shares to inform themselves of and observe all applicable laws and regulations of any relevant jurisdiction. Such persons should also inform themselves of any applicable legal requirements, exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

This Prospectus does not constitute an offer or solicitation to any person in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it would be unlawful to make such an offer or solicitation.

This Prospectus does not constitute an offer or solicitation to invest in any AIF mentioned in this Prospectus other than the Fund.

This Prospectus has been prepared solely for the information of the person to whom it has been delivered by or on behalf of the Fund, and should not be reproduced or used for any other purpose.

Distribution in the European Economic Area

In relation to each EEA Member State which has implemented AIFMD, this Prospectus may only be distributed and Shares may only be offered or placed in an EEA Member State to the extent that: (1) the Fund is permitted to be marketed to professional investors in the relevant EEA Member State in accordance with AIFMD (as implemented into the local law and regulations of the relevant EEA Member State); or (2) this Prospectus may otherwise be lawfully distributed and the Shares may otherwise be lawfully offered or placed in that EEA Member State (including at the initiative of the investor).

In relation to each EEA Member State which, at the date of this Prospectus, has not implemented AIFMD, this Prospectus may only be distributed and Shares may only be offered or placed to the extent that this Prospectus may be lawfully distributed and the Shares may lawfully be offered or placed in that EEA Member State (including at the initiative of the investor).

In addition, the following restrictions apply to the distribution of this Prospectus:

Distribution outside the European Economic Area

Switzerland: The offer and the marketing of Shares in Switzerland will be exclusively made to, and directed at, qualified investors (the "Qualified Investors"), as defined in Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("CISA") and its implementing ordinance, to the exclusion of qualified investors who have opted-out pursuant to Article 5(1) of the Swiss Federal Act on Financial Services and without any portfolio management or advisory relationship with a financial intermediary pursuant to Article 10(3ter) CISA ("Excluded Qualified Investors"). Accordingly, the Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority and no representative or paying agent has been or will be appointed in Switzerland. This Prospectus and/or any other offering or marketing materials relating to the Shares may be made available in Switzerland solely to Qualified Investors, to the exclusion of Excluded Qualified Investors. The legal documents of the Fund may be obtained free of charge from the Manager.

United Kingdom: The Prospectus and each Supplement are not available to the public in the United Kingdom ("UK") because the Fund is an unregulated collective investment scheme whose promotion is restricted by sections 238 and 240 of the Financial Services and Markets Act 2000 ("FSMA"). The Fund has not been approved by and is not regulated by the UK Financial Conduct Authority. This Prospectus has not been approved by a person authorised under FSMA for the purposes of section 21 of FSMA.

The Prospectus and each Supplement is directed only at (i) persons having professional experience in matters relating to investments, being investment professionals within the meaning of Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended (the "FPO"), (ii) high net worth companies, unincorporated associations and other bodies within the meaning of Article 49 of the FPO and who meet the requirements thereunder and (iii) other persons to whom it may lawfully be made available (together the "Relevant Persons").

The Prospectus and any Supplement must not be acted on or relied on by persons who are not Relevant Persons.

Any potential investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Prior to accepting an application from any applicant who claims to fall within any of the above categories, verifiable evidence of the applicant's status may be required.

Potential investors in the UK are advised that all, or most, of the protections afforded by the UK regulatory system will not apply to the possible investment opportunity to which this document relates and that compensation will not be available under the UK financial services compensation scheme.

United States: The Shares have not been and will not be registered under the 1933 Act or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "US Person" except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws.

The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(a)(2) thereof.

The Fund has not been and will not be registered under the 1940 Act since Shares will only be sold to US Persons who are "qualified purchasers", as defined in the 1940 Act.

Each applicant for Shares that is a US Person will be required to certify that it is an "accredited investor" and a "qualified purchaser", in each case as defined under the US federal securities laws.

There is no public market for the Shares and no such market is expected to develop in the future. The Shares offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the 1933 Act and applicable state securities laws pursuant to registration or exemption therefrom.

The Shares are suitable only for sophisticated investors who do not require immediate liquidity for their investments, for whom an investment in the Fund does not constitute a complete investment program and who fully understand and are able to bear the loss of their investment in the Fund. The Fund's investment program, by its nature, may be considered to involve a substantial degree of risk. Applicants for Shares must represent that they are acquiring the Shares for investment.

Offering materials for the offering of the Shares have not been filed with or approved or disapproved by the SEC or any other state or federal regulatory authority, nor has any such regulatory authority passed upon or endorsed the merits of this offering or passed upon the accuracy or completeness of any offering materials. Any representation to the contrary is unlawful.

Risk Factors

Investment in a Sub-Fund carries substantial risk. There can be no assurance that the investment objective of any of the Sub-Funds will be achieved and investment results may vary substantially over time. Investment in a Sub-Fund is not intended to be a complete investment programme for any investor. Prospective investors should carefully consider whether an investment in Shares is suitable for them in light of their circumstances and financial resources (see further under "Risk Factors").

If you are in any doubt about the contents of this Prospectus you should consult your professional advisers.

Forward-Looking Statements

This Prospectus, including information included or incorporated by reference in this Prospectus, may contain “forward-looking statements” concerning the Fund and each Sub-Fund. Generally, the words “will”, “may”, “should”, “continue”, “believes”, “expects”, “intends”, “anticipates”, “projects” or similar expressions identify forward-looking statements. Such forward-looking statements involve risks, uncertainties and other factors, which may cause the actual results, performance or achievements of, or developments affecting, the Fund, or industry results, to be materially different from any future results, performance, achievements or developments expressed or implied by such forward-looking statements, and as such, no representation or warranty is made as to future performance or such forward-looking statements. Such risks, uncertainties and other factors include, among others, those factors described in this Prospectus in the section headed “Risk Factors” such as general economic and business conditions, changes in technology, government policy, the ability to attract and retain personnel and the behaviour of other market participants, as well as, but not limited to, the following:

1. returns for investors may fluctuate;
2. suitable investments may not be identified by the Manager or any Investment Manager;
3. the benefits identified in this Prospectus may not be achieved on time, or at all; and
4. potential conflicts of interest for the Manager and any Investment Manager may arise.

These forward-looking statements speak only as at the date of this document. Except as required by law, the Fund expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Fund’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

This Prospectus should be read in its entirety before making an application for Shares.

CONTENTS

DIRECTORY.....	7
PRINCIPAL FEATURES	8
MANAGER.....	14
INVESTMENT MANAGER	16
ADMINISTRATOR	17
DEPOSITARY.....	18
PRIME BROKERS	19
DIRECTORS AND SECRETARY	20
SUBSCRIPTIONS.....	22
REDEMPTIONS.....	26
EXCHANGES	29
NET ASSET VALUE	31
FEES AND EXPENSES.....	34
REPORTS AND FINANCIAL STATEMENTS.....	37
CONFLICTS OF INTEREST	38
RISK FACTORS	40
TAXATION.....	79
GENERAL AND STATUTORY INFORMATION	86
DEFINITIONS	115

DIRECTORY

CARMIGNAC ALTS ICAV

Registered Office

One Molesworth
Molesworth Street
Dublin
Ireland

Directors

Denise Kinsella (chair)
Raymond O'Neill
Petri Hämäläinen

Auditors

PricewaterhouseCoopers
Spencer Dock
Dublin 1 Ireland

Manager and Distributor

Carmignac Gestion Luxembourg S.A.
7 Rue de la Chapelle
L-1325 Luxembourg
Luxembourg

Legal Advisors as to Irish law

Simmons & Simmons (Ireland) LLP
One Molesworth
Molesworth Street
Dublin
D02 RF29

Investment Managers

Carmignac Gestion S.A.
24 Place Vendôme
75001 Paris
France

Legal Advisors as to English law

Simmons & Simmons LLP
CityPoint
1 Ropemaker Street
London EC2Y 9SS
United Kingdom

Administrator

CACEIS Ireland Limited
9th Floor, One George's Quay Plaza
George's Quay
Dublin 2
D02 E440
Ireland

Secretary

Simmons & Simmons Corporate Services
Limited
One Molesworth
Molesworth Street
Dublin
D02 RF29

Depository

CACEIS Bank, Ireland Branch
9th Floor, One George's Quay Plaza
George's Quay
Dublin 2
D02 E440
Ireland
Ireland

PRINCIPAL FEATURES

The following is a summary of the principal features of the Fund and should be read in conjunction with the full text of this Prospectus.

Structure

The Fund is an ICAV with limited liability and segregated liability between Sub-Funds registered in Ireland on 11 April 2022. The Fund has the power to issue and redeem Shares at the relevant Subscription Price and the relevant Redemption Price respectively. No application has been made to list the Shares on any stock exchange.

The Sub-Funds

The Instrument provides that the Fund may offer separate Sub-Funds which may be open-ended, closed-ended or open-ended with limited liquidity.

Each Sub-Fund will have a distinct portfolio of Investments. With the prior approval of the Central Bank, the Fund from time to time may create additional Sub-Funds, with such relevant information as the Directors deem appropriate and/or the Central Bank requires to be provided specific to each such Sub-Fund being outlined in the relevant Supplement. The Fund may offer additional Classes within a Sub-Fund provided that the Central Bank gives prior clearance in respect of the offer and issuance of any such additional Class.

Shares may be issued in Classes within each Sub-Fund. Classes in each Sub-Fund may differ as to certain matters including currency of denomination, hedging strategies if any applied to the designated currency of a particular Class, dividend policy, fees and expenses charged, liquidity terms or the Minimum Initial Investment, Minimum Additional Investment, Minimum Holding and Minimum Redemption Amount. The Classes available for subscription shall be set out in the relevant Supplement. A separate pool of assets shall not be maintained in respect of each Class or Series. Separate books and records will be maintained for each Sub-Fund but not for each Class or Series.

Additional Classes may be established by the Directors and notified to and cleared in advance with the Central Bank or otherwise must be created in accordance with the requirements of the Central Bank.

Investment Objective

The investment objective of each Sub-Fund is set out in the relevant Supplement. There can be no assurance that a Sub-Fund will achieve its investment objective.

Investment Policy

The investment policy of each Sub-Fund is set out in the relevant Supplement.

Changes to the Investment Objective and Investment Policy

Any change in the investment objective and any material change in the investment policy will be subject to the approval of the Shareholders of the relevant Sub-Fund. Votes in favour of the change must represent a simple majority of the votes cast at the general meeting.

In the event that such a change is approved by the Shareholders of the relevant Sub-Fund, a reasonable notification period will be provided to Shareholders of the relevant Sub-Fund to enable them to redeem their Shares prior to the implementation of such a change.

Alternatively, in any case, approval by way of written consent of all Shareholders of the relevant Sub-Fund will be required.

Changes other than those described above may be approved by resolution of the Directors and notified to Shareholders of the relevant Sub-Fund by means of appropriate disclosure in the next periodic report.

Manager and Distributor

Carmignac Gestion Luxembourg S.A. has been appointed as the AIFM and distributor of the Fund and each Sub-Fund for the purposes of the AIFM Rules.

Investment Manager(s)

Carmignac Gestion S.A. (or any successor entity) has been appointed as the Investment Manager of Carmignac Credit Opportunities for the purposes of the AIFM Rules.

Offer

The Instrument permits the creation of classes of Shares. Classes may be subject to different terms, including different fee and liquidity terms. Further information in this regard is available on request.

The relevant Supplement will set out the Shares available for subscription in each Sub-Fund.

Subscriptions

Shares of each Class are available for subscription on each Subscription Day at the relevant Subscription Price.

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

Minimums

Any Minimum Initial Investment, Minimum Additional Investment, Minimum Holding and Minimum Redemption Amount in respect of a Sub-Fund will be set out in the relevant Supplement.

Restrictions on Sale and Transfer

Shares may only be offered, sold or transferred to investors who are not Ineligible Applicants as described under “Subscriptions” below.

Redemptions

Shares will be redeemable at the option of the Shareholder on each Redemption Day subject to receipt of such prior written notice as set out in the relevant Supplement to the Administrator (or such lesser period as the Directors may in any particular case determine). Shares will be redeemed at the relevant Redemption Price.

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

Fees and Expenses

The Management Fee, Performance Fee and fees of the Administrator, Depositary and any Prime Broker in respect of each Sub-Fund is set out in the relevant Supplement.

Dividend Policy

Unless otherwise disclosed in the relevant Supplement, it is not envisaged that any income or gains will be distributed by a Sub-Fund by way of dividend. This does not preclude the Directors from declaring a dividend at any time in the future if they consider it appropriate to do so. To the extent that a dividend may be declared, it will be paid in compliance with any applicable laws.

Reports and Financial Statements

Annual financial statements of the Fund and each Sub-Fund will be made up to 31 December in each year. The first audited financial statements will cover the period from the date of the Fund's registration up to 31 December 2022. Unaudited semi-annual accounts will not be prepared.

An annual report and the audited financial statements of the Fund will be sent to Shareholders as soon as practicable and in any event within six months of the financial year end.

Investment Restrictions

The following investment restrictions are applicable to each Sub-Fund in accordance with the requirements of the Central Bank:

- (A) A Sub-Fund may not (nor shall the Manager or the Investment Manager on behalf of a Sub-Fund) acquire any shares carrying voting rights which would enable any of them to exercise significant influence over the management of an issuing body.
- (B) Each Sub-Fund is restricted from investing more than 50 per cent of its Net Asset Value in any one unregulated fund and the Sub-Fund may not invest more than 50 per cent of its Net Asset Value in another collective investment scheme which itself may invest more than 50 per cent of its net assets in another collective investment scheme.
- (C) Where a Sub-Fund invests in the shares or units of any other collective investment scheme managed by the Manager or an associated entity or the Investment Manager, the Manager or the associated entity or the Investment Manager, as applicable, will waive any preliminary charge (or equivalent) or redemption charge (or equivalent) that would otherwise be payable in connection with the investment in that other collective investment scheme.
- (D) The Fund, in respect of a Sub-Fund, may raise capital from the public through the issue of debt securities.

Investment restrictions are applied at the time of purchase of an investment. Where any Investment restriction is breached for reasons beyond the control of the Sub-Fund or as a result of the exercise of subscription rights, including any inadvertent breaches, the Manager (or the Investment Manager, if appropriate) will ensure corrective action is taken as a priority objective taking due account of the interests of the Shareholders. Any additional investment restrictions in respect of a Sub-Fund will be set out in the relevant Supplement.

The investment restrictions apply at the date of the relevant transaction or commitment to invest. Accordingly, corrective action will not be required where a restriction is breached only as a result of any appreciation or depreciation in value, a change in exchange rates, the receipt of any right, bonus or benefit in the nature of capital, or any other event occurring after the time of the relevant transaction or commitment to invest. In the event that an investment restriction is breached, the

Manager (or the Investment Manager, if appropriate) will take prompt corrective action, unless doing so would be detrimental to the interests of the Sub-Fund.

Borrowing and Leverage

A Sub-Fund may employ leverage in circumstances where the Manager (or any Investment Manager, where relevant) deems it appropriate to do so in pursuit of the investment objective and policy and approach of a Sub-Fund.

A Sub-Fund may leverage its capital by borrowing, including (but not limited to) margin lending agreements, collateralised borrowing, securities lending and through the use of futures, forwards, contracts, options and other derivative instruments. Leverage will only be utilised in such amounts as is considered prudent by the Manager, in consultation with the Directors.

A Sub-Fund may employ leverage by borrowing funds from brokerage firms, banks and other financial institutions and through the use of derivatives and other non-fully funded instruments. In each case, leverage may be obtained on a secured or unsecured, and collateralised or uncollateralised basis. Leverage obtained through borrowing is obtained from the relevant lender. Leverage obtained through the use of derivatives and other non-fully funded instruments is obtained from the relevant counterparty. Details of counterparties providing leverage or any guarantee under any leverage arrangement are available from the Manager. Any changes will be disclosed to Shareholders in accordance with the AIFM Rules.

The maximum level of leverage which may be employed in respect of a Sub-Fund when calculated in accordance with the “gross” and “commitment” methods (in each case, as set out in the AIFM Rules) will be set out in the relevant Supplement where relevant. The maximum level of leverage is not an investment restriction or prohibition, and the maximum level of leverage may change from time to time. Any changes will be disclosed to Shareholders in accordance with the AIFM Rules.

There are no restrictions on a Sub-Fund’s use of leverage, by borrowing or otherwise, other than those which may be imposed by applicable law, rule and regulation or as set out in the relevant Supplement.

Securities Financing Transactions

Each Sub-Fund may engage in Securities Financing Transactions and Total Return Swaps in accordance with the AIFM Rules and the Securities Financing Transaction Regulation 2015/2365.

Unless otherwise set out in the relevant Supplement, the maximum and expected proportion of each Sub-Fund’s assets which may be subject to each type of Securities Financing Transactions or Total Return Swaps is set out below.

The following is a general description of the Securities Financing Transactions and Total Return Swaps which may be used by the Fund.

- (1) A repurchase agreement is a type of transaction in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price typically reflecting a market rate of interest. A reverse repurchase agreement is a transaction whereby a party purchases securities from a party and simultaneously commits to resell the securities to the party at an agreed upon date and price. Maximum proportion 100 per cent. Expected proportion 100 per cent.
- (2) A securities lending transaction is a transaction by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for

the party transferring the securities and being considered as securities borrowing for the party to which they are transferred. Maximum proportion 100 per cent. Expected proportion 100 per cent.

- (3) A buy-sell back transaction or sell-buy back transaction is a transaction by which a party buys or sells securities, commodities (or guaranteed rights relating to title to securities or commodities), agreeing, respectively, to sell or to buy back securities, commodities or such guaranteed rights of the same description at a specified price on a future date, that transaction being a buy-sell back transaction for the party buying the securities, commodities or guaranteed rights, and a sell-buy back transaction for the party selling them. Maximum proportion 100 per cent. Expected proportion 100 per cent.
- (4) A margin lending transaction is a transaction in which a counterparty (such as a prime broker) extends credit in connection with the purchase, sale, carrying or trading of securities, but not including other loans that are secured by collateral in the form of securities ((1) – (4) each being “Securities Financing Transactions”). Maximum proportion 100 per cent. Expected proportion 100 per cent.

A Total Return Swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation, which may for example be a share, bond or index, to the other party (total return receiver). The total return receiver must in turn pay the total return payer any reduction in the value of the reference obligation and possibly certain other cash flows. Maximum proportion 100 per cent. Expected proportion 100 per cent.

Collateral and Asset Re-use Arrangements

A Sub-Fund's collateral and asset re-use arrangements vary according to the identity of the Sub-Fund's trading counterparty or broker.

A Sub-Fund's current collateral and asset re-use arrangements with the Prime Brokers will be set out in the Supplement if relevant.

A Sub-Fund may from time to time be required to deliver collateral to or to the order of its trading counterparties and brokers (including, but not limited to, the Brokers) under the terms of the relevant agreements (including, but not limited to, ISDA master agreements, global master securities lending agreements, credit support documentation and securities lending, repurchase, foreign exchange and futures clearing agreements), by posting initial margin and variation margin and on a daily mark-to-market basis. A Sub-Fund may deliver such collateral by way of title transfer or by way of security interest (and in certain circumstances may grant a right of re-use of such collateral) to a trading counterparty or broker. The treatment of such collateral varies according to the type of transaction and where it is traded.

There are generally no restrictions on the re-use of collateral by trading counterparties and brokers required to be implemented by a Sub-Fund, but a Sub-Fund, and the Manager (or the Investment Manager, if relevant) on its behalf, seeks to establish such protections for assets as are appropriate and negotiable according to the circumstances of each counterparty relationship.

A Sub-Fund may execute collateral or asset re-use arrangements in relation to their assets at any time.

Further details in respect of the collateral and asset re-use arrangement which are applicable to a specific Sub-Fund are set out in the relevant Supplement to the extent applicable.

Details of collateral providers are available from the Manager. Any changes to the right of re-use of collateral will be disclosed to Shareholders in accordance with the AIFM Rules.

Risk Monitoring

The Manager monitors and controls risk in the portfolio through the use of various risk monitoring techniques. Any changes will be disclosed to Shareholders in accordance with the AIFM Rules.

EU Sustainable Finance Disclosure Regulation

This section summarises the manner in which sustainability risks are integrated into the investment decisions for the Sub-Funds and the results of the assessment of the likely impacts of sustainability risks on the returns of the Sub-Funds.

Pursuant to the SFDR, financial market participants are required to disclose the manner in which sustainability risks are integrated into the investment decision making process and the results of the assessment of the likely impacts of sustainability risks on the returns of the Sub-Funds. For the purposes of SFDR, “sustainability risk” means an environmental, social or governance (“ESG”) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

Unless otherwise specified in the relevant Supplement, the Investment Manager has determined that sustainability risks are not relevant to the Sub-Funds on the basis that in light of the investment objective and policies of the Sub-Funds and in particular in light of the limited discretion afforded by the strategies of the Sub-Funds and employed by the Investment Manager on behalf of the Sub-Funds, the Investment Manager considers that ESG events or conditions are unlikely to cause a material negative effect on the returns of the Sub-Funds.

Unless otherwise specified in the relevant Supplement, the Sub-Funds do not have as their objectives sustainable investment and do not promote environmental or social characteristics for the purposes of the SFDR. To the extent a Sub-Fund is not subject to the additional disclosure requirements for financial products referred to in Article 8 or Article 9 SFDR, Article 6 of SFDR will apply. For the same reason, the Sub-Funds not subject to the requirements of the EU Regulation on the establishment of a framework to facilitate sustainable investment.

Principal adverse impacts

Unless otherwise stated in a Supplement, the principal adverse impacts of investment decisions on sustainability factors are not currently considered by the Investment Manager for the Sub-Funds due to the lack of information and data available to adequately assess such principal adverse impacts.

MANAGER

Carmignac Gestion Luxembourg S.A. has been appointed as the Manager of the Fund and each Sub-Fund pursuant to an alternative investment fund management agreement between the Fund and the Manager dated 3 May 2022 (the “Management Agreement”).

The Manager is a société anonyme established in Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier (“CSSF”) as an AIFM pursuant to the AIFM Rules.

Remuneration Policy

The Manager is subject to remuneration policies, procedures and practices (together, the Remuneration Policy). The Remuneration Policy complies with the AIFM Rules regarding remuneration and is designed to ensure that the Manager’s remuneration practices, for those staff in scope of the applicable rules: (i) are consistent with and promote sound and effective risk management; (ii) do not encourage excessive risk taking and are consistent with the risk profiles, this Prospectus, any Supplement or the Instrument; (iii) do not impair the Manager’s compliance with its duty to act in the best interests of those Funds; and (iv) include fixed components of remuneration. When applying the Remuneration Policy, the Manager will comply with the AIFM Rules in a way, and to the extent, that is appropriate to the size, internal organisation and the nature, scope and complexity of the Manager’s activities.

Where the Manager delegates certain portfolio management and risk management functions in respect of the Fund it may in its discretion decide the extent to which it will delegate portfolio management and risk management and the Manager will use best efforts to ensure that the entities to which portfolio or risk management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the relevant guidelines issued by ESMA; or appropriate contractual arrangements are put in place to ensure that there is no circumvention of the remuneration rules set out in the relevant ESMA guidelines.

The details of the Manager’s remuneration policy (including how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits) is available free of charge on request from the Manager.

Liquidity policy of the Manager

The Manager employs an appropriate liquidity management system and has adopted procedures which enable it to monitor the liquidity risk of the Fund and each Sub-Fund and to ensure that the liquidity profile of the investments of each Sub-Fund complies with its underlying obligations. The liquidity management system ensures that each Sub-Fund maintains a level of liquidity appropriate to their underlying obligations based on an assessment of the relative liquidity of each Sub-Fund’s assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated and their sensitivity to other market risks or factors. The Manager monitors the liquidity profile of the portfolio of assets having regard to the profile of the investor base of each Sub-Fund, the relative size of investments and the repurchase terms to which these investments are subject. The Manager implements and maintains appropriate liquidity measurement arrangements and procedures to assess the quantitative and qualitative risks of positions and intended investments which have a material impact on the liquidity profile of the portfolio of a Sub-Fund’s assets to enable their effects on the overall liquidity profile to be appropriately measured and considers and puts into effect the tools and arrangements necessary to manage the liquidity of each Sub-Fund.

Professional Liability Risk

The Manager will cover at all times the risks of loss or damage caused by any relevant person through the negligent performance of activities for which the Manager has legal responsibility by

maintaining an amount of own funds, and will comply with the qualitative requirements addressing such risks, in each case, in accordance with the AIFM Rules.

Delegation by the Manager

The Manager may delegate certain of its functions, powers and duties under the Management Agreement to any third parties (in each case the “Delegate”) in accordance with the AIFM Rules. Any such delegation may be upon such terms and conditions, for such periods and at such remuneration and be subject to such regulations including power to sub-delegate and right to indemnity out of the assets of the relevant Sub-Fund as the Manager determines.

A Delegate may be required to fulfil certain requirements in relation to the aspects of the functions it discharges on the behalf of the Fund or a Sub-Fund. Where aspects of a function are delegated in the manner described, the Manager will take all reasonable measures necessary with the aim of ensuring that the Delegate has taken the appropriate measures in order to comply with the AIFM Rules and will be required to effectively monitor the compliance by the Delegate with those requirements.

Certain administrative functions have been delegated to the Administrator, as further described below. This delegation and any sub-delegation thereunder will be in accordance with the AIFM Rules.

Details of any Delegates will be made available to Shareholders upon request.

For details of potential conflicts of interest that may arise as a result of such delegation arrangements referred to above, refer to the section of this Prospectus entitled “Conflicts of Interest”.

INVESTMENT MANAGER

Carmignac Gestion S.A. with an address at 24 place Vendôme, 75001 Paris, France is the investment manager of the Carmignac Credit Opportunities Sub-Fund.

Both Investment Managers have obtained the necessary clearance from the Central Bank to act as investment manager of the relevant Sub-Fund. Any proposed successor to an Investment Manager will be required to obtain such clearance prior to its appointment by the Fund.

Delegation by the Investment Manager

The Investment Manager may delegate certain of its functions, powers and duties under the Investment Management Agreement to any third parties (in each case the “Delegate”) in accordance with the AIFM Rules.

A Delegate may be required to fulfil certain requirements in relation to the aspects of the functions it discharges on the behalf of each Sub-Fund. Where aspects of a function are delegated in the manner described, the Investment Manager will take all reasonable measures necessary with the aim of ensuring that the Delegate has taken the appropriate measures in order to comply with the AIFM Rules and will be required to effectively monitor the compliance by the Delegate with those requirements.

For details of potential conflicts of interest that may arise as a result of such delegation arrangements referred to above, refer to the section of this Prospectus entitled “Conflicts of Interest”.

ADMINISTRATOR

CACEIS Ireland Limited has been appointed by the AIFM as administrator of the Fund pursuant to an administration agreement between the Fund, the Manager and the Administrator dated 3 May 2022 (the “Administration Agreement”).

The Administrator is a private limited company, incorporated in Ireland on 26 May 2000 and authorised by the Central Bank of Ireland to provide administration, accounting and transfer agency services to collective investment schemes. The Administrator is wholly owned by CACEIS, which is the asset servicing and banking group of Credit Agricole S.A., with €3.7 trillion in assets under administration as at 31 December 2025.

DEPOSITARY

CACEIS Bank, Ireland Branch has been appointed as depositary of the Fund pursuant to a depositary agreement between the Fund, the Manager and the Depositary dated 3 May 2022 (the “Depositary Agreement”).

The Depositary is regulated by the Central Bank of Ireland. Its principal activity is to act as custodian and trustee of the assets of collective investment schemes. The Depositary is a branch of CACEIS Bank which is a “société anonyme” with limited liability incorporated under the laws of France having its registered office at 89-91 Rue Gabriel Péri, 92120 Montrouge, France and is a credit institution authorised by the Autorité de Contrôle Prudentiel et de Résolution. The Depositary is wholly owned by CACEIS with €5.9 trillion in assets under custody as at 31 December 2025.

The duties of the Depositary include the provision of safekeeping, oversight and asset verification services in respect of the assets of the Fund and each Sub-Fund in accordance with the provisions of the AIFMD. The Depositary will also provide cash monitoring services in respect of each Fund’s cash flows and subscriptions.

The Depositary will be obliged, inter alia, to ensure that the sale, issue, repurchase and cancellation of Shares in the Fund is carried out in accordance with the AIFMD and the Instrument. The Depositary will carry out the instructions of the Fund, unless they conflict with the AIFMD or the Instrument. The Depositary is also obliged to enquire into the conduct of the Fund in each financial year and report thereon to the Shareholders.

PRIME BROKERS

Details of any Prime Brokers will be set out in the relevant Supplement.

DIRECTORS AND SECRETARY

The Directors are responsible for the overall management and control of the Fund in accordance with the Instrument. Certain functions of the Fund have been delegated to the service providers, as described in this Prospectus and each Supplement.

The Directors will review the operations of the Fund and each Sub-Fund at regular meetings which will take place on at least a quarterly basis and more frequently as required. The Directors will receive periodic reports from the Manager (or the Investment Manager, if relevant) detailing the performance of each Sub-Fund and providing an analysis of its investment portfolio. The Manager (or the Investment Manager, if relevant) will provide such other information as may from time to time be reasonably required by the Directors for the purpose of those meetings.

The Directors are:

Denise Kinsella (Irish Resident) (Chair)

Denise Kinsella (Irish) is an experienced independent non-executive director and chairperson of asset management companies and funds, with over 30 years' experience in international financial services. Ms Kinsella is a former partner of Dillon Eustace Solicitors prior to which she held senior executive roles as Head of Client Services and Head of Legal Affairs at Bank of Ireland Securities Services (since acquired by Northern Trust) and, in Bank of Ireland Asset Management, Senior Manager. Ms Kinsella is a past Chairperson of Irish Funds, the Irish funds industry association and its legal and regulatory sub-committee and represented the industry on a number of key funds industry working groups including An Taoiseach's International Financial Services Committee and FEFSI (now EFAMA). Ms Kinsella served on the Committee on Collective Investment Governance formed by the Central Bank of Ireland to develop recommendations for good governance practice for funds, was consulting editor to "Collective Investment Schemes in Luxembourg, Law and Practice" published by Oxford University Press and has lectured on financial services law at the Law Society of Ireland. She graduated in law from Trinity College Dublin, was admitted as a solicitor by the Law Society of Ireland, holds a diploma in company direction from the Institute of Directors (UK) and has completed the Cambridge University Institute of Sustainable Finance course. Ms Kinsella is a founding member and past Director of the Irish funds' industry charity, basis.point.

Raymond O'Neill (Irish Resident)

Raymond O'Neill has worked in various roles in the investment management industry since 1987. Mr O'Neill currently acts as an independent non-executive director for several regulated entities and investment funds. Mr O'Neill's industry experience includes working for entrepreneurial start-ups and large global organisations, having held senior positions working in London, Dublin, Boston and Bermuda. Mr O'Neill was previously CEO and a founding member of Kinetic Partners, the global boutique professional services firm. Mr O'Neill also gained experience working for large fund administrators, custodians and a family office, is a fellow of the Chartered Association of Certified Accountants, a Chartered Financial Analyst and has a diploma from the Institute of Directors.

Petri Hämäläinen

Petri Hämäläinen has over twenty years' experience in the international funds industry. Mr Hämäläinen currently acts as a legal advisor to the Manager where he is responsible for design and drafting of the Manager's SICAV prospectus, fund governance, and board meetings of the SICAV. Mr Hämäläinen is a former Project Leader (Vice President) at Brown Brothers Harriman S.C.A. (Lux) (2011-2016) where he held responsibility for the negotiation of distribution agreements with fund companies and general regulatory compliance. Mr Hämäläinen has extensive education in the area of investment funds having been awarded a Master of Science in Economics from the Turku School of Economics and Business Administration, Turku, Finland (1995). His PHD studies at Helsinki's University's Department of Civil law (2005-2009) focused on the civil liability of UCITS

management companies. His academic work has resulted in Mr Hämäläinen being recognised as a leading securities / investment law expert in Finland. Mr Hämäläinen is a member of ALFI Fund Governance Forum, an IFBL Compliance Officer (M1 and M2) and has completed ILA Expert training in the Roles and Responsibilities of Fund Directors (level 1 and 2).

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

The secretary of the Fund is Simmons & Simmons Corporate Services Limited.

SUBSCRIPTIONS

Shares are available for subscription on each Subscription Day at the relevant Net Asset Value per Share.

The Directors may decline to accept any application for Shares without giving any reason therefor.

The Directors may from time to time close the Fund, a Sub-Fund or any Class to new subscriptions on such basis and on such terms as they may in their absolute discretion determine.

Shares may only be held by Qualifying Investors (subject to the exemptions set out in the section of the Prospectus entitled “Knowledgeable Persons Exemption”). Prospective investors must certify in writing that they meet the minimum criteria to constitute a Qualifying Investor and that they are aware of the risks involved in their proposed investment and of the fact that inherent in such investment is the potential to lose all of the sum invested. Any transferee of Shares (constituting a new Shareholder in the Sub-Fund) will be required to certify in like terms before any transfer is registered.

Procedure

Applicants for Shares, including Shareholders wishing to apply for additional Shares in a Sub-Fund should follow the procedures for subscriptions as outlined in the relevant Supplement.

If the application form for the Fund (“Application Form”) and cleared funds are not received as described in the relevant Supplement, the application will, subject to the discretion of the Directors, be held over to the following Subscription Day and Shares will be issued at the relevant Net Asset Value per Share on that following Subscription Day.

Application Forms may be sent by fax or by .pdf attachment to an email, as further detailed in the Application Form, or by such other method as the Administrator may permit. The Fund and the Administrator reserve the right to require an original executed Application Forms to be submitted, generally or in any particular case.

Subscription monies must be paid into the relevant Sub-Fund’s bank account, as further detailed in the Application Form, and any interest on subscription monies will accrue to the Fund. Applications for Shares will not be approved and Shares will not be issued until receipt of notification that an applicant’s funds have been cleared in the full amount of the subscription.

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

A written confirmation in the form of a contract note will be issued to successful applicants confirming acceptance of their application. Once applications have been received they are irrevocable.

Shares are deemed to be issued on the relevant Subscription Day. Fractions of Shares will, if necessary, be issued.

A Sub-Fund may, upon prior notification to and clearance by the Central Bank, create additional Classes. A separate portfolio of assets shall not be maintained for each Class.

Investors should note that as at the date of this Prospectus only certain Classes may be available for purchase.

Minimums

Any Minimum Initial Investment or Minimum Additional Investment in respect of a Sub-Fund will be set out in the relevant Supplement.

Subscription Fee

A subscription fee may be payable to the Fund (the "Subscription Fee").

Any Subscription Fee payable in respect of a Sub-Fund is outlined in the relevant Supplement.

Any Subscription Fee will be deducted from the gross subscription amount of the relevant Shareholder.

The Directors may at their discretion waive the payment of a Subscription Fee, in whole or in part. The Subscription Fee will be retained by the relevant Sub-Fund.

Knowledgeable Persons Exemption

The Directors may, in their discretion waive or reduce the Regulatory Minimum Initial Investment with respect to the following:

- (A) the Manager, the Investment Manager and any other company appointed to provide investment management or advisory services to the Fund;
- (B) a director of the Fund, the Manager, the Investment Manager or a director of any other company appointed to provide investment management or advisory services to the Fund;
- (C) an employee of the Fund, the Manager, the Investment Manager or an employee of any other company appointed to provide investment management or advisory services to the Fund, where the employee:
 - (1) is directly involved in the investment activities of the Fund; or
 - (2) is a senior employee of such company and has experience in the provision of investment management services,

provided that the Fund is satisfied that prospective investors fall within the criteria outlined above (each a "Knowledgeable Person").

Knowledgeable Persons must certify in writing that they are aware (i) that the Fund is marketed solely to Qualifying Investors who are subject to the Regulatory Minimum Initial Investment, (ii) of the risks involved in proposed investment in the Fund and (iii) of the fact that inherent in such investment is the potential to lose all of the sum invested.

Ineligible Applicants

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

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

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

- (a) such US Person is a US Tax-Exempt Investor which certifies that it is an “accredited investor” and a “qualified purchaser”, in each case as defined under applicable US federal securities laws, thereby also qualifying as a “qualified eligible person” as defined in Rule 4.7 under the CEA;
- (b) such issue or transfer does not result in a violation of the 1933 Act, the securities laws of any of the states of the United States or the CEA;
- (c) such issue or transfer will not require the Fund to register under the 1940 Act or the United States Securities Exchange Act of 1934, as amended, or to file a prospectus with the CFTC or the National Futures Association of the United States (the “NFA”) pursuant to regulations under the CEA, or cause the Manager be ineligible for any exemption it has claimed or may in the future claim with respect to the Fund under the CEA or the rules of the CFTC;
- (d) such issue or transfer will not cause any assets of the Fund to be “plan assets” for the purposes of ERISA or Section 4975 of the Code; and
- (e) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or its Shareholders as a whole.

In certain circumstances the Directors may in their absolute discretion determine to allow a US Person who is not a US Tax-Exempt Investor to invest in the Fund, provided that in doing so the requirements of (a) to (e) above are met.

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

Applicants for Shares must warrant on the Application Form that they have the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Fund, are aware of the risks inherent in investing in the assets in which the Fund will invest and the method by which these assets will be held and/or traded, and can bear the loss of their entire investment in the Fund. Any transferee of Shares will be required to warrant in like terms before any transfer is registered.

Subject as mentioned above and under “General and Statutory Information” below, Shares are freely transferable.

Form of Shares

The Fund does not issue share certificates. The Fund’s register of Shareholders is updated to reflect dealings in Shares, including subscriptions, redemptions and transfers.

Suspension

The Directors may declare a suspension of the determination of Net Asset Value and/or the issue of Shares in certain circumstances as described under “Suspension of Net Asset Value and Dealings in Shares”. No Shares will be issued during any such period of suspension.

Anti-Money Laundering

The Anti-Money Laundering and Counter Terrorist Financing Legislation applies to the Fund. In order to comply with the Anti-Money Laundering and Counter Terrorist Financing Legislation or equivalent legislation or regulations aimed at the prevention of money laundering, the Fund is required to adopt and maintain anti-money laundering procedures, and will require subscribers to provide evidence to verify their identity, the identity of their beneficial owners/controllers (where applicable) and source of funds.

The Fund and the Administrator have statutory obligations under Irish law, to comply with regulations aimed at the prevention of money laundering. Subscribers will be required to make certain representations and warranties in the Application Form in connection with these laws.

In order to comply with Irish law, the Administrator will require verification of identity, the identity of their beneficial owners/controllers (where applicable) and, where required, the source of funds.

By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a public authority such as a notary public, the police or the embassy in his country of residence, together with evidence of his address such as a utility bill or bank statement. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name) and of the memorandum and articles of association (or equivalent), and of the names and residential and business addresses of all directors and beneficial owners.

The details given above are by way of example only and the Fund and the Administrator reserve the right to request such information and/or documentation as is necessary to verify the identity and the source of funds of a subscriber. In the event of delay or failure on the part of the subscriber in producing any information and/or documentation required for verification purposes, the Fund and/or the Administrator may refuse to accept the application in which case any funds received will be returned without interest to the account from which they were originally debited.

The Fund and the Administrator also reserve the right to refuse to make any redemption payment to a Shareholder if the Directors or the Administrator suspect or are advised that the payment of redemption proceeds to such Shareholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Administrator with any such laws or regulations in any relevant jurisdiction, including, but not limited to, circumstances where customer due diligence for the relevant Shareholder is determined by the Fund, the Manager or the Administrator to be incomplete or deficient.

Each applicant for Shares will be required to make such representations as may be required by the Directors and the Administrator in connection with anti-money laundering programmes, including, without limitation, representations that such applicant is not a prohibited country, territory, individual or entity listed on the OFAC website, or under equivalent regulations applicable in the EU, UK or other relevant jurisdiction, and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC, EU or UK list or prohibited by any OFAC, EU or UK sanctions programmes or other similar list or sanctions programme in a relevant jurisdiction. Each applicant will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene United States federal or state, or international, laws and regulations, including anti-money laundering laws and regulations.

The Fund and/or the Administrator may develop additional procedures to comply with applicable anti-money laundering laws and regulations.

REDEMPTIONS

Shareholders may redeem their Shares in a Sub-Fund on the applicable Redemption Day at the relevant Redemption Price as further detailed in the Supplement.

Redemption Price

The “Redemption Price” of a Share is the Redemption Price of the relevant Class as at the Valuation Day immediately preceding the relevant Redemption Day unless otherwise set out in the relevant Supplement.

Procedure

Shareholders wishing to redeem Shares in a Sub-Fund should follow the procedures for redemptions as outlined in the relevant Supplement.

Redemption requests may be sent by fax or by pdf attachment to an email as further detailed in the Application Form.

A redemption request, once given, is irrevocable except with the consent of the Directors (which may be withheld in their absolute discretion) or as specified under “Suspension of Net Asset Value and Dealings in Shares”.

In the event of a partial redemption, Shares of a Class will be deemed to have been redeemed on a first-in, first-out (‘fifo’) basis unless otherwise determined by the Directors. A request for a partial redemption of Shares may be refused, or the holding redeemed in its entirety, if, as a result of that partial redemption, the Net Asset Value of the Shares of the relevant Class retained by the Shareholder would be less than any Minimum Holding.

Extension of Notice Period for Redemptions

In order to protect the interests of the Fund in circumstances where this is considered appropriate, the Directors, in conjunction with the Manager may, acting in the best interests of all Shareholders in the relevant Sub-Fund, activate an Extended Notice Period in respect of a Sub-Fund.

Any such extension will apply to all Shareholders in the relevant Sub-Fund.

An Extended Notice Period constitutes a liquidity management tool and may be activated or deactivated at the discretion of the Directors in conjunction with the Manager, and in accordance with applicable regulatory requirements and having regard to the liquidity profile of the relevant Sub-Fund.

Further details regarding the application of an Extended Notice Period in respect of a Sub-Fund are set out in the relevant Supplement.

Minimums

Any Minimum Holding and Minimum Redemption Amount in respect of a Sub-Fund will be set out in the relevant Supplement.

Redemption Fee

A redemption fee may be payable to the Fund (the “Redemption Fee”). The maximum Redemption Fee permitted by the Central Bank is 5 per cent of the redemption proceeds.

Any Redemption Fee payable in respect of a Sub-Fund is outlined in the relevant Supplement.

Any Redemption Fee will be deducted from the redemption proceeds and the net amount paid to the redeeming Shareholder.

The Directors may at their discretion waive the payment of a Redemption Fee, in whole or in part. The Redemption Fee will be retained by the relevant Sub-Fund.

Suspension

The Directors may declare a suspension of the determination of Net Asset Value and/or the redemption of Shares in certain circumstances as described under “Suspension of Net Asset Value and Dealings in Shares”. No Shares will be redeemed during any such period of suspension.

Redemption Gates

In order to ensure fair treatment of all Shareholders and to protect the interests of a relevant Sub-Fund and its investors, the Directors may decide in exceptional circumstances to cap redemptions as a liquidity management tool on the relevant Sub-Fund. The Directors have provided for a cap on redemptions above a threshold of 10% corresponding to the ratio between net redemptions of subscriptions and the relevant Sub-Fund’s net assets. The implementation of this mechanism is not systematic and the Directors reserve the right to meet redemption requests fully or partially above this threshold. The redemption gate is intended to be a temporary measure. Its’ duration will be determined having regard to the frequency of the relevant Sub-Fund’s Net Asset Value calculation, its investment strategy and the liquidity of its underlying assets.

The Redemption Gates mechanism can differ in each Sub-Fund as set out in the relevant Supplement.

Settlement

Payment of redemption proceeds will be made within such number of Business Days of the relevant Redemption Day as outlined in each Supplement. Cash redemption proceeds will be paid in the currency in which the Shares are redeemed by direct transfer, at the Shareholder’s risk and cost, to the account from which the subscription monies for the Shares were originally debited (unless otherwise agreed by the Administrator) and otherwise in accordance with instructions given by the redeeming Shareholder to the Administrator.

Certain deductions may be applied to redemption proceeds (including, for the avoidance of doubt, the proceeds of any compulsory redemption), and/or any other distribution payable to any Shareholder, in the circumstances described under “Taxation – Automatic Exchange of Account Information”.

If the Directors determine that special circumstances have arisen, which may include but are not limited to default or delay in payments to a Sub-Fund by other persons, the relevant Sub-Fund may delay payment of redemption proceeds equal to the proportionate part of the net assets of the relevant Sub-Fund represented by such sums that are affected by such circumstances or defer payment of the redemption proceeds if raising funds would, in the bona fide determination of the Directors, be unduly burdensome to the relevant Sub-Fund.

Shareholders will generally be removed from the register of Shareholders prior to or upon redemption proceeds being paid. Insofar as investors remain as Shareholders until such time as the relevant Net Asset Value per Share has been calculated and the register of Shareholders is updated, investors will be treated as creditors for the redemption proceeds and any dividend which has been declared in respect of their Shares prior to the relevant Redemption Day, rather than Shareholders, from the relevant Redemption Day, and will rank accordingly in the priority of the relevant Sub-Fund’s creditors. Furthermore, during this period, investors will not have rights as a Shareholder, except the right to receive redemption proceeds and any dividend which has been

declared in respect of their Shares prior to the relevant Redemption Day and, in particular, will not have the right to receive notice of, attend or vote at any meetings of the Fund or relevant Sub-Fund.

Compulsory Redemptions

The Fund has the right to compulsorily redeem all or part of the Shares held by or for the benefit of a Shareholder at any time without giving any reason.

Without limiting the above right, when the Directors become aware that (i) a Shareholder has become an Ineligible Applicant, (ii) a Shareholder is holding Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, legal, pecuniary or material administrative disadvantages for the Fund or its Shareholders including, but not limited to, a situation in which investment in the Fund by Benefit Plan Investors is significant, (iii) the Net Asset Value of the Shares held by a Shareholder is less than the Minimum Holding or a Shareholder is holding Shares less than such minimum number as the Directors may from time to time determine or (iv) a Shareholder has failed to provide any information or declaration required by the Directors within ten days of being requested to do so, the Directors may either direct that Shareholder to redeem or to transfer the relevant Shares to a person who is qualified or entitled to own or hold the relevant Shares, or compulsorily redeem the relevant Shares.

In Specie Redemptions

Redemptions may, at the discretion of the Directors and with the consent of the redeeming Shareholder, be effected in specie by the transfer to the redeeming Shareholder of assets of the relevant value (which will conclusively be determined by the Directors in good faith) in satisfaction or part satisfaction of the redemption proceeds, provided any such transfer does not materially prejudice the interests of the remaining Shareholders as a whole.

The nature and type of assets to be transferred in specie to each Shareholder will represent a cross-section of the portfolio insofar as possible in the determination of the Directors in consultation with the Manager acting reasonably, subject to the approval of the Depositary as to the allocation of assets on such basis as the Directors in their discretion shall otherwise deem equitable.

A redemption in specie may be effected in the discretion of the Fund in the event that a Shareholder requests redemption of a number of Shares representing 5 per cent or more of the Net Asset Value of the relevant Sub-Fund. In this event the Fund will, if requested, sell the assets on behalf of the Shareholder and the cost of the sale will be borne by the Shareholder.

Anti-Money Laundering

The Fund or the Administrator may refuse to accept or process a redemption request if it is not accompanied by such additional information as it may reasonably require. This power may, without limitation to the generality of the foregoing, be exercised where proper or complete information has not been provided for money laundering verification purposes as described under "Subscriptions".

Where redemption proceeds are requested to be remitted to an account which is not in the name of the investor, the Administrator reserves the right to request such information as may be reasonably necessary in order to verify the identity of the investor and the owner of the account to which the redemption proceeds will be paid. The redemption proceeds will not be paid to a third-party account.

EXCHANGES

Shareholders may, with the prior consent of the Directors, on any Redemption Day, exchange (an “Exchange”) some or all of their Shares of one Class (the “Original Shares”) for Shares of another Class (the “New Shares”), subject to (i) any restrictions or other terms applicable to redemptions of the Original Shares, including any applicable Redemption Fee or deferred redemptions, (iii) any eligibility requirements applicable to the New Shares, including the Minimum Initial Investment, (iv) the new Class being open to new subscriptions and (v) any suspension of issues, redemptions and/or exchanges of Shares.

Exchanges shall be processed (or as nearly as may be in accordance) with the following formula:

$$\frac{NS = A \times (B - [TC]) \times C}{D}$$

where:

- NS = the number of New Shares which will be issued;
- A = the number of Original Shares to be converted;
- B = the Redemption Price of the Original Shares to be converted;
- C = the currency conversion factor (if any) as determined by the Directors;
- D = the issue price of the New Shares on the relevant Valuation Day; and
- TC = a transaction charge which may be levied by the Fund to cover any costs incurred by the Fund in respect of the proposed transaction.

If NS is not an integral number of Shares the Directors reserve the right to issue fractional New Shares or to return the surplus arising to the investor seeking to convert the Shares.

Upon Exchange, the Fund shall cause assets or cash representing the value of NS as defined above to be allocated to the Class comprising the New Shares.

Procedure

To exchange Shares, a Shareholder must send a completed and executed exchange request in the form available from the Administrator so as to be received by the Administrator by such time and date as outlined in the relevant Supplement or by such later time as the Directors may generally or in any particular case determine. If the exchange request is not received as described above, the exchange will be held over until the following Redemption Day and Shares will be exchanged at the relevant Redemption Price and Subscription Price as at that following Redemption Day.

Exchange requests may be sent by fax or by .pdf attachment to an email, as further detailed in the exchange request, or by such other method as the Fund or the Administrator may permit. The Fund and the Administrator reserve the right to require an original executed exchange request to be submitted, generally or in any particular case.

Share exchanges will be effected by way of a redemption of Shares of the original Class (and so will result in the payment of any Performance Fee accrued in respect of those Shares) and a simultaneous subscription, at the most recent Net Asset Value per Share, for Shares of the new Class. Accordingly, the general provisions and procedures relating to redemptions and subscriptions of Shares will apply.

Where relevant, the redemption proceeds of the Shares of the original Class will be converted into the other currency at the relevant rate of exchange on the Redemption Day on which the Shares are exchanged and any cost of conversion will be deducted from the amount applied in subscribing for Shares of the new Class.

NET ASSET VALUE

Determination of Net Asset Value

The Net Asset Value of each Sub-Fund and the Net Asset Value per Share of each Class or Series will be determined as at each Valuation Day.

The Net Asset Value of each Sub-Fund will be equal to the total value of its assets (as determined below under “Valuation of Assets”) less its total liabilities.

A separate account for each Class and Series of Shares (a “Separate Account”) is maintained in the books of the relevant Sub-Fund. An amount equal to the proceeds of issue of each Share will be credited to the relevant Separate Account and an amount equal to the redemption proceeds of each Share will be debited from the relevant Separate Account. Any increase or decrease in the Net Asset Value of a Sub-Fund since the previous Valuation Day (disregarding any increase due to subscriptions, any decrease due to redemptions and any Designated Adjustments) will be allocated among Separate Accounts based on the Net Asset Values of each Separate Account as at the previous Valuation Day (after adjustment for any subscriptions or redemptions referable to that Valuation Day). There will then be allocated to each Separate Account the Designated Adjustments for that Class or Series. “Designated Adjustments” are those costs, pre-paid expenses, losses, dividends, profits, gains and income which the Directors determine in their sole discretion relate to one or more particular Class or Series (such as items relating to any foreign exchange transactions in respect of a Class or Series denominated in a particular currency, Management Fees, Investment Management Fees, Performance Fees and any dividends).

The Net Asset Value per Share of each Class or Series will be calculated by dividing the value of the relevant Separate Account by the number of Shares of that Class or Series in issue or deemed to be in issue on that Valuation Day.

With respect to all Sub-Funds, and in order to protect the interests of Shareholders, the Net Asset Value per Share may be adjusted in certain circumstances to prevent or reduce dilution (“swing pricing”). A Sub-Fund may suffer a dilution of Net Asset Value per Share in circumstances where subscriptions, conversions or redemptions are effected at a price that does not reflect the actual cost of selling or purchasing the underlying assets of the Sub-Fund. The price difference may be caused due to trading charges, taxes and other costs as well as the spread between buying and selling prices of the underlying assets of the relevant Sub-Fund. The Net Asset Value will be adjusted upwards when there are net inflows into a Sub-Fund and downwards when there are net outflows from a Sub-Fund in excess of a predetermined threshold. This mechanism is applied at Sub-Fund level to all the relevant Share Classes and is not meant to address specific circumstances of each individual investor. These adjustments will seek to reflect the actual prices of the underlying transactions, based on estimated dealing spreads, costs, and other market and trading considerations, in accordance with the internal process in place in the Manager and will not, in normal circumstances, exceed 2% of the Net Asset Value of the relevant Share. In extraordinary circumstances, the Directors may raise this limit to protect the relevant Shareholders. Extraordinary circumstances may include, but are not limited to: (i) an increase of the equity markets volatility beyond usual levels; (ii) a widening of bid/ask spreads in bonds or securitizations markets from usual levels; and/or (iii) a strong reduction of broker quotes on both buy and sell sides. A swing factor does not impact any performance fee calculation as any performance fee will be charged on the basis of the unswung Net Asset Value. Information on the application of swing pricing will be made available to Shareholders on the following website <https://www.carmignac.lu/en/regulatory-information> and by the Manager upon request. The Directors have determined that the Manager will manage the operations related to swing pricing and take the operational decisions on swing pricing on a day-to-day basis, in accordance with such instructions, limits and processes approved by Directors. The Directors may further instruct the Manager to retain the right to temporarily suspend the application of the swing pricing mechanism in some specific situations (such as, but not limited to the launch period i.e. the “ramp up period” of a Sub-Fund) as described in a dedicated

policy. The Directors will be provided with such reports as deemed necessary in respect of swing pricing decisions and internal processes are periodically reviewed.

Valuation of Assets

The assets of each Sub-Fund will be valued in accordance with the following principles:

- (A) Any security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon will be valued at its official closing price on the relevant Valuation Day. If no trades occurred on that day, it will be valued at its official closing price on the relevant Valuation Day, as adjusted in such manner as the Directors, in their sole discretion, think fit, having regard to the size of the holding. If no official closing price is available for the relevant Valuation Day, the previous official closing price may be used and adjusted in such manner as the Directors, in their sole discretion, think fit, having regard to the size of the holding. Where prices are available on more than one exchange or system for a particular security, the price will be the official closing price on the exchange which constitutes the main market for the security or the one which the Directors, in their sole discretion, determine provides the fairest criteria in ascribing a value to the security.
- (B) Any security which is not listed or quoted on any securities exchange or similar electronic system or, if it is so listed or quoted, is not regularly traded thereon, or in respect of which no prices as described in (A) are available, will be valued at its probable realisation value as at the close of business on the relevant Valuation Day, as determined by the Directors in their discretion having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding (with regard to the total amount of that security in issue) and such other factors as the Directors in their discretion deem relevant.
- (C) Investments other than securities that are dealt in or traded through a clearing firm, an exchange or a financial institution will be valued by reference to the most recent official settlement price quoted by that clearing house, exchange or financial institution as at the relevant Valuation Day. If there is no such price, then the average will be taken between the lowest offer price and the highest bid price at the close of business on any market on which the relevant investments are or can be dealt in or traded. Where the investment is dealt in or traded on more than one market, the Directors may determine the applicable market in their discretion.
- (D) Investment other than securities that are not dealt in or traded through a clearing firm, an exchange or a financial institution will be valued on the basis of the latest available valuation provided by the relevant counterparty or an independent valuation agent as at the close of business on the relevant Valuation Day.
- (E) Deposits will be valued at their cost plus accrued interest as at the close of business on the relevant Valuation Day.

The Directors may, at their discretion, permit any other method of valuation to be used if they consider that the other method of valuation better reflects value generally or in particular markets or market conditions and is in accordance with good accounting practice.

The base currency of each Sub-Fund is Euro unless stated otherwise in the relevant Supplement. Any value (whether of an investment or cash) in any currency other than in the base currency will be converted into the base currency at the rate (whether official or otherwise) that the Directors in their absolute discretion deem applicable as at close of business on the relevant Valuation Day, having regard, among other things, to any premium or discount which they consider may be appropriate and to costs of exchange.

Responsibility for Net Asset Value

Under the AIFM Rules, the Manager is responsible for the proper valuation of the assets of each Sub-Fund and the calculation and the publication of the Net Asset Value of each Sub-Fund. The Administrator has been appointed by the Manager to calculate and publish, in accordance with the Valuation Policy, the Net Asset Value of each Sub-Fund, and the Net Asset Value per Share of each Class or Series, in each case in accordance with the Valuation Policy.

As required under the AIFM Rules, the Manager has adopted a written valuation policy that is consistent with the Instrument and this Prospectus (the "Valuation Policy"), which has been approved by the Directors. The Valuation Policy may be modified from time to time. A copy of the Valuation Policy is available to Shareholders and prospective investors upon request.

Net Asset Value Information

The Net Asset Value of the Fund and the Net Asset Value per Share of each Class or Series, together with details of the historical performance of the Fund, will be sent to Shareholders by the Administrator. The most recent Net Asset Value per Share of each Class or Series is also available from the Administrator on request.

FEES AND EXPENSES

Management Fee

Details of any Management Fees payable in respect of a Sub-Fund will be outlined in the relevant Supplement.

Performance Fee

Details of any Performance Fees payable in respect of a Sub-Fund will be outlined in the relevant Supplement.

The Performance Fee is required to be verified by the Depositary or by a competent person appointed by the Manager and approved by the Depositary in accordance with the AIFM Rules.

Administrator

Details of the fees payable to the Administrator in respect of a Sub-Fund will be outlined in the relevant Supplement.

Depositary

Details of the fees payable to the Depositary in respect of a Sub-Fund will be outlined in the relevant Supplement.

Prime Brokers

The Prime Brokers receive such fees as may be agreed with the Fund from time to time. Prime Brokers receive prime brokerage fees which are based upon a combination of transactions charges, interest costs and securities lending fees. The Prime Brokers charge interest on debit balances at rates agreed with the Fund. The Prime Brokers may receive various other fees from time to time.

Directors

The Instrument provides that the remuneration of the Directors in respect of services rendered or to be rendered to the Fund shall be determined from time to time by a resolution of the Directors. The aggregate remuneration (which shall include any sub-committee and chair fees) of any Director shall not exceed €45,000 per annum in respect of the Fund. The cumulative fees payable to the Directors shall not exceed €120,000 in any one year. Such fees may be increased by resolution of the Directors at any time including, without limitation, to take account of additional board meetings and Sub-Funds. Any such increased fees will be stated in the subsequent audited financial statements of the Fund. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Fund or in connection with the business of the Fund.

Other Fees and Expenses

Each Sub-Fund will pay the costs and expenses of all transactions carried out by it or on its behalf and the operating costs and expenses of each Sub-Fund, including (but not limited to): (a) brokers' commissions (if any), borrowing charges on securities sold short and any issue or transfer taxes chargeable in connection with any investment transactions, (b) interest on borrowings, including borrowings from any Prime Brokers, (c) any taxes and any regulatory or corporate fees payable to governments or agencies, (d) any litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (e) the charges and expenses of legal advisers, accountants and auditors, (f) communication expenses with respect to investor services

and all expenses of meetings of Directors and Shareholders and of preparing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (g) the cost of insurance for the benefit of the Directors, (h) the cost of preparing and providing information to Shareholders for tax reporting purposes, (i) the costs of reporting information to regulators, tax authorities or other governmental agencies, (j) the cost of obtaining and maintaining the listing of the Shares of the Sub-Fund on any stock exchange and (k) all other organisational and operating expenses (k) research expenses as further detailed hereafter. These costs and expenses are generally incurred at normal commercial rates.

The Manager shall operate a research payment account ("RPA") for the discharge of research expenses. The Manager or the Investment Manager, as applicable, shall only acquire research that is necessary to make an informed investment decision in the best interest of each Sub-Fund. Prior to acquiring research, the portfolio managers and/or analysts will assess its relevance, provide a rationale for requesting the research with supporting evidence, and assess the value for money of the services. The request is reviewed by the compliance officer of the Manager. The Manager will agree an annual budget for research expenses with the Directors. The allocation of the budget will aim to distribute the cost of the research fairly to the various Sub-Funds. Generally, the investment decisions relating to Sub-Funds with similar mandates and investment objectives are informed by the same research. Therefore, Sub-Funds sharing a similar strategy and benefitting from the same research will share the budget. The Manager shall only collect monies from the Sub-Funds when the charges to be paid to the third party service providers are due and payable. The Manager shall collect the research charges into an RPA, as cleared funds, no later than 30 days after deduction from the Sub-Fund's account. The financial research payment will be borne by the Sub-Fund. Investors and potential investors may obtain information on the budgeted amount for research and the amount of the estimated research charge for each Sub-Fund. In order to obtain such information, please refer to the Research Payment Account Disclosure Form in our website www.carmignac.com.

In addition to any such research expenses, and fees discharged directly out of the assets of the Fund as outlined above and as may be outlined in the relevant Supplement, the Manager may incur various fees, charges and expenses in the course of managing the Fund. These may include, but are not limited to:

- *Audit and Legal Fees:* Expenses incurred for audit, legal, and regulatory compliance services.
- *Transaction Costs:* Costs associated with the purchase and sale of assets, including brokerage fees, settlement costs, and taxes.
- *Other Operating Expenses:* Any other costs necessary for the operation of the Fund, such as regulatory filing and reporting fees, liquidity stress testing fees, insurance, and investor communication expenses.

Any such fees, charges and expenses incurred by the Manager on behalf of the Fund or the relevant Sub-Fund may be subsequently recharged to the Fund or the relevant Sub-Fund in accordance with the requirements of AIFMD.

As and to the extent required by AIFMD, all fees, charges, and expenses borne by the Manager in connection with the operation of the Fund, and which are to be directly or indirectly allocated to the Fund or a relevant Sub-Fund, will be identified and disclosed to investors in the Fund's periodic reports.

Establishment Costs

The total costs and expenses of establishing the Fund and the initial Sub-Fund are estimated to be approximately €80,000 and will be paid by the Sub-Fund out of the proceeds of the initial issue of Shares. The Directors have resolved to amortise these costs and expenses on a straight-line basis

over a period of 1 year from the date on which the Sub-Fund commences business. The Directors may, in their absolute discretion, shorten the period over which these costs and expenses are amortised.

Maximum Level of Fees and Expenses

The maximum aggregate amount of fees, charges and expenses that will be borne (directly or indirectly) by a Sub-Fund will depend on a number of factors including, without limitation, portfolio turnover, the level of any borrowings, the value of short sales and the operational and organisational requirements of the relevant Sub-Fund. The annual financial statements will contain additional information regarding costs, fees, charges and expenses of each Sub-Fund.

REPORTS AND FINANCIAL STATEMENTS

Annual Report and Audited Financial Statements

An annual report and audited financial statements for each financial year will be prepared for the Fund and each Sub-Fund in accordance with IFRS and the AIFM Rules.

The financial year of the Fund and each Sub-Fund will end on 31 December in each year. The first annual report covered the period from registration until 31 December 2022.

The annual report and audited financial statements of the Fund and each Sub-Fund for each financial year will be provided to relevant Shareholders as soon as practicable after, and in any event within 6 months of, the end of the relevant financial year. The latest annual report and audited financial statements are available on request from the Manager.

CONFLICTS OF INTEREST

The Directors, the Manager, the Investment Manager, the Administrator, the Depositary, and Prime Brokers, may from time to time act as director, investment manager, custodian, registrar, broker, administrator, depositary, investment advisor, distributor or dealer in relation to, or invest directly or indirectly in, or be otherwise involved in, other investment funds, vehicles and accounts that have similar objectives to those of, or invest in similar assets to those held by, the Fund.

It is therefore possible that any of them or their respective principals, shareholders, members, directors, officers, agents or employees may, in the course of business, have potential conflicts of interest in respect of their duties to the Fund. The Manager will, at all times, have regard to its obligations to the Fund. In addition, subject to applicable law, any of the foregoing may deal, as principal or agent, with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis, in the best interests of Shareholders and the relevant transaction is subject to:

- (A) the value of the transaction is certified by either (i) a person who has been approved by the Depositary as being independent and competent or (ii) a person who has been approved by the Directors as being independent and competent in the case of transactions involving the Depositary;
- (B) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of the relevant exchange; or
- (C) where (A) and (B) are not practical, the transaction is executed on terms which the Depositary or, in the case of a transaction involving the Depositary, the Directors, are satisfied conform with the principle that such transactions are negotiated at arm's length on normal commercial terms and are in the best interests of Shareholders.

Each of the Directors is or may be a director of other investment funds and vehicles (or the general partner or managing member thereof) whose assets are managed by the Manager (or the Investment Manager) or its affiliates. No agreement or transaction between the Fund and a Director or any person related to a Director is void or voidable only because of the Director's interest in it, or because the Director is present at the meeting of the committee of Directors that approves the agreement or transaction or votes on that business, provided that the interests of the Director in the matter are disclosed in good faith to or known by the other Directors.

None of the Manager or any of its affiliates or any person connected with them is under any obligation to offer investment opportunities of which any of them becomes aware to the Fund or to account to the Fund in respect of (or share with the Fund or inform the Fund of) any such transaction or any benefit received by any of them from any such transaction, but will allocate such opportunities on an equitable basis between the Fund and other clients. A summary of the Manager's (or the Investment Manager's) order execution policy will be made available to investors on request to the Manager (or the Investment Manager). In accordance with the AIFM Rules, Shareholders will be notified of any material changes to that policy.

Under the AIFM Rules, the Manager has certain responsibilities in relation to the proper valuation of the assets of the Fund, the calculation of the Net Asset Value of the Fund and the publication of the same. There is a potential conflict of interest between any involvement of the Manager in the valuation and calculation process and the Manager's entitlement to receive the Management Fee from the Fund, each of which is linked to the Net Asset Value of the Shares. The Administrator, which has been appointed by the Manager to calculate the Net Asset Value, faces a similar conflict of interest because its fee is also based on the Net Asset Value.

The Manager (or the Investment Manager) may enter into agreements (in its own right or behalf of the Fund) with brokers, including any Prime Brokers. From time to time, the Manager's (or the

Investment Manager's) personnel may use services provided by such brokers, and in particular may speak at conferences and programs for potential investors interested in investing in hedge funds which are sponsored by those brokers. These conferences and programs may be a means by which the Manager (or the Investment Manager) can be introduced to potential investors in the Fund.

The Directors, the Manager, any Investment Manager and the directors, members, partners, officers, shareholders and agents of the Manager, any Investment Manager and their affiliates may, directly or indirectly, subscribe for, hold and redeem Shares.

The foregoing does not purport to be a complete list of all potential conflicts of interest involved in the management of the Fund or its Sub-Funds.

RISK FACTORS

The nature of a Sub-Fund's investments may involve certain risks and each Sub-Fund may utilise investment techniques (such as leverage, short selling and the use of derivatives) which may carry additional risks. An investment in Shares therefore carries substantial risk and is suitable only for persons which can assume the risk of losing their entire investment. Prospective investors should consider, among others, the following factors before subscribing for Shares. Additional risk factors applicable to a Sub-Fund will be outlined in the relevant Supplement.

Investment Risks

Availability of Investment Strategies

One of the key objectives of a Sub-Fund may be to identify and invest in undervalued and overvalued securities or derivatives thereof ("misvalued securities"). The identification of investment opportunities in misvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognised or exploited.

A reduction in market liquidity or the pricing inefficiency of the markets in which a Sub-Fund seeks to invest, as well as other market factors, will reduce the scope for a Sub-Fund's investment approach. While purchases of undervalued securities and short sales of overvalued securities offer opportunities for above-average capital appreciation, these investments may involve a high degree of financial risk and can result in substantial losses. Returns generated from a Sub-Fund's investments may not adequately compensate for the business and financial risks assumed.

Although a Sub-Fund may make investments in securities which are believed to be misvalued, there can be no assurance that the securities purchased and sold will in fact be misvalued. In addition, a Sub-Fund may be required to maintain positions in such securities for a substantial period of time before realising their anticipated value. During this period, a portion of such Sub-Fund's capital may be committed to the securities, thus possibly preventing the Sub-Fund from investing in other opportunities.

Concentration of Investments

Although a Sub-Fund may seek to diversify its investment portfolio, such Sub-Fund may at certain times hold relatively few investments. A Sub-Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including by default of the issuer.

Inside Information

From time to time an Investment Manager or its affiliates may be in possession of material, non-public information, inside information or other confidential information concerning the issuer of securities or other instruments in which issuer a Sub-Fund has considered investing, has invested or may consider investing. The possession of such information may limit or restrict by law the ability of an Investment Manager to buy or sell such securities or other instruments, including at times when an Investment Manager might otherwise wish to cause a Sub-Fund to buy or sell such securities or other instruments.

Borrowing and Leverage

A Sub-Fund may employ leverage, including through the use of borrowings and/or, in the case of borrowings, meeting redemptions. The use of leverage creates special risks and may significantly increase the Sub-Fund's investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, will incur interest costs and will increase a Sub-Fund's exposure to losses on investments. Even if investments made through the use of borrowings are profitable if

the interest costs of borrowing are greater than the income and gains earned on such investments, the borrowing will overall have a negative impact on the Net Asset Value of the relevant Sub-Fund.

If a Sub-Fund leverages its assets to borrow additional funds for investment purposes, such Sub-Fund may be required to pledge its assets to secure such borrowings, potentially reducing liquidity. A Sub-Fund may also, in effect, borrow funds through entering into repurchase agreements and may leverage its investment return with options, short sales, swaps, forwards and other derivative instruments. Investments made by a Sub-Fund may also contain a significant amount of leverage. An Investment Manager will look to any such inherent leverage in assessing the leverage to be applied within the portfolio overall.

Any limitation on the availability of borrowing facilities may have a detrimental effect on a Sub-Fund's ability to maintain its intended level of leverage. As the holders of Shares rank for repayment after all other creditors, they may not get back their full investment if there are insufficient funds to discharge creditors (including such Shareholders who have redeemed their Shares but have not been paid their redemption proceeds in full).

Hedging

An Investment Manager, on behalf of a Sub-Fund, may employ various hedging techniques designed in an attempt to minimise certain types of loss in portfolio positions. A substantial risk remains, nonetheless, that such techniques will not always be possible to implement and when possible will not always be effective in limiting losses and may also result in additional costs.

Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but an Investment Manager, on behalf of a Sub-Fund, may establish other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedge transactions also limit the opportunity for gain if the value of a portfolio position should increase. Moreover, it may not be possible for an Investment Manager to hedge against a fluctuation that is so generally anticipated that an Investment Manager is not able to enter into a hedging transaction at a price sufficient to protect from the decline in value of the portfolio position anticipated as a result of such a fluctuation. In addition, an Investment Manager may choose not to engage in a hedging transaction for a number of reasons, including if the expense associated with such hedging transaction is perceived as being too costly.

The successes of an Investment Manager's hedging transactions for a Sub-Fund are subject to an Investment Manager's ability to correctly predict market fluctuations and movements. Therefore, while an Investment Manager may enter into such transactions to seek to reduce risks, unanticipated market movements and fluctuations may result in a poorer overall performance for a Sub-Fund than if an Investment Manager had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary.

Corporate Actions

A Sub-Fund may be entitled to take part in corporate actions such as shareholder or bondholder votes in respect of certain investments, but may be prevented from doing so in certain circumstances including, but not limited to, where the relevant security transaction has not settled and/or where the relevant security is subject to a repurchase transaction or rehypothecation. In addition, where a Prime Broker would be required to take such actions on behalf of a Sub-Fund, the Fund may not be able to require that Prime Broker to act upon its instructions in a timely manner, or at all. The Fund is under no obligation to take part in such actions and may elect not to do so in respect of a Sub-Fund.

Currency Exposure

Certain of the assets of a Sub-Fund may be invested in securities and other investments which are denominated in currencies other than the base currency of that Sub-Fund. Accordingly, the value of a Sub-Fund and such assets may be affected favourably or unfavourably by fluctuations in currency rates. An Investment Manager may seek to hedge the foreign currency exposure of a Sub-Fund but notwithstanding such Sub-Fund will remain subject to foreign-exchange risks.

A Sub-Fund may utilise such instruments as an Investment Manager deems appropriate including, but not limited to, stock market index futures and put options, when seeking to hedge against currency fluctuations. There can be no guarantee that instruments suitable for hedging currency or market shifts will be available at the required time or will be able to be liquidated when required. Moreover, in most emerging countries the markets for certain of these hedging instruments are not highly developed and in many emerging countries no such markets currently exist. In addition, an Investment Manager may choose not to enter into hedging transactions with respect to some or all of its positions. Currency exchange costs will be incurred when a Sub-Fund changes investments from one country to another.

Moreover, if the cash flow of the assets is contingent, it may be difficult to quantify the attendant cross-currency risk, compounding the risk of changes in underlying currencies by the other risks in the portfolio. Correlations between these risks are difficult to quantify and, therefore, difficult to hedge. An inaccurate estimation of the correlation may lead to a faulty hedge and a consequent loss in the portfolio. It should also be noted that, in highly volatile markets, predictions of correlation based on historical data can diverge dramatically from observed market moves.

Many emerging markets have underdeveloped capital market structures where the risks associated with holding currency are significantly greater than in other, less inflationary markets. Currency exchange rates are highly volatile and subject to severe event risks, as the political situation with regard to the relevant foreign government may itself be volatile.

In addition, prospective investors whose assets and liabilities are predominately in currencies other than the currency in which their Shares are denominated should take into account the potential risk of loss arising from fluctuations in value between the currency in which their Shares are denominated and such other currencies.

Financing Arrangements

As a general matter, the banks and dealers that may provide financing to a Sub-Fund can apply essentially discretionary margin, "haircuts", financing, security and collateral valuation policies. Banks and dealers could change these policies at any time, for any reason, including a change in market circumstances, government, regulatory or judicial action or simply a change in the policy of the relevant bank. Changes by banks and dealers in one or more of these policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances, government, regulatory or judicial action, may result in large margin calls, loss of financing, forced liquidations of positions at disadvantageous prices, termination of swap and repurchase agreements and cross-defaults to agreements with other banks and dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants simultaneously. The imposition of any such limitations or restrictions could compel an Investment Manager to liquidate all or part of a Sub-Fund's portfolio at disadvantageous prices, perhaps leading to a complete loss of equity.

A Sub-Fund could also be subject to a margin call from a broker, meaning that it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the securities over which the broker has been granted security to compensate for the decline in value. A margin call can essentially be made at the discretion of the relevant broker, even if the securities over which that broker has been granted security to secure a Sub-Fund's margin accounts have not declined

in value. In the event of a sudden drop in the value of a Sub-Fund's assets, an Investment Manager might not be able to liquidate assets quickly enough to pay off the margin debt. In such a case, the relevant broker may liquidate additional assets of the relevant Sub-Fund, in its sole discretion, in order to satisfy the margin debt.

Whilst an Investment Manager will take steps to mitigate these risks, there can be no assurance that adequate financing arrangements will be able to be maintained under all market circumstances.

Short-Selling

A Sub-Fund may sell investments short. Short-selling may involve trading on margin and may also involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in difficulty covering the short position and a theoretically unlimited loss. There can be no guarantee that investments necessary to cover a short position will be available for purchase. Purchasing investments to close out a short position can itself cause the price of the relevant investments to rise further, thereby exacerbating the loss.

There is also a risk that the investments borrowed in connection with a short sale must be returned to the lender of such investments on short notice. If a request for the return of borrowed investments occurs at a time when other short-sellers of the investments are receiving similar requests, a short squeeze can occur, and it may be necessary to replace borrowed investments previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received from originally selling the investments short.

Reliance on Models

The investment approach of a Sub-Fund may be based on mathematical models, which are implemented as automated computer algorithms, and valuation models, each developed and maintained over time. As market dynamics shift over time, a previously successful model may produce losses before an Investment Manager realises that some of its assumptions have become outdated. There can be no assurance that an Investment Manager will be successful in maintaining effective mathematical and valuation models and automated computer algorithms. Furthermore, all models remain subject to the possibility of programming inefficiencies and errors, the effect of which may be increased by the potentially high turnover rate of a Sub-Fund.

Risk Models

The Manager may employ risk models to monitor the market risk of the investments of a Sub-Fund. These models (or the assumptions underlying them) may prove to be incorrect. The use of these models cannot guarantee that a Sub-Fund will not suffer from adverse market movements.

The Manager may also rely on models provided by third parties for the assessment of risks assumed in portfolios or instruments, including risk modelling firms. The impacts predicted by such models may prove inaccurate or inadequate in certain unexpected or new situations and, if relied on by the Manager, may result in substantial losses for the relevant Sub-Fund(s).

Trend-Following

Analyses of price and other fluctuations over time may be relied upon to discern and predict trends. Trading based on such analyses is subject to the risks that instruments will not increase or decrease as predicted by the analysis, or that trades dictated by the analysis may not be executed in time to take advantage of the price disparities. This latter risk is likely to materialise when numerous market makers use similar analyses, all of which dictate the desirability of executing identical or similar contracts. In the past, there have been periods without identifiable trends and such periods will continue to occur. Trading models or analyses that depend upon the forecasting of trends will not

be profitable if there are not identifiable trends of the kind that the models or analyses seek to follow. Any factor which would make it more difficult to execute trades in accordance with the models or analyses signals, such as a significant lessening of liquidity in a particular market, would also be detrimental to profitability of each relevant Sub-Fund.

Investment and Trading Advice and Recommendations

The investment performance of a Sub-Fund may be substantially dependent on the investment and trading advice and recommendations received as a result of arrangements with brokers, analysts and other market participants engaged by an Investment Manager and/or the Fund. In the event of such investment and trading advice and recommendations ceasing to be available or profitable, the performance of the relevant Sub-Fund(s) may be adversely affected.

Equities and Equity Instruments

A Sub-Fund may trade equities, equity instruments (including equity-linked securities and equity-based derivatives) and may engage in trading equity indices, the values of which vary with an issuer's performance and movements in the broader equity markets. Numerous economic factors, as well as market sentiment, political and other factors, influence the value of equities.

Certain equity-linked financial instruments in which a Sub-Fund may trade are referenced to underlying equities but incorporate other components, such as duration, strike price and premiums, that may result in the relevant Sub-Fund's positions being unprofitable even though an Investment Manager may have correctly assessed the market value of the underlying equity.

The market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or which are the subject of rumours of accounting irregularities. These factors may adversely affect each relevant Sub-Fund and, consequently, the Net Asset Value per Share of the relevant Sub-Fund.

Any such instruments may be traded on a long and/or short basis.

Below Investment-Grade Securities

A Sub-Fund may invest in bonds or other fixed-income securities, including "high-yield" (and, therefore, high-risk) debt securities. These securities may be below "investment grade". They are subject to uncertainties and are exposed to adverse business, financial or market conditions which could lead to the issuer's inability to make timely interest and principal payments. The market values of such securities tend to be more sensitive to individual corporate developments and general economic conditions than those of higher-rated securities.

Fixed-Interest Securities

Fixed-interest securities are particularly affected by trends in interest rates and inflation. If interest rates increase, capital values may fall and vice versa. Inflation will erode the real value of capital. In addition, governments may not be able to honour repayment on bonds they issue.

Unexpected Prepayments, Increasing Re-Investment Risk

While the valuations and projections in respect of certain credit investments may take into account certain expected levels of prepayment, such investments may be prepaid more quickly than expected. For an originator there is often a strong incentive to refinance well-performing portfolios once the senior tranches amortise, and an originator will typically have the right to redeem outstanding bonds once 90 per cent of the original principal amount outstanding has been repaid

in a “clean-up call”. Prepayment rates are also influenced by changes in interest rates and a variety of economic, geographic and other factors beyond the Fund’s control and consequently cannot be predicted with certainty. Early prepayments give rise to increased reinvestment risk, as a Sub-Fund might realise excess cash earlier than expected. If a Sub-Fund is unable to reinvest such cash in a new investment with an expected rate of return at least equal to that of the investment repaid, this may reduce the relevant Sub-Fund’s net income.

Futures

A Sub-Fund may invest in 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 position with cash. Futures are a type of derivative that have a contingent liability and involve the payment of margin.

Futures trading in many contracts on future exchanges (although generally not in currencies) is subject to daily price fluctuation restrictions, commonly referred to as “daily limits”, which prohibit the execution of futures trades on any given day outside a prescribed price range based on the previous day’s closing prices. Daily limits may prevent a Sub-Fund from liquidating a futures position against which the market is moving. A series of “limit moves”, in which the market price moves the “daily limit” with little or no trading taking place, could subject such Sub-Fund to major losses.

Debt Instruments

The debt instruments in which a Sub-Fund may invest may be subject to price volatility due to various factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. In addition to the sensitivity of debt instruments to overall interest-rate movements, debt instruments involve a fundamental credit risk based on the issuer’s ability to make principal and interest payments on the debt it issues. A Sub-Fund’s investments in debt instruments may experience substantial losses due to adverse changes in interest rates and the market’s perception of any particular issuers’ creditworthiness.

A Sub-Fund may invest in certain hybrid debt arrangements, which are subject to risks in addition to the conventional risks of general interest-rate movements and the issuers’ ability to pay the debt in accordance with its terms. For example, if a Sub-Fund were to invest in syndicated debt such as loan participations, it may be subject to certain additional risks as a result of having no direct contractual relationship with the borrower of the underlying loan. In such circumstances, a Sub-Fund will generally depend on the lender to enforce its rights under the loan arrangements in the event of a default by the borrower on the underlying loan and will generally have no voting rights with respect to such borrower, as such rights are typically retained by the lender. Such investments are subject to the credit risk of the lender (as well as the borrower) since they will depend upon the lender forwarding payments of principal and interest received on the underlying loan. There can be no assurance that the lender will not default on its obligations under such arrangements, resulting in substantial losses to the Fund.

Debt Securities

A Sub-Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer’s assets. A Sub-Fund may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. A Sub-Fund may be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Securities issued by certain sovereign issuers may have a limited trading market, resulting in limited liquidity. As a result, the Sub-Fund may have difficulties in valuing or liquidating positions.

Creditors' Rights and Enforceability of Security

A Sub-Fund's investments may be subject to various laws for the protection of creditors in the jurisdictions of incorporation of the issuers or borrowers and, if different, the jurisdictions from which they conduct business and in which they hold assets, which may adversely affect an issuer's or borrower's ability to make payment in full or on a timely basis. These insolvency considerations will differ depending on the country in which an obligor or its assets are located and may differ depending on the legal status of the obligor. Additionally, a Sub-Fund, as a creditor, may experience less favourable treatment in certain insolvency regimes in comparison to others, including where it seeks to enforce any security it may hold as a creditor.

Highly Leveraged Investments

A Sub-Fund's investment approach may include investments in companies that are in or near default on their borrowings, and that may be unable to generate sufficient cash flow to meet the principal and interest payments on their outstanding indebtedness and/or highly leveraged and/or unable to obtain financing from traditional sources. Numerous factors may affect a company's performance, including the failure to meet its business plan, a rise in interest rates or a downturn in the economy generally or further deterioration in the condition of a particular company and/or its market sector. A company's failure to satisfy financial or operating covenants imposed by a Sub-Fund or other investors or lenders may lead to defaults and, potentially, termination of a company's loans or foreclosure on its secured assets, which may trigger cross defaults under other agreements and jeopardise the company's ability to meet its obligations under the loans or debt securities or loans that a Sub-Fund may hold. In addition, the companies may have, or may be permitted to incur, other debt that ranks senior to or equally with loan securities held by a Sub-Fund. This means that payments on such senior-ranking securities may have to be made before a Sub-Fund receives any payments on its subordinated debt securities or loans. The value of a Sub-Fund's investment in such a company may also be significantly reduced or even eliminated as a result of any further deterioration which may have a negative effect on such Sub-Fund's financial condition and hence the Net Asset Value per Share of that Sub-Fund.

Voidable Payments

Various laws enacted for the protection of creditors may apply to certain investments that are debt obligations, although the existence and applicability of such laws will vary from jurisdiction to jurisdiction. For example, if a court were to find that the borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest or other lien securing such investment, and, after giving effect to such indebtedness, the borrower (i) was insolvent, (ii) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court may invalidate such indebtedness and such security interest or other lien as a fraudulent conveyance, subordinate such indebtedness to existing or future creditors of the borrower or recover amounts previously paid by the borrower (including to a Sub-Fund) in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness. In addition, if an issuer in which a Sub-Fund has an investment becomes insolvent, any payment made on such investment may be subject to cancellation as a "preference" if made within a certain period of time (which may be as long as one year) before insolvency.

In general, if payments on an investment are voidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient or from subsequent transferees of such payments, which may include a Sub-Fund.

Restructuring of Debt Securities

Debt securities purchased by a Sub-Fund may be unsecured and/or subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. In the event of a bankruptcy or insolvency of the issuer of such securities, such Sub-Fund may be unable to recover its investment in full, or at all.

A Sub-Fund as the senior secured creditor of an issuer may find itself subordinated to otherwise junior creditors. For example, in certain jurisdictions a bankrupt issuer may apply to a bankruptcy court for “debtor in possession” financing in order to obtain new capital for its operations. The persons who invest such new capital will take a senior position to a Sub-Fund, even though the Sub-Fund was previously senior to such persons. Although a Sub-Fund would be likely to be given an opportunity to participate in such “debtor in possession” financings, such Sub-Fund might not have the resources to do so.

A reorganisation plan approved by a bankruptcy court may result in a number of different creditors, which may include a Sub-Fund, being compelled to accept materially adverse changes to the terms of the debt that they hold, including reduced interest rates, extended maturities and reduced acceleration rights. Such “cramdowns” may be imposed in the discretion of the bankruptcy court in order to give the issuer a better chance of remaining economically viable.

In a reorganisation or liquidation case relating to an issuer in which a Sub-Fund invests, such Sub-Fund may lose its entire investment, may be required to accept cash or substantial amounts of equity in the issuer in extinguishment of the issuer’s debt with a value less than the Sub-Fund’s original investment and/ or may be required to accept payment over an extended period of time. This can result in, among other things, substantial dilution to an equity position previously acquired in the issuer by a Sub-Fund, either directly or through the acquisition of convertible debt.

Fraud

In purchasing loans and debt securities there is the possibility of material misrepresentation or omission on the part of the borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying a debt security or may adversely affect the likelihood that a lien on such collateral has been properly created and perfected. Unless it has actual knowledge of such fraud or misrepresentation, an Investment Manager relies upon the accuracy and completeness of representations made by borrowers, but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to a Sub-Fund may be reclaimed if any such payment or distribution is later determined to have been made with an intent to defraud creditors, a fraudulent conveyance or a preferential payment.

Defaulted Securities and Trade Claims

A Sub-Fund may invest in the securities of, and trade claims against, companies involved in bankruptcy proceedings, reorganisations and financial restructurings and may (but is not required to) have a more active participation in the affairs of the issuer than is generally assumed by an investor. This may subject a Sub-Fund to litigation risks or prevent a Sub-Fund from disposing of securities. In a bankruptcy or other proceeding, a Sub-Fund as a creditor may be unable to enforce its rights in any collateral or may have its security interest in any collateral challenged, disallowed or subordinated to the claims of other creditors. While a Sub-Fund is likely to attempt to avoid taking the types of actions that would lead to equitable subordination or creditor liability, there can be no assurance that such claims will not be asserted or that such Sub-Fund will be able to successfully defend against them. Other investors also may purchase the securities of these companies for the purpose of exercising control or management, and a Sub-Fund’s interests may differ from the interests of these other investors.

Investment in Financially Distressed Companies and Sovereign Issuers

A Sub-Fund may purchase securities and other obligations of companies and/or sovereign issuers that are experiencing significant financial or business distress, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time. The prices of high-yield debt have been found to be less sensitive to interest rate changes than more highly rated investments, but more sensitive to adverse economic downturns or individual corporate developments. In fact, many of these instruments ordinarily remain unpaid unless and until the company reorganises and/or emerges from bankruptcy proceedings, and as a result may have to be held for an extended period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies or sovereign issuers experiencing significant business and financial distress is unusually high. There is no assurance that an Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganisation or similar action. Moreover, the administrative costs in connection with a bankruptcy or restructuring proceeding are frequently high and will be paid out of the debtor's assets prior to any return to creditors (other than out of assets or proceeds thereof, which may be subject to valid and enforceable liens and other security interests) and equity holders. In addition, certain claims that have priority by law over the claims of certain creditors (for example, claims for taxes) may reduce any entitlement of a Sub-Fund. In any reorganisation or liquidation proceeding relating to a company or sovereign issuance in which a Sub-Fund invests, such Sub-Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment. Under such circumstances, the returns generated from such investments may not compensate investors adequately for the risks assumed, which could have a material adverse effect on the performance of a Sub-Fund and thereby on the Net Asset Value per Share of the relevant Sub-Fund. Additionally, it is frequently difficult to obtain accurate information as to the condition of such entities. Such investments also may be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court's power to disallow, reduce, subordinate or disenfranchise particular claims. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and offer prices of such securities may be greater than those prevailing in other securities markets. It may take a number of years for the market price of such securities to reflect their intrinsic value. Securities issued by distressed companies or sovereign issuers may have a limited trading market, resulting in limited liquidity. As a result, a Sub-Fund may have difficulties in valuing or liquidating positions, which could have a material adverse effect on a Sub-Fund's performance and thereby the Net Asset Value per Share of that Sub-Fund.

Loans

In relation to trading of loans either directly or by way of participations, the ability of a Sub-Fund to acquire or dispose of positions may be restricted, delayed or prevented to the extent that any conditions to transfer are required to be satisfied. Such conditions may include, without limitation, obligations on a Sub-Fund, as transferee, to provide satisfactory confidentiality undertakings to the borrower, grantor of a participation or transferor to procure the same from any onward transferee. The underlying documents governing a Sub-Fund's holding of a loan position may contain restrictions on such Sub-Fund's ability to transfer its loan position, including that the consent of the grantor of any participation may be required. There may also be restrictions on transfer in the underlying loan documents. In addition, illiquidity in the market for trading loan positions may affect a Sub-Fund's ability to dispose of, and realise value in respect of, its loan positions.

A Sub-Fund may invest in mezzanine loans, which are loans secured by one or more direct or indirect ownership interests in a company, partnership or other entity owning, operating or controlling, directly or through subsidiaries or affiliates, one or more underlying assets. Mezzanine loans are not secured by a lien on the underlying real asset(s) and are thus structurally subordinate

to creditors that are so secured and to general creditors of the borrower entity, if any. Repayment of a mezzanine loan is dependent on the successful operation of the underlying asset(s) and, therefore, is subject to similar considerations and risks. In certain cases, the ownership interests securing the mezzanine loans acquired in the future may represent only partial interests in the relevant entity and may not control that entity or the underlying asset(s) and may limit the ability of the holder of such mezzanine loan to fully realise on such ownership interests. Mezzanine loans may also involve certain additional considerations and risks. For example, the terms of mezzanine loans may restrict transfer of the interests securing such loans (including an involuntary transfer upon foreclosure) or may require the consent of the senior lender or other members or partners of or equity holders in the related real estate company, or may otherwise prohibit a change of control of the related real estate company. Those and other limitations on realisation on the underlying asset(s) or the practical limitations on the availability and effectiveness of such a remedy may affect the likelihood of repayment in the event of a default.

A Sub-Fund may invest directly in companies by means of senior loans. Senior loans are generally incurred by the obligors thereunder in connection with highly leveraged transactions, often to finance internal growth, acquisitions, mergers and/or stock purchases. The obligor under a leveraged loan often provides the lenders thereunder with extensive information about its business, which is not generally available to the public. Because of the provision of such confidential information, the unique and customised nature of a loan agreement, and the private syndication of the loan, leveraged loans are generally not as easily resold as publicly traded securities, and historically the trading volume in the loan market has been small relative to, for example, the high-yield bond market. In addition, the unique nature of the loan documentation may involve a degree of complexity in negotiating a secondary market purchase or sale which may not exist, for example, in the bond market. There can be no assurance that future levels of supply and demand in loan trading provide a sufficient degree of liquidity in the market. This means that such assets may be subject to greater disposal risk in the event that a Sub-Fund wishes to sell such assets.

Although any particular senior loan often will share features with other loans and obligations of its type, its actual terms will have been a matter of negotiation and will thus be unique. Any particular loan or obligation may contain terms that are not standard and that provide less protection to creditors than might be expected, including in respect of covenants, events of default, security or guarantees.

There is limited historical data available as to the levels of defaults and/or recoveries that may be experienced on senior loans and no assurance can be given as to the levels of default and/or recoveries that may apply to any senior loans purchased by a Sub-Fund. Recoveries on senior loans will be affected by the particular circumstance of the borrower and its owners and creditors, its assets and other factors and may also be affected by the different bankruptcy regimes applicable in different jurisdictions and the enforceability of claims against obligors thereunder. Ultimate recovery rates are difficult to predict and may not achieve a Sub-Fund's investment objective.

A Sub-Fund may invest in bank loans and participations. These obligations are subject to specific risks, including, but not limited to (i) so-called lender-liability claims by the issuer of the obligations and (ii) limitations on the ability of a Sub-Fund to directly enforce its rights with respect to participations. In analysing each bank loan or participation, the relative significance of the risks against the expected benefits of the investment will be compared. Successful claims by third parties arising from these and other risks will be met by a Sub-Fund.

A Sub-Fund may invest in loans made to companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. Although the terms of such financing may result in significant financial returns to a Sub-Fund, they involve a substantial degree of risk. The level of analytical sophistication, both financial and legal, necessary for successful financing to companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the assets collateralising the loans or the prospects for a successful reorganisation or similar

action will be correctly valued. In any reorganisation or liquidation proceeding relating to such a company, a Sub-Fund may lose all or part of its investment or may be required to accept collateral with a value less than the amount of its investment in the loan.

In certain cases, any “equity kicker” acquired by a Sub-Fund in connection with its loan transactions will be exercisable for equity securities which it is not able to immediately sell. There can be no assurance that such equity securities will become marketable and, even if they were to do so, may only become so after an extended period of time after the date of exercise.

A Sub-Fund could be subject to claims of lender liability or “equitable subordination”. The common law principle of lender liability is based upon the premise that an institutional lender has violated an implied or contractual duty of good faith and fair dealing owed to the borrower or a fiduciary duty owed to the borrower, its other creditors or shareholders as a result of the lending institution assuming a certain degree of control over the borrower through any loans that it has made. Moreover, under common law principles that in some cases form the basis for lender liability claims, if a lending institution (i) intentionally takes an action that results in the undercapitalisation of a borrower to the detriment of other creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court, in its discretion, may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called “equitable subordination”. A Sub-Fund may invest in loans in respect of which such Sub-Fund will not be the lead creditor. Accordingly, it is possible for claims of lender liability or equitable subordination to affect a Sub-Fund’s investments without such Sub-Fund being directly involved.

There are no restrictions on the credit quality of the loans in which a Sub-Fund may invest. Loans may be deemed to have substantial vulnerability to default in payment of interest and/or principal. Certain loans may have large uncertainties or major risk exposures to adverse conditions, and may be considered to be predominantly speculative. Generally, such loans offer a higher return potential than better quality loans, but involve greater volatility of price and greater risk of loss of income and principal. The market values of certain loans also tend to be more sensitive to changes in economic conditions than better quality loans.

A borrower may default under a loan in which a Sub-Fund invests. A Sub-Fund may be unable to earn any return on a defaulted loan and its ability to realise any collateral under such a loan may be diminished by the lack of marketability of such collateral as well as by the delays involved in insolvency proceedings. Defaults under loans may occur more frequently during periods of slow economic growth and/or recession than they would otherwise.

Whole Loans

Pools of whole loans may be acquired directly or serve as the collateral for certain asset-backed securities and mortgage-backed securities investments of a Sub-Fund. Whole loans are generally subject to the same risks relating to the underlying collateral of asset-backed securities, mortgage-backed securities and collateralised debt obligations. However, the holders of whole loans are exposed to such risks directly as whole loans do not benefit from certain advantages which may be present as a result of the securitisation process, including risk allocation, credit support and hedging mechanisms. Further, as whole loans are not securities, they may be harder to dispose of than structured finance securities.

Structured Finance Securities

A Sub-Fund may invest in structured finance securities, including asset-backed securities, collateralised debt obligations, commercial mortgage-backed securities and residential mortgage-backed securities. There may be significant risks associated with investing in structured finance

securities. The structure of such securities and the terms of the investors' interest in the underlying collateral vary widely, depending on, amongst other things, the collateral type, use of credit enhancement and investor requirements. While the basic elements of structured finance securities are broadly similar, the structure and execution of individual securities may differ.

Risks relating to structured finance securities include, but are not limited to, credit risk, liquidity risk, currency risk, interest rate risk, market risk, operational risk, structural risk and tax and legal risk. Concentration of structured finance securities by issuer, servicer or geography may result in additional risk to a Sub-Fund.

Asset-Backed Securities

The risk of investing in asset-backed securities ("ABS") is usually ultimately dependent upon payment of loans by debtors or, in certain instances, guarantors. Unlike CMBS, these financial instruments do not have the benefit of the same security interest in the related collateral. Credit card receivables, automobile, boat and recreational vehicle instalment sales, private credit student loans, contracts, commercial and industrial bank loans, home equity loans and lines of credit, manufactured housing loans, corporate debt securities and various types of accounts receivable commonly support ABS. However, there can be no assurance that innovation in the relevant markets will not transform ABS by adding new classes of assets, new structures or other features not now familiar in the asset-backed markets. The underlying assets are generally unsecured and the debtors may be entitled to the protection of consumer loan laws, many of which give such debtors the right to set off certain amounts owed, thereby reducing the balance due. Most issuers of ABS backed by automobile receivables permit the servicers to retain possession of the underlying obligations. If the servicer were to sell these obligations to another party, there is a risk that the purchaser would acquire an interest superior to that of the holders of the related ABS. ABS backed by private credit student loan receivables will be affected by payments, defaults and losses on the underlying student loans and, in the case of private loan receivables guaranteed in whole or in part by a private guarantor, by the ability of the related guarantor to honour claims and the extent of the guarantee. Student loans may be subject to various federal and state laws, public policies and principles of equity that protect consumers, which among other things may regulate interest rates and other charges, require certain disclosures, require licensing of originators, prohibit discriminatory lending practices, regulate the use of consumer credit information and regulate debt collection practices. Any violation of these laws, public policies and principles could result in cash flow delays and losses on the related ABS. In addition, numerous United States federal and state statutory provisions, including the United States federal bankruptcy laws, the US Higher Education Relief Opportunity for Students Act of 2003 and state debtor relief laws, may also adversely affect the ability of a servicer of the student loans underlying ABS backed by student loan receivables to collect the principal of or interest on the loans, and holders of the affected ABS may suffer a loss if the applicable laws result in these loans becoming uncollectible. ABS secured by payments on private credit student loans are not guaranteed or reinsured under any United States federal student loan programme, and are subject to both prepayment and extension risks. The Dodd-Frank Act will result in significant new regulation in key areas affecting student loans which may materially adversely affect a Sub-Fund's ability to implement its investment approach and achieve its investment objective.

In addition, because of the large number of assets involved in a typical issuance and technical requirements under applicable laws, the trustee for the holders of the ABS may not have a proper security interest in all of the obligations backing such ABS. Therefore, there is a possibility that recoveries on collateral may not, in some cases, be available to support payments on these securities.

The collateral supporting ABS is generally of shorter maturity than mortgage loans and is less likely to experience substantial prepayments. In most cases, ABS are often backed by a pool of assets representing the obligations of a number of different parties and use credit enhancement techniques such as letters of credit, guarantees or preference rights. The value of an ABS is affected by

changes in the market's perception of the asset backing the security and the creditworthiness of the servicing agent for the asset pool, the originator of the loans or the financial institution providing any credit enhancement, as well as by the expiration or removal of any credit enhancement, potentially to zero.

Collateralised Debt Obligations

A Sub-Fund may invest in collateralised debt obligations ("CDOs") backed by a pool of debt instruments and derivatives on debt instruments and may also trade in a wide range of other CDO products, including, without limitation, high-yield CDOs, CDOs of CDOs and CDOs of asset-backed securities.

CDOs generally are limited recourse obligations of the CDO issuer, linked to the performance of an underlying pool of debt instruments held by the CDO issuer ("Collateral"). Alternatively, Collateral may be acquired synthetically by selling credit protection under a credit default swap or similar derivative instrument. Consequently, holders of CDOs rely on distributions or proceeds from the Collateral for payment in respect of their CDOs. If distributions or proceeds from the Collateral are insufficient to make such payment, no other assets will be available for the payment of such deficiency. The concentration of Collateral in any one obligor will subject a Sub-Fund to a greater degree of risk with respect to the default of such obligor and the concentration of Collateral in any one industry will subject a Sub-Fund to a greater degree of risk with respect to economic downturns relating to such industry or region.

Collateral is subject to various risks, including credit, liquidity, currency and interest rate risks. Collateral may consist of high-yield debt securities, loans, structured finance securities and other debt instruments, generally rated below investment grade. High-yield debt securities and loans may be unsecured and may be subordinated to other obligations of the CDO issuer. Such lower rating reflects a greater possibility that adverse changes in the financial condition of the relevant CDO issuer and/or economic conditions in general may impair the ability of that CDO issuer to make payments of principal and/or interest. Such investments may be speculative. During periods of market illiquidity, a CDO issuer may not be able to sell all its Collateral, or may only be able to do so at unfavourable prices, which may adversely impact a Sub-Fund.

Issuers of CDOs may acquire interests in loans and other debt obligations by way of sale, assumption, transfer or participation. In the case of a transfer, a transferee typically succeeds to all the rights and, in some cases, the obligations of the transferring institution and becomes a lender under the credit agreement with respect to the relevant debt obligation; however, its rights can be more restricted than those of the transferring institution.

Loans are predominantly traded by commercial banks, investment funds, mutual funds and investment banks. There can be no assurance, however, that future levels of supply and demand in loan trading will provide an adequate degree of liquidity. Because of the provision to holders of such loans of confidential information relating to the borrower, the customised nature of the loan agreement, and, in certain cases, the private syndication of the loan, loans are not as easily traded as a publicly traded security, and historically the trading volume in the loan market has been small relative to the high-yield debt securities market.

In addition to the risks associated with debt securities and derivatives outlined below, due to the leveraged nature of CDOs such investments may be subject to more acute credit, liquidity and interest rate risks than the underlying component debt instruments and/or derivative instruments.

The Collateral may bear interest at a fixed rate while CDOs may bear interest at a floating rate (or vice versa) with a resultant mismatch in payment obligations of the Collateral and the relevant CDOs. In addition, the Collateral may bear interest at a floating rate which pays interest at rates that adjust more or less frequently, on different dates and/or based on different indices than the interest rate borne by the relevant CDOs. As a result of such mismatches, fluctuations in floating

rate indices may adversely impact the ability of the issuer of the relevant CDOs to make payments of interest and/or principal. Such interest rate risks may be mitigated by interest rate swaps entered into by the CDO issuer, but even if entered into, such swaps may not be able to provide full protection against any interest rate fluctuations and the costs to the CDO issuer of entering into and maintaining such swaps may be significant. Such costs, if significant, may adversely affect the ability of the CDO issuer to make payments to its investors, which could lead to material losses for such investors, including for instance, a Sub-Fund.

CDOs are subject to currency risk to the extent that the underlying Collateral includes obligations for the payment of principal and/or interest in currencies other than the currency of the payments to be made to investors in such CDOs. Such currency risks may be mitigated by currency swaps entered into by the CDO issuer, but even if entered into, such swaps may not be able to provide full protection against any currency fluctuations and the costs to the CDO issuer of entering into and maintaining such swaps may be significant. Such costs, if significant, may adversely affect the ability of the CDO issuer to make payments to its investors, which could lead to material losses for such investors, including for instance, a Sub-Fund.

A Sub-Fund's investments in CDOs may involve significant leverage. Leverage is embedded in all classes of CDOs other than the most senior tranche. While such leverage presents opportunities for increasing the return on such investments, it also has the effect of potentially increasing loss.

Commercial Mortgage-Backed Securities

Mortgage loans on commercial properties underlying commercial mortgage-backed securities ("CMBS") often are structured so that a substantial portion of the loan principal is not amortised over the loan term but is payable at maturity and repayment of the loan principal, and thus, often depends upon the future availability of real estate financing from the existing or an alternative lender and/or upon the current value and saleability of the real estate. Therefore, the unavailability of real estate financing may lead to default. Most commercial mortgage loans underlying CMBS are effectively non-recourse obligations of the borrower, meaning that there is no recourse against the borrower's assets other than the collateral. If borrowers are not able or willing to refinance or dispose of encumbered property to pay the principal and interest owed on such mortgage loans, payments on the relevant CMBS are likely to be adversely affected. The ultimate extent of the loss, if any, to the relevant CMBS may only be determined after a negotiated discounted settlement, restructuring or sale of the mortgage note, or the foreclosure (or deed in lieu of foreclosure) of the mortgage encumbering the property and subsequent liquidation of the property. Foreclosure can be costly and delayed by litigation and/or bankruptcy. Factors such as the property's location, the legal status of title to the property, its physical condition and financial performance, environmental risks, and governmental disclosure requirements with respect to the condition of the property may make a third party unwilling to purchase the property at a foreclosure sale or to pay a price sufficient to satisfy the obligations with respect to the related CMBS. Revenues from the assets underlying such CMBS may be retained by the borrower and the return on investment may be used to make payments to others, maintain insurance coverage, pay taxes or pay maintenance costs. Such diverted revenue is generally not recoverable without a court appointed receiver to control collateral cash flow.

Residential Mortgage-Backed Securities

Borrowers with mortgage loans on residential properties, in the United States and elsewhere, have defaulted on such loans in recent years in large numbers. A large portion of such mortgage borrowers are still delinquent and the re-payment of such loans is very uncertain. Servicers of such underlying loans may be required to foreclose on such properties or work out the loans in other ways, such as 'short sales' (in which the servicer accepts a discount to par to extinguish the delinquent loan) or loan modifications, in which the original terms of the loans are modified, often resulting in reduced interest rates, reductions in principal owed and/or extension of the original loan maturity.

In addition, the structured nature of residential mortgage-backed securities ("RMBS") may result in one or more classes (or "tranches") of such securities receiving less or more cash flow from the underlying residential mortgage loans, depending on the timing and magnitude of loan payments, delinquencies, prepayments, foreclosures, modifications, short sales, or other arrangements. Small changes in underlying borrower behaviour may result in very significant changes in RMBS tranche cash flows, resulting in very significant price movements, up or down, in the RMBS trading market. The United States government has implemented, and is considering implementing a variety of new and untested, programmes to try to mitigate the number of homeowners who lose their homes through foreclosure. The efficacy of these programmes is uncertain and the extent and magnitude of new programmes cannot be predicted. Many of these programmes and directives have resulted in significant delays in the time scale under which the mortgage servicer can take title to the property and sell it.

A Sub-Fund may purchase RMBS where the underlying home loan borrowers were originally classified as 'subprime', with poor histories of repaying mortgage loans of other borrowings. A Sub-Fund may purchase RMBS where a large percentage of underlying home loan borrowers are not current in their mortgage or other debts. A Sub-Fund may purchase RMBS where the collateral are primarily or exclusively second lien mortgages, meaning they have substantially reduced priority to be repaid in the event of an underlying home loan borrower default. In many states in the United States, mortgage loans are 'non-recourse' to the borrower, meaning that there is no recourse against the borrower's assets other than the collateral. If borrowers are not able or willing to refinance or dispose of encumbered property to pay the principal and interest owed on such mortgage loans, payments on RMBS tranches may be adversely affected such that it is possible that there may be no repayment of interest and/or principal on the RMBS security. The ultimate extent of the loss, if any, to the subordinated classes of RMBS may only be determined after a negotiated discounted settlement, restructuring or sale of the mortgage note, or the foreclosure (or deed in lieu of foreclosure) of the mortgage encumbering the property and subsequent liquidation of the property. Foreclosure can be costly and delayed by litigation and/or bankruptcy. Factors such as the property's location, the legal status of title to the property, its physical condition and financial performance, environmental risks and governmental disclosure requirements with respect to the condition of the property may make a third party unwilling to purchase the property at a foreclosure sale or to pay a price sufficient to satisfy the obligations with respect to the related RMBS.

A Sub-Fund may invest in subordinate or junior tranches of structured finance securities which are subordinate in right of payment and rank junior to other securities which are secured by or represent an ownership in the same underlying collateral. Although structured finance securities generally have the benefit of first ranking security (or other exclusive priority rights) over any collateral, control of the timing and manner of the disposal of such collateral will generally devolve to the holders of the senior classes of securities outstanding. There can be no assurance that the proceeds of any such sale of collateral will be adequate to repay a Sub-Fund's investment in full, or at all. In addition, many structured finance securities have features which divert payment of interest and/or principal from such tranches to senior classes of securities in the event of default or loss in respect of the underlying collateral with the concomitant potential for a higher risk of loss for such subordinate or junior tranches. In addition, diversion of payments of principal to such senior classes, may cause the repayment of principal of such subordinate or junior tranches to be delayed and/or reduced.

Subordinate or junior tranches of structured finance securities generally do not have the right to call a default or vote on remedies following a default unless senior classes sharing in the same underlying collateral have been repaid in full. Generally, a shortfall in payment to investors in subordinate or junior tranches of structured finance securities will not result in a default being declared or the restructuring or unwinding of the transaction. To the extent that subordinate or junior tranches represent a small percentage of the securities issued in relation to the underlying collateral, a small loss in the value of such collateral may result in a substantial loss for the holders of such subordinate or junior tranches and may impact upon the performance of a Sub-Fund and thereby, the performance of the Fund.

Credit Default Swap Indices

A Sub-Fund may use credit default swaps to gain long or short exposure to groups of particular issuers, sovereign debt and markets through investments in index portfolios of credit default swaps such as the CDX and iTRAXX credit default swap indices. By investing in indices or baskets of credit default swaps, a Sub-Fund may take long or short views on the credit risk with respect to groups of issuers and each issuer within the group and buy or sell credit protection to the swap counterparties. For example, the CDX EM credit default swap index is a tradable basket of credit default swaps on country credits which seeks to replicate the returns on the indices of a broad group of emerging markets countries. The credits are a subset of the countries represented by the JPMorgan Emerging Markets Bond Index Global Diversified. By investing in a CDX EM credit default swap index, a Sub-Fund would gain emerging markets exposure through a single investment. Like other credit default swaps, swaps on credit indices are generally considered illiquid and are subject to the risk of counterparty default or inability or unwillingness to perform. The pricing relationships between credit indices and the instruments underlying such credit indices may not correlate with historical patterns, potentially resulting in unexpected losses.

Commodity and Energy Trading

A Sub-Fund may invest in commodities and/or engage in commodity trading strategies.

Commodity prices are often influenced by the overall level of economic activity and industrial production. Historically, during periods of economic or financial instability, commodities and the securities of producers have been subject to extreme fluctuations in market price. The earnings and general financial conditions of producers are highly dependent on the market price of the underlying resources which, historically, have been extremely volatile.

The production of some commodities can be concentrated in geographic regions or specific countries, and as such the impact of natural, political or social factors can have a significant effect. Natural disasters, such as earthquakes, droughts and floods, can lead to severe supply disruptions, which may significantly influence prices of commodities and prices of natural resource equities. Commodity prices can be influenced, often unpredictably, by co-operative or co-ordinated actions, by producers or sovereign nations (e.g. members of the Organization of Petroleum Exporting Countries).

Similarly, supply interruptions as a result of social factors such as strikes and civil unrest can have a material impact on commodity prices. New technology could lead to substitution of a commodity or commodities, thereby reducing demand. Similarly, new technology could lower production costs and increase supply of a commodity, influencing its price.

A principal risk in commodity trading strategies is the volatility of the market prices of commodities. Because of the low margin deposits typically required in commodity contract trading, a relatively small movement in the market price of a commodity contract may result in a disproportionately large profit or loss to a Sub-Fund. Similarly, inherent risks are involved in the trading of energy derivatives, including options and futures. Market movements can be volatile and are difficult to predict. Activities by the major power producers of commodities can have a profound effect on spot prices which, in turn, substantially affect derivative prices, as well as the liquidity of such markets. Weather, politics, recession, inflation, trade policies, international events and other unforeseen events can also have a significant impact upon these prices. A variety of possible actions by various government agencies also can inhibit profitability or can result in losses. Such events could result in large market movements and volatile market conditions and create the risk of significant losses for a Sub-Fund.

Physical Commodities

Trading in physical commodities is speculative and can be extremely volatile. Market prices of commodities may fluctuate rapidly based on numerous factors, including: changes in supply and demand relationships (whether actual, perceived, anticipated, unanticipated, or unrealised); weather; fiscal, monetary and exchange control programs; domestic and foreign political and economic events and policies; technological developments; changes in interest rates, whether through governmental policies, action or inaction. The current or “spot” prices of physical commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of the relevant commodity.

The prices of physical commodities can fluctuate widely due to supply and demand disruptions in major producing or consuming regions. Because certain commodities may be produced in a limited number of countries and may be controlled by a small number of producers, political, economic and supply related events in such countries could have a disproportionate impact on the prices of such commodities. The price of physical commodities may diverge from the price of related futures contracts traded on recognised exchanges due the futures trading activities of speculative investors and commodity index funds.

Exchange-Traded Funds

Exchange-traded funds (“ETFs”) are open-ended funds traded on stock exchanges. ETFs generally provide exposure to indices or to complex portfolios of securities and often carry higher risks than other equity securities. Whilst most ETFs can achieve their objectives by purchasing a diversified pool of assets, some achieve their objectives through the use of derivatives, typically swaps, which carry counterparty risk. If the counterparty does not pay the sums due, a Sub-Fund will see a reduced return regardless of the performance of the underlying assets. ETFs can also have unique compounding, daily reset and leverage features that may significantly amplify risk, particularly in periods of high market volatility. The value of an ETF may be affected by market values, interest rates, exchange rates, volatility, dividend yields and issuer credit ratings. These factors are interrelated in complex ways, and as a result, any losses or gains achieved by a Sub-Fund could be magnified.

Residual Liability Following Sale of Investments

Upon the disposal of certain investments, a Sub-Fund may be required to give representations and warranties about those investments and to pay damages to the extent that such representations and warranties turn out to be inaccurate. A Sub-Fund may become involved in disputes or litigation concerning such representations and warranties and may be required to make payments to third parties as a result of such disputes or litigation.

Derivatives

A Sub-Fund may utilise both exchange-traded and OTC derivatives as part of its investment approach, including without limitation futures, forwards, options, warrants and swaps (including contracts for differences, credit default swaps and foreign currency swaps). Derivatives are financial contracts whose value is derived from the value of an underlying asset. Derivatives can be highly volatile and expose investors to a high risk of loss.

Derivatives are frequently traded on margin. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a derivative contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited.

In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. The pricing relationships between derivatives and the instruments underlying such derivatives may not

correlate with historical patterns, potentially resulting in unexpected losses. Where derivatives are used for hedging purposes, there may be an imperfect correlation between the derivatives and the investments or market sectors being hedged.

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

Sovereign Debt

A Sub-Fund may invest directly, and indirectly through derivative instruments (including swaps and credit default swap indices) or money market funds, in sovereign debt instruments. The issuers of sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and a Sub-Fund may have limited recourse in the event of a default. A sovereign debtor's willingness or ability to repay principal and pay interest in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the sovereign debtor's policy toward international lenders and the political constraints to which a sovereign debtor may be subject. Furthermore, such entities may be entitled to claim sovereign immunity from any claims made against them should they default on any of their obligations under such loans. This may hinder, or prevent entirely, the recovery of any loss suffered as a result of such default.

Options

A Sub-Fund may invest in options, the prices of which depend largely upon the likelihood of favourable price movements in the underlying asset in relation to the exercise (or strike) price during the life of the option. Many of the risks applicable to trading the underlying asset are also applicable to options trading. In addition, there are a number of other risks associated with the trading of options, depending on the type of option in which a Sub-Fund invests (e.g. whether it is a call option or a put option, whether a Sub-Fund is long or short, and whether it is an American option, a European option or some other kind of option) and the strategy used with respect to options. In particular, when an option has been purchased, the option cannot be exercised if the price of the underlying asset remains below the strike price (in the case of a call option) or above the strike price (in the case of a put option) until it expires, in which case the purchaser will lose its entire investment (being the premium it paid to purchase the option). When an option is sold, a Sub-Fund may be required to pay margin to the counterparty. If a Sub-Fund takes an uncovered short position in a call option (meaning that it has sold or written a call option and does not hold the security that it may be required to sell to the counterparty), the potential loss is theoretically unlimited.

Swap Agreements

Most swap agreements that may be entered into by a Sub-Fund will calculate the obligations of the parties to the agreement on a "net" basis. Consequently, a Sub-Fund's obligations (or rights) under such a swap agreement will generally be equal only to the net amount to be paid or received under the agreement based on the relative values of the positions held by each party to the agreement.

Illiquid Investments

A Sub-Fund may invest in investments that are or become illiquid, including investments that are unlisted or not traded in an OTC market, investments for which there is otherwise no liquid market or investments that are subject to legal or other restrictions on transfer. Such investments may lack a readily ascertainable market value and the market prices, if any, of such investments tend to be

more volatile. A Sub-Fund may not be able to dispose of such investments readily, or at all, or realise a fair price for them. If a Sub-Fund is unable to realise all or any part of its interest in such investments for the purposes of funding the payment of redemption proceeds of Shares, substantial redemptions of Shares by other investors in such Sub-Fund may result in such investments constituting an increasing proportion of that Sub-Fund's portfolio. This may result in remaining Shareholders having an increased exposure to such investments and the risks associated therewith. In addition, illiquid investments may incur high transaction costs, particularly in times of market stress. Further, companies whose securities are not publicly traded are not subject to the disclosure and other investor protection requirements that would be applicable if their securities were publicly traded.

OTC Transactions and Securities Financing Transactions

A Sub-Fund may enter into OTC derivative transactions, which are derivative contracts entered into directly with a counterparty rather than traded on an exchange, and Securities Financing Transactions. There are certain similarities between the risks associated with Securities Financing Transactions and OTC derivatives, including total return swaps. To the extent not mitigated by implementation of the Dodd-Frank Act and/or EMIR or collateral arrangements, if at all, the risks posed by OTC derivatives contracts, which can be extremely complex and may involve leveraging of a Sub-Fund's assets, include (i) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations), (ii) market risk (adverse movements in the price of a financial asset or commodity), (iii) legal risks (the characterisation of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights), (iv) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud), (v) documentation risk (exposure to losses resulting from inadequate documentation), (vi) liquidity risk (exposure to losses created by inability to prematurely terminate the transaction), (vii) systemic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system), (viii) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity) and (ix) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

For transactions that are cleared through a clearing house, there is the additional risk that the clearing house may become insolvent or lack the financial resources to assure performance in the event of a clearing house member's default.

A Sub-Fund may receive collateral from and may deliver collateral to a counterparty or broker (a "Counterparty") by way of title transfer or by way of security interest and, in certain circumstances, where a Sub-Fund delivers collateral to a Counterparty, may grant a right of reuse of such collateral to such Counterparty. The treatment of such collateral will vary according to the type of transaction and its contractual terms, the jurisdiction in which the Counterparty is located and the assets are traded, the legal status of the collateral and applicable law.

Where collateral is delivered by way of title transfer, a Sub-Fund will be exposed to the creditworthiness of the Counterparty and, in the event of insolvency, a Sub-Fund will rank as an unsecured creditor in relation to any amounts transferred as collateral in excess of such Sub-Fund's exposure to the Counterparty.

Where assets are delivered pursuant to a security interest (to the extent not re-used) or cash is protected pursuant to the Central Banks requirements, such assets and cash should be protected from the insolvency of the Counterparty but subject to the Counterparty complying with its obligations pursuant to the terms of the agreement with a Sub-Fund and applicable law.

Where assets are delivered pursuant to a security interest (to the extent not re-used) such assets should be protected from the insolvency of the Counterparty but subject to the Counterparty complying with its obligations pursuant to the terms of the agreement with a Sub-Fund and applicable law.

Where the Counterparty exercises a right of use in respect of financial instruments provided to it by a Sub-Fund as collateral, such Sub-Fund's rights in respect of such financial instruments will be replaced by an unsecured contractual claim for delivery of equivalent financial instruments subject to the terms of the relevant arrangement. The relevant financial instruments will not be held by the Counterparty in accordance with client asset rules or similar rights and so will not be segregated from the Counterparty's own assets or held on trust for a Sub-Fund. In the event of the Counterparty's insolvency or default, a Sub-Fund's claim for delivery of equivalent financial instruments will not be secured and will be subject to the terms of the relevant arrangement and applicable law and, accordingly, such Sub-Fund may not receive such equivalent financial instruments or recover the full value of the financial instruments. Further, in the event that a resolution authority exercises its powers under any relevant resolution regime in relation to the Counterparty any rights a Sub-Fund may have to take any action against the Counterparty, such as to terminate the relevant agreement, may be subject to a stay by the relevant resolution authority and/or a Sub-Fund's claim for delivery of equivalent financial instruments may be reduced (in part or in full) or converted into equity and/or a transfer of assets or liabilities may result in a Sub-Fund's claim being transferred to different entities.

Where collateral is held by a custodian, on the insolvency or default of the custodian the relevant financial instruments should, subject to the terms of the relevant agreement and applicable law, be unavailable to its general creditors. However, in the event of an irreconcilable shortfall following the default of a custodian a Sub-Fund may share in that shortfall proportionately with the custodian's other customers.

Collateral arrangements may be subject to a number of operational risks, including the failure of a Sub-Fund to call for collateral where it is entitled to do so, the failure of the Counterparty to call for the correct amount of collateral or failure to redeliver any excess collateral and settlement failures.

In the event that a Sub-Fund attempts to realise collateral following the default by a Counterparty, there may be no or limited liquidity or other restrictions in respect of the relevant collateral and any realisation proceeds may not be sufficient to off-set a Sub-Fund's exposure to the Counterparty and a Sub-Fund may not recover any shortfall.

Credit Default Swaps

A Sub-Fund may take long and short positions in credit default swaps. A credit default swap is a type of credit derivative which allows one party (the "protection buyer") to transfer credit risk of a reference entity (the "reference entity") to one or more other parties (the "protection seller"). The protection buyer pays a periodic fee to the protection seller in return for protection against the occurrence of a number of events (each a "credit event") which may be experienced by the reference entity. Credit default swaps carry specific risks including, but not limited to, high levels of leverage, the possibility that premiums are paid for credit default swaps which expire worthless, wide bid/offer spreads and documentation risks. In certain instances of issuer defaults or restructurings (for those credit default swaps for which restructuring is specified as a credit event), it has been unclear under the standard industry documentation for credit default swaps whether or not a credit event triggering the seller's payment obligation had occurred. The creation of the ISDA Credit Derivatives Determination Committee (the "Determinations Committee") in 2009 and the publishing of the Auction Settlement CDS Protocol were intended to reduce this uncertainty and create uniformity across the market for credit default swaps. Market-wide cash settlement protocols applicable to all market-standard credit derivatives have helped to reduce settlement risks by providing that the Determinations Committee both establish an auction to determine a settlement price and identify the deliverable securities for purposes of the auction, although the Determinations

Committee may in certain limited circumstances refrain from doing so. In the event the Determinations Committee cannot reach a timely resolution with respect to a credit event or otherwise does not establish a cash settlement auction, there is the risk that the buy may not be able to realise the full value of the credit default swap.

Forward Foreign-Exchange Contracts

A Sub-Fund may enter into forward foreign-exchange contracts. A forward foreign-exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign-exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered.

The CFTC has been granted authority to regulate all swaps in the United States, including most forward foreign-exchange contracts. Until the CFTC fully implements rules with respect to these transactions, trading by a Sub-Fund in some forward foreign-exchange contracts will not be regulated by the CFTC and will not be traded on exchanges or subject to mandatory clearing. In addition, some forward foreign-exchange contracts, as well as bona fide spot currency transactions, are not subject to regulation by the CFTC.

Certain of the forward foreign-exchange contracts in which a Sub-Fund may engage are effected through the interbank market. Central clearing is offered only in respect of certain types of forward foreign-exchange contracts entered into on this market and, accordingly, if a Sub-Fund wishes to close out any such contract before the specified date, it will be reliant upon the agreement of the relevant counterparty. There is no limitation as to daily price movements on this market and none of a Sub-Fund's counterparties will be required to make or continue to make a market in any forward foreign-exchange contracts. In exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign-exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. The imposition on any counterparty of credit restrictions on the dealing facilities which they agree to provide to a Sub-Fund may subsequently limit any transactions in forward foreign-exchange contracts. For forward foreign-exchange contracts that are not subject to exchange-trading or clearing, the Fund and the relevant Sub-Fund will be subject to the risk of the inability or refusal of such Sub-Fund's counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel such Sub-Fund to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Repurchase Agreements

A Sub-Fund may enter into repurchase agreements with respect to securities. Repurchase agreements involve credit risk, in that a Sub-Fund's counterparties may default on their obligations and potentially avoid such obligations in bankruptcy or insolvency proceedings, thereby exposing such Sub-Fund to unanticipated losses. The amount of credit risk incurred by a Sub-Fund with respect to a particular repurchase agreement will depend in part on the extent to which the obligation of such Sub-Fund's counterparty is secured by sufficient collateral.

Contingent Liability Transactions and Trading on Margin

Many types of derivative contract, including futures, forwards, options, warrants and certain swaps, are contingent liability transactions. Contingent liability transactions are transactions that may require the purchaser to make further payments when the transaction is closed, instead of paying a single amount when the position is entered into. Whether such further payments will be required and/or the amount of such payments is determined by changes in the value of the underlying asset between the transaction being entered into and the position being closed.

A Sub-Fund may be required to post margin to counterparties in respect of derivatives that constitute contingent liability transactions. Margin is an amount of collateral that must be paid to the counterparty in order to secure potential final payment obligations for positions it has entered into. The margin maintained will generally be marked-to-market daily, requiring additional margin to be paid if the relevant position reflects a loss. Conversely, if the position reflects a gain, an amount of the margin may be returned to a Sub-Fund's account at the counterparty. Counterparties may, in their discretion, increase their minimum margin requirements, particularly in times of significant volatility. This discretion and/or the mark-to-market requirement could suddenly increase very substantially the amount of margin required to be maintained with one or more or all counterparties in order to maintain the position. This would increase the counterparty credit risk to which a Sub-Fund is exposed with respect to the relevant counterparty and, if a Sub-Fund is unable to satisfy margin calls, could result in positions being liquidated at a loss at a time when it would not otherwise have chosen to do so.

The low margin amounts normally required for certain types of investments permit a high degree of leverage. Accordingly, as with any leveraged investment, a relatively small price movement in the investment may result in a substantial loss to an investor as a proportion of the capital committed. A trade may result in losses in excess of the amount of margin invested by a Sub-Fund at the time the position was opened.

Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when a Sub-Fund entered into the transaction.

General Economic and Market Conditions

The success of the activities of the Fund and its Sub-Funds is affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of a Sub-Fund's investments. The prices of many derivative instruments are highly volatile. Volatility and liquidity could impair the profitability of the Fund and its Sub-Funds or result in losses.

Market Disruptions and Governmental Intervention

The Fund and its Sub-Funds may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from a disconnect with historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to a Sub-Fund from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to a Sub-Fund. In 1994, in 1998 and again in the financial crisis that commenced in 2007 a sudden restriction of credit by the dealer community has resulted in forced liquidations and major losses for a number of investment vehicles focused on credit-related investments. However, because market disruptions and losses in one sector can cause ripple effects in other sectors, many investment vehicles suffered heavy losses even though they were not heavily invested in credit-related investments.

In addition, the global financial markets may undergo further fundamental disruptions in the future, which could result in renewed governmental and/or supra-governmental interventions which may be materially detrimental to the performance of a Sub-Fund, and hence to the Fund. Furthermore, market disruptions caused by unexpected political, military and terrorist events, as well as natural circumstances, such as pandemics, may from time to time cause dramatic losses for a Sub-Fund and such events may result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on an Investment Manager's ability to implement a Sub-Fund's investment approach. However, an Investment Manager believes that there is a likelihood of increased regulation of the global financial markets, and that such increased regulation could be materially detrimental to the performance of a Sub-Fund's portfolio.

National governments, their central banks and supra-governmental agencies and organisations have previously taken, and may in the future take, significant steps to intervene in the financial markets including, but not limited to, through international transactions in its currency or the debt obligations of itself or its nationals through various means, including, without limitation, regulation of the local exchange market, restrictions on foreign investment by residents, limits on flows of investment funds from abroad and debt moratoria,. Current and future government, central bank and/or supra-governmental interventions may lead to a change in valuations of securities that is detrimental to a Sub-Fund's investments. Such intervention is subject to inherent uncertainties relating to prevailing economic conditions and political considerations.

Systemic Risk

Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect intermediaries with which a Sub-Fund interacts.

Market Liquidity and Leverage

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

Brexit and the EU

The UK has left the EU. The future economic and political relationship between the UK and the EU (and between the UK and other countries) is uncertain, and a period of economic and political uncertainty is continuing in the UK, in the EU and globally. The UK may make regulatory changes, which may be adverse to a Sub-Fund. The ultimate nature and extent of the impact of these events on the Fund and its Sub-Funds and an Investment Manager are uncertain, but may be significant.

Other member states of the EU may also reconsider their EU membership. This could result in one or more other countries leaving the EU, or in major reforms or other changes being made to the EU or to the Eurozone. The nature and extent of the impact of any such changes on the Fund and its Sub-Funds and an Investment Manager are uncertain, but may be significant.

Emerging Markets

If a Sub-Fund invests in securities of companies incorporated in emerging markets or whose principal operations are in emerging markets or in securities issued by governments or governmental agencies of emerging market countries, additional risks may be encountered. These include (i) the currencies in which investments are denominated may be unstable, may be subject to significant depreciation and may not be freely convertible, (ii) the value of a Sub-Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations

may not be consistently applied, (iii) emerging markets are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and are not highly regulated. Settlement of transactions may be subject to delay and administrative uncertainties, (iv) emerging markets carry a higher degree of political risk than developed markets or regulations can impede repatriation of investment capital or earnings. It may be difficult to obtain and enforce a judgment in certain emerging markets in which assets of a Sub-Fund have been invested, (v) custodians are not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that a Sub-Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian and (vi) less complete and reliable fiscal and other information may be available to investors.

Effects of Health Crises and Other Catastrophic Events

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, that result in disrupted markets and/or interrupt the expected course of events, and public response to or fear of such crises or events, may have an adverse effect on the operations of and, where applicable, investments made by the Fund, a Sub-Fund, the Manager and any Investment Manager. For example, any preventative or protective actions taken by governments in response to such crises or events may result in periods of regional, national or international business disruption. Such actions may significantly disrupt the operations of the Fund, a Sub-Fund, the Manager, any Investment Manager and the other service providers to the Fund and its Sub-Funds. Further, the occurrence and duration of such crises or events could adversely affect economies and financial markets either in specific countries or worldwide.

Operational Risks

Trade Errors and Trading Execution Risks

Trade errors and order errors, which may be due to a mistake of fact, processing error or other similar reason, are an intrinsic factor in any complex investment process, and will occur even where execution is conducted with due care and using special procedures designed to prevent such errors. In the event of a trading error or an order error, it will be a matter of the Manager and/or any Investment Manager's discretion as a free-standing investment judgement whether or not to retain the relevant position.

Transaction Costs

A Sub-Fund's investment approach may involve a high level of trading and turnover of a Sub-Fund's investments which may generate substantial transaction costs that will be borne by the relevant Sub-Fund.

Counterparties

The stability and liquidity of a Sub-Fund's transactions (including its repurchase transactions, swap transactions, forward transactions or any other uncleared OTC derivative transactions, as applicable) will depend in large part on the performance by, and the creditworthiness of, a Sub-Fund's counterparty (which may include a Prime Broker). It is expected that an Investment Manager will monitor on an ongoing basis the creditworthiness of the Sub-Fund's trading counterparties.

There can be no assurance that any such counterparty will continue to perform its obligations to a Sub-Fund. If a Sub-Fund's counterparty defaults or enters into an insolvency procedure, such Sub-Fund could experience significant losses.

In the event of a counterparty's insolvency or other default, a Sub-Fund will, under most normal circumstances (subject to applicable law), have contractual remedies pursuant to the agreements related to the transaction. In certain circumstances, a Sub-Fund's positions may be liquidated or closed out automatically.

The liquidation and close-out of a Sub-Fund's positions and the exercise of any contractual remedies described above may involve delays or costs and could have a negative impact on the Net Asset Value of the relevant Sub-Fund. It may be difficult or impossible for a Sub-Fund to establish replacement transactions, or it may incur additional costs in doing so. In certain circumstances, a Sub-Fund may not be entitled to recover the actual assets which it has lodged as collateral and may have to accept any available payments in cash. In such instances, it may be difficult or impossible to acquire or liquidate equivalent assets, assess value or risk exposure or determine a fair price (and this may depend particularly on the markets in which the transactions have been entered into and the rules and regulations of such markets). In relation to any net cash amounts owed by the counterparty, a Sub-Fund will rank as an unsecured creditor and may not be able to recover such amounts in full, or at all.

With respect to other transactions, where a Sub-Fund delivers collateral to its trading counterparties on a title transfer basis under the terms of the relevant agreement, either by posting initial margin or on a daily mark-to-market basis, circumstances may arise where a counterparty may be over-collateralised and/or a Sub-Fund may from time to time have uncollateralised mark-to-market exposure to a counterparty in relation to its rights to receive securities and cash. In both circumstances, a Sub-Fund will be exposed to the creditworthiness of any such counterparty and, in the event of the insolvency of a counterparty, a Sub-Fund will rank as an unsecured creditor in relation to amounts equivalent to any such over-collateralisation and any uncollateralised exposure to such trading counterparty. In such circumstances a Sub-Fund may not be able to recover any debt in full, or at all.

Where, instead of providing some or all collateral directly to its counterparty or on a title transfer basis, a Sub-Fund instead holds such collateral with a third party custodian for the benefit of the counterparty, such collateral should (in the event of the counterparty's insolvency) be better protected from the claims of the counterparty's general unsecured creditors. However, the return of such collateral is subject to the credit and operational risk of the custodian.

In addition, a Sub-Fund may use counterparties located in various jurisdictions around the world. Such counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, it is not possible to generalise about the practical effect of these laws and their application to a Sub-Fund's assets in the event of their insolvency. Shareholders should assume that the insolvency of any counterparty would result in a loss to a Sub-Fund which could be material. In certain circumstances, assets of a Sub-Fund utilised in support of trading activities engaged in by such Sub-Fund with a counterparty may be deposited with or otherwise held by another third party. In such circumstances, the assets of that Sub-Fund are also subject to the risk of such third party failing to perform its obligations in respect of transactions whether due to insolvency, bankruptcy or other causes.

A Sub-Fund's contractual arrangements with its trading counterparties typically contain termination provisions in the event of, among other things, a significant decline in the Net Asset Value per Share of the relevant Sub-Fund, calculated on a periodic basis, and/or a decline in the Net Asset Value to an absolute monetary floor. The termination of any such contractual arrangements as a consequence thereof could seriously impair the ability of a Sub-Fund to carry on its business.

Exchanges and Clearing

Exchange-traded and OTC cleared derivatives are subject to the rules of the relevant clearing house through which they are cleared, including collateral arrangements required by the clearing house. The terms and conditions of cleared transactions may be modified by the clearing house

without notice to reflect changes or events in respect of the underlying asset or otherwise. In particular, a Sub-Fund may be required to post collateral on short notice as credit support for the transactions. Failure to post collateral may lead to the transactions being closed out, which could result in a loss being incurred by a Sub-Fund.

If a clearing broker to a Sub-Fund defaults or enters into insolvency proceedings, such Sub-Fund may not, subject to the following paragraph, receive all of its collateral back or maintain its positions and there are likely to be time delays and costs connected with recovering such collateral.

Collateral provided by a Sub-Fund in respect of derivatives transactions cleared by a clearing organisation that is authorised as a central counterparty under EMIR may be subject to certain protections. There are a number of factors that, together, determine the level of protection a Sub-Fund will receive in respect of collateral that it provides to a clearing broker for its cleared derivatives transactions. These include the choice of client account with the relevant clearing house, whether such collateral is transferred by way of title transfer or security interest, whether or not cash that a Sub-Fund transfers to the clearing broker is treated as client money in accordance with the Central Bank requirements, whether transactions are cleared directly through the relevant clearing house or through a third party broker, whether a Sub-Fund is required to hold with or deliver to the clearing broker any excess margin, and the bankruptcy and other laws that govern the clearing broker and any other party (such as the clearing house) in the clearing structure.

Where the clearing broker takes collateral on a title transfer basis, a Sub-Fund will lose all rights to such assets and shall instead be entitled to equivalent assets in the circumstances agreed in the relevant clearing agreement. The clearing broker may either transfer such portion of the collateral that the parties have agreed are to be passed to a third party broker or clearing house (as applicable) or transfer other assets of equivalent value on to the third party broker or clearing house (as applicable) with respect to a transaction.

Unless a Sub-Fund's clearing broker is declared to be in default by the clearing house in respect of directly cleared transactions, such Sub-Fund will have no right of recourse to any assets that the relevant clearing broker has transferred to the clearing house and such Sub-Fund will instead have a claim against the clearing broker (or where it is insolvent, the clearing broker's estate) for a return of the assets along with all the clearing broker's other general creditors. Even if the clearing broker is declared to be in default by the clearing house, the extent of a Sub-Fund's rights in relation to the assets held with the clearing house, if any, will depend on the particular clearing house, the choice of client account and applicable law.

Where a clearing broker takes collateral on a security interest basis, a Sub-Fund's interest in such collateral should be better protected unless or until such time as any right of use that the clearing broker might have in respect of such collateral is exercised. Once such right of use is exercised, a Sub-Fund will cease to own such collateral, and, subject to the choice of client account and the rules of the relevant clearing house, will bear credit risk on the clearing broker as above. To the extent that cash is held as client money, see also under.

Where other parties in the clearing structure default (such as a third party broker or clearing house), a Sub-Fund may not receive all of its assets back or retain the benefit of its positions. In such circumstances the clearing broker's (and therefore a Sub-Fund's) rights will depend on the law of the country in which such entity is located and the relevant protections in place. In particular, in the event of a clearing house insolvency, it is likely that a Sub-Fund's positions would be terminated; the timing, procedures and risks of such termination would be dependent on the applicable insolvency law and clearing house rules. It is unlikely in such a case that a Sub-Fund would have a direct claim against the defaulting entity, and such Sub-Fund's entitlement would most likely be limited to such amounts that the clearing broker is able to recover in such circumstances.

In addition, depending on certain factors including the choice of client account, where a clearing broker takes collateral on a title transfer basis a Sub-Fund's excess collateral held with a clearing

broker may not be segregated from the assets of such clearing broker and, if not so segregated, may be used by such clearing broker in the course of its business, in which case, such Sub-Fund will rank as an unsecured creditor of such clearing broker in relation thereto.

The laws or regulations applicable to derivatives that are cleared by a clearing organisation that is not authorised as a central counterparty under EMIR will vary depending on the country in which the transaction occurs and/or is cleared. In particular, collateral provided for the purpose of such transactions may not be subject to the treatment described above or be afforded the same protections as may be applicable to transactions cleared through clearing organisations authorised under EMIR.

Failure of US Clearing Broker

Any clearing broker that is a futures commission merchant (“FCM”) registered with the CFTC is required by CFTC regulations to segregate from its own assets and hold in a customer segregated account and for the sole benefit of their commodity customers (including a Sub-Fund), all assets held by it as margin in respect of CFTC exchange-traded futures and options contracts. These funds may also be posted by the FCM to the clearing house clearing the relevant contracts to fulfil the FCM’s obligation to post collateral to the clearing house. An FCM may for convenience commingle the futures customer funds in a single account or multiple accounts but must treat and deal with the funds of each customer as belonging to that individual customer. The clearing house, however, treats each FCM’s customer account on an omnibus basis, that is, as belonging to an undifferentiated group of customers. A clearing house may use all of the collateral held in an FCM’s omnibus account to meet a loss in that account, without regard to which customer in fact supplied that collateral.

In theory, an FCM should forward money separately for customer and proprietary positions and those should be separately identifiable by the clearing house. Under CFTC regulations, brokers are also required to deposit their own funds into their customer segregated accounts to the extent necessary to ensure that such accounts do not become undermargined. (Since they are also correspondingly allowed to withdraw funds from the account to the extent that the customer for whom they fronted them makes good on its margin obligations, there is a risk of overwithdrawal due to operational error, especially in a “run on the bank” scenario.) In the event of a broker’s financial collapse, insolvency or bankruptcy, the customer funds held in that broker’s customer segregated accounts should, in theory, be safely insulated as an identifiably separate pool of assets and, as such, would not be available for distribution to the broker’s general creditors. However, there is no equivalent to the Financial Services Compensation Scheme or other insurance or protective scheme and if these protections failed, whether due to fraud or error, the customer would be without recourse.

Upon insolvency of the FCM, a trustee would be appointed who would attempt to transfer customer accounts to another FCM willing to accept them. However, if there was a shortfall in margin at the FCM and clearing house compared to the margin necessary to support the positions, in connection with such transfer the customer would be obligated to remargin the account from its own funds or face premature liquidation of the associated positions. Under such circumstances, each customer would receive its pro rata share of such assets, shared among customers holding accounts of the like class based on their net equity in their respective accounts. As such, customers bear the credit risk of their FCM as well as “fellow customer” risk to other clients of the FCM. In the event that the positions could not be transferred to another FCM they would be liquidated.

The relevant CFTC regulations purport to provide that proprietary assets of the FCM would be available to cover shortfalls in segregated property. However, one court which examined the issue rejected the regulations as being in excess of the CFTC’s proper powers.

The regime for cleared swaps is similar to the above, save that margin required to be posted by the FCM to the clearing house in respect of customer positions is required to be earmarked for specific

FCM customers even though it will be operationally commingled at the clearing house (“legal segregation with operational commingling” or “LSOC”). Under the LSOC model, a clearing house may not use the collateral of one customer to cover the obligations of the FCM or another customer. While in theory this should largely reduce the fellow customer risk that exists under the futures segregation model and allow for quicker and easier transfers of the cleared swaps positions from the defunct FCM to a successor, the regime is untried and there may be significant operational and legal issues that will only surface over time. In any event, the LSOC regime does not reduce investment risk due to extraordinary losses incurred by an FCM on its permissible investments of customer collateral and remains vulnerable to fraud and operational error in ways similar to the futures regime described above.

A client's assets that are deposited as margin in respect of non-exchange traded derivative contracts such as currency forwards on the interbank market are not required under CFTC or any other regulations to be held in a customer segregated account. Consequently assets deposited as margin in respect of non-exchange traded derivative contracts may be indistinguishable from a broker's assets and therefore may be subject to creditors' claims in the unlikely event of the insolvency of that broker. As a protective measure, the Prime Brokers will only hold margin deposits and small excess to margin cash deposits of a Sub-Fund's assets.

Recently-adopted CFTC regulations provide counterparties of swap dealers and major swap participants with the right to elect segregation of initial margin in respect of uncleared swaps. If a counterparty makes such an election, any initial margin that is posted to the must be segregated in individual customer accounts held at an independent third party custodian. In addition, the collateral may only be invested in certain categories of instruments identified in the CFTC's regulations. Agreements covering these segregation arrangements must generally provide for consent by both the counterparty and the swap dealer or major swap participant to withdraw margin from the segregated account. Given these limitations on the use of uncleared swaps collateral, there is some likelihood that the electing counterparty will experience an increase in the costs associated with trading swaps with the relevant swap dealer or major swap participant. Certain other protections apply to a counterparty to uncleared swaps under the CFTC's regulations even if the counterparty does not elect segregation of its initial margin. These regulations are newly adopted, and it remains unclear whether they will be effective in protecting initial margin in the manner intended in the event of significant market stress or the insolvency of a swap dealer or major swap participant.

Prime Broker Insolvency

The Fund and any of its Sub-Funds may be subject to a number of risks relating to the insolvency, administration, liquidation or similar procedure of a Prime Broker or a custodian. During such a procedure (which may last many years) the use by a Sub-Fund of assets held in custody by or on behalf of the relevant Prime Broker or custodian may be restricted and accordingly (a) the ability of an Investment Manager to fulfil the investment objective may be severely constrained, (b) the Sub-Fund may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Shares and/or (c) the Net Asset Value may be otherwise affected. During such a procedure, a Sub-Fund may be an unsecured creditor in relation to certain assets (including those in respect of which it had previously been a secured creditor) and accordingly such Sub-Fund may be unable to recover such assets from the insolvent estate of the relevant Prime Broker or custodian in full, or at all. The Fund and any of its Sub-Funds may be subject to similar risks in the event of the insolvency of any sub-custodian with which any relevant assets are held.

Otherwise, in relation to a Sub-Fund's right to the return of assets equivalent to those of such Sub-Fund's assets which any Prime Broker borrows, lends, pledges, charges, rehypothecates, sells, transfers, disposes of (as applicable), or otherwise uses for its own purposes, such Sub-Fund will rank as one of the relevant Prime Broker's unsecured creditors and, in the event of the insolvency of such Prime Broker, that Sub-Fund might not be able to recover such equivalent assets in full, or at all.

Assets of a Sub-Fund held in custody

Where a Prime Broker, custodian, broker or trading counterparty holds a Sub-Fund's assets or margin in custody (rather than under a title transfer arrangement) (a "Custody Provider"), the treatment of such assets or margin and applicable protections will depend on the law applicable to the Custody Provider and the location of the assets or margin in custody, as well as the terms in place between the parties.

Clearing House Protections

On many exchanges, the performance of a transaction by a broker (or third party with whom it is dealing on a Sub-Fund's behalf) is "guaranteed" by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover a Sub-Fund which will not be a member of the relevant exchange or its clearing house, and may not therefore protect a Sub-Fund if a broker or another party defaults on its obligations to a Sub-Fund. Accordingly, such a default could result in losses to a Sub-Fund.

Investment Management Risk

The investment performance of a Sub-Fund is wholly dependent on the services of certain individuals at an Investment Manager. In the event of the death, incapacity, departure, insolvency or withdrawal of any of these individuals, the performance of a Sub-Fund may be adversely affected.

Service Providers

The Fund has no employees and is therefore reliant upon the performance of the Directors and third-party service providers for its executive function. The Manager, any Investment Manager, any Prime Broker, custodian, any external valuer, the Depositary, the Administrator, in particular, and their respective delegates, if any, perform services that are integral to the operation of a Sub-Fund. Failure by any service provider to carry out its obligations to a Sub-Fund in accordance with the terms of its appointment or without exercising due care and skill could have a materially detrimental impact on the operation of a Sub-Fund. The termination of a Sub-Fund's relationship with any third-party service provider, and any delay in appointing a replacement for such service provider, may have a material adverse effect on the performance of a Sub-Fund.

Business Risk

The investment results of the Fund and its Sub-Funds are reliant upon the success of an Investment Manager and there can be no assurance that a Sub-Fund will achieve its investment objective.

An Investment Manager, when investing on behalf of a Sub-Fund, competes with other hedge fund managers and market participants (such as other fund managers and the proprietary desks of investment banks) for investment opportunities. The number of such other market participants and the scale of the assets managed by such entities may increase. Such competitors may be substantially larger and have considerably greater financial, technical and marketing resources than are available to an Investment Manager and they may also have a lower cost of capital and access to funding sources that are not available to a Sub-Fund, which may create competitive disadvantages with respect to investment opportunities. The net effect of these developments may be to reduce the opportunities available for an Investment Manager to generate returns and/or to reduce the quantum of these returns. Historic opportunities for some or all hedge fund strategies may be eroded over time whilst structural and/or cyclical factors may reduce investment opportunities for an Investment Manager thereby temporarily or permanently reducing the potential returns of a Sub-Fund. There can be no assurance that the performance of the Fund and its Sub-Funds will be similar to the previous results of any other fund or account to which an Investment Manager acts as investment manager.

Information Technology Systems

An Investment Manager uses information technology systems to assess investment opportunities, strategies and markets, to monitor and control risks for a Sub-Fund. Information technology systems are also used to trade in investments. It is possible that a failure of some kind which causes disruptions to these information technology systems could materially limit an Investment Manager's ability to adequately assess and adjust the investments of a Sub-Fund, formulate strategies and provide adequate risk control, any of which could adversely affect the performance of a Sub-Fund. Further, failure of the middle- and/or back-office functions of an Investment Manager to process trades by a Sub-Fund in a timely fashion could prejudice the investment performance of such Sub-Fund.

Some of the information technology systems used by an Investment Manager may use new technologies such as artificial intelligence and robo-advisory systems. These systems may be used to inform or determine investment opportunities, strategies and decisions. These new technologies may not operate as predicted or desired and their output may be uncertain. Accordingly, the use of these new technologies by an Investment Manager (or the failure of these new technologies to operate correctly or at all) could have a material adverse effect on the performance of a Sub-Fund.

Disaster Recovery

Whilst an Investment Manager has put in place safeguards designed to protect the interests of the Fund and its Sub-Funds in case of disruption of information technology, including the use of redundant systems, replication, regular back-ups, emergency power, internet connections and alternative data feeds, there can be no guarantee that such measures will be effective against all situations or could be implemented in time, and the Fund and its Sub-Funds may be adversely affected.

Cybersecurity

Failures of or breaches in the cybersecurity measures of a service provider of the Fund and its Sub-Funds, including an Investment Manager and the Administrator, may cause the relevant party to lose or disclose proprietary or confidential information, suffer data corruption or lose operational capacity. Issuers of securities and trading counterparties may also be prone to cyber incidents. Such cyber incidents may can result from deliberate attacks ("cyberattacks") or unintentional events.

Cyberattacks include, for example, a person gaining unauthorised access to digital systems (e.g. through hacking or malicious software coding) to enable them to misappropriate assets or sensitive information, corrupt data or cause operational disruption. Cyberattacks can also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

Cyber incidents may cause disruption and impact business operations, potentially resulting in financial losses, interference with the ability to calculate Net Asset Value, impediments to trading, the inability of Shareholders to subscribe for, exchange or redeem Shares, violations of privacy, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. In addition, substantial costs may be incurred in order to prevent cyber incidents in the future, which may adversely impact the Fund and its Sub-Funds.

While an Investment Manager has established a business continuity plan for cyber incidents, and risk management strategies, systems, policies and procedures that seek to prevent them, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified. Furthermore, the Fund, its Sub-Funds and an Investment Manager cannot control the cybersecurity plans, strategies, systems, policies and

procedures put in place by service providers to the Fund, its Sub-Funds or an Investment Manager, or those of the issuers of securities or trading counterparties.

Due Diligence

When conducting due diligence and making an assessment regarding an investment, an Investment Manager is required to rely on resources available to it, including internal sources of information as well as information provided by lenders and other independent sources. The due diligence process may at times be required to rely on limited or incomplete information particularly with respect to newly established companies for which only limited information may be available.

In addition, an Investment Manager selects investments for a Sub-Fund in part on the basis of information and data relating to potential investments filed with various government regulators and publicly available or made directly available to an Investment Manager by issuers or third parties. Although an Investment Manager evaluates all such information and data and seeks independent corroboration when it considers it appropriate and reasonably available, an Investment Manager is not in a position to confirm the completeness, genuineness or accuracy of such information and data. An Investment Manager is dependent upon the integrity of the management of the entities filing such information and of such third parties as well as the financial reporting process in general. Recent events have demonstrated the material losses that investors such as a Sub-Fund can incur as a result of corporate mismanagement, fraud and accounting irregularities.

In addition, investment analyses and decisions by an Investment Manager may be undertaken on an expedited basis in order to make it possible for a Sub-Fund to take advantage of short-lived investment opportunities. In such cases, the available information at the time of an investment decision may be limited, inaccurate and/or incomplete. Furthermore, an Investment Manager is unlikely to have sufficient time to evaluate fully such information even if it is available.

Accordingly, as a result of a number of factors, a Sub-Fund cannot guarantee that the due diligence investigation it carries out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Any failure by an Investment Manager to identify relevant facts through the due diligence process may cause it to make inappropriate investment decisions, which may have a material adverse effect on a Sub-Fund.

Disclosure of Information

Electronic Delivery of Information

Information relating to a Shareholder's investment in a Sub-Fund may be delivered electronically. There are risks associated with electronic delivery, such as that email messages are not secure and may contain computer viruses or other defects, may not be accurately replicated on other systems, or may be intercepted, deleted, interfered with or placed in junk email folders without the knowledge of the sender or the intended recipient.

Information, Reporting and Side Arrangements

Subject to applicable law, an Investment Manager and the Fund may, in their sole discretion, negotiate and enter into agreements or other arrangements ("Side Arrangements") with certain Shareholders including, without limitation, those deemed to involve a significant or strategic relationship, that will result in different terms of investment in a Sub-Fund from the terms applicable to other Shareholders. As a result of such Side Arrangements, certain Shareholders may receive additional or different information, reporting and/or other benefits which other Shareholders will not receive. Such information and reporting may provide the recipient greater insights into a Sub-Fund's activities than is included in standard reports to Shareholders or otherwise communicated to all investors, thereby enhancing the recipient's ability to make investment decisions with respect to

such Sub-Fund and with respect to the investment of its own assets. The Manager is required under the AIFM Rules to disclose a description of any preferential treatment to prospective investors, but, except as described in this Prospectus or as otherwise required by law or regulation, neither an Investment Manager nor the Fund is otherwise required to notify any or all of the other Shareholders of any such Side Arrangements or any of the rights and/or terms or provisions thereof, or required to offer such additional and/or different rights and/or terms to any or all of the other Shareholders.

A Sub-Fund may be constrained, or may find it unduly onerous, to disclose certain information or to prepare or disclose certain information in a form or manner which satisfies certain regulatory, tax or other relevant authorities. Failure to disclose or make available information in the prescribed manner or format, or at all, may adversely affect the Fund and such Sub-Fund or Shareholders that reside in such jurisdictions.

Structural Risks

Net Asset Value Considerations

The value of Shares can go down as well as up.

The Net Asset Value per Share is expected to fluctuate over time with the performance of a Sub-Fund's investments and any cost borne by the Fund. A Shareholder will not fully recover its initial investment when it redeems its Shares or upon compulsory redemption if at the time of redemption the Net Asset Value per Share of the relevant Sub-Fund is less than the Subscription Price paid by such Shareholder.

The Fund may decide to make changes to the financial statement to conform to IFRS for financial reporting purposes, but use the valuation principles detailed herein for the purpose of calculating the Fund's and the relevant Sub-Fund's Net Asset Value. In such circumstances, there may be a divergence between the Fund's and the relevant Sub-Fund's Net Asset Value as at the last Valuation Day in a financial year and in the net asset value of the Fund and the relevant Sub-Fund reported in their financial statements in any year where such conforming changes are made.

Cross-Class Liabilities

The Instrument requires the establishment of a Separate Account for each Class and the attribution of gains, losses and liabilities of the Sub-Fund to the relevant Separate Account, if the losses and/or liabilities to be attributed to a Separate Account exceed the previous Net Asset Value of the relevant Class any excess losses or liabilities will be attributed to other Classes. The liabilities of the Sub-Fund are not segregated and, accordingly, creditors of the Sub-Fund may have recourse to all of the assets of the Sub-Fund, regardless of whether the assets are attributable to Classes other than those to which the relevant liabilities have been attributed.

Valuation Risk

The Net Asset Value of a Sub-Fund is calculated by the Administrator based, to the extent possible, on asset prices obtained from independent third-party sources, including securities exchanges. Such prices may be incorrect, or may prove not to be a fair reflection of the value of the asset. The actual price of any asset may be higher or lower than the price available to the Administrator, then Shareholders that are subscribing or redeeming, or that are holding Shares while other Shareholders are subscribing or redeeming. There is also a risk that greater Management Fees, Investment Management Fees and Performance Fees may be paid by the Fund than would have been paid if the actual prices of assets is lower or higher than the value determined for the purposes of calculating those fees. A Sub-Fund will not amend Net Asset Values on a retrospective basis if a pricing discrepancy is discovered.

As a consequence of market shocks or other market issues, certain assets that were otherwise valued on the basis of readily available data may become difficult to value. Changes in circumstances or market conditions may lead to revaluation of certain assets, which may result in material increases or decreases in the Net Asset Value. Any Shareholder who redeems Shares during a period when the value of any asset has been impaired will not receive any amount in respect of any subsequent increase of the Net Asset Value as a consequence of any revaluation of an asset. Neither the Sub-Fund nor an Investment Manager will be required to inform a Shareholder proposing to redeem Shares of any circumstances which may lead to a revaluation of an asset, and neither will be liable to any Shareholder in respect of any loss of opportunity to participate in gains attributable to any revalued assets, howsoever arising.

Participation in Litigation

Where the Fund participates in litigation, either in its own name or as part of a group or class and whether by election to participate or absence of election not to participate, and such participation gives rise to receipts by reason of, most typically, an award of damages, then such receipts will (subject to the discretion of the Directors to determine otherwise) be for the benefit of the Fund as at the time of receipt without adjustment of prior Net Asset Values and without regard to shareholdings at the relevant time or times of the underlying conduct giving rise to the claim. This approach is taken on the basis that participation in litigation is not regarded as an underlying premise for investment, that returns on litigation are uncertain by nature and that the ongoing costs of any litigation would not be borne by investors who have redeemed. The decision as to whether to participate in any litigation will be at the discretion of the Directors.

Valuation of Illiquid Investments

The valuation of any illiquid investments held by a Sub-Fund may involve uncertainties and judgmental determinations, including reliance on certain assumptions of current or future facts. The value of an illiquid investment may be determined by, among other things, utilising price quotes or estimates provided by dealers and pricing services and, if necessary, through relative value pricing. However, independent pricing information may not at times be available, or may be difficult to obtain, with respect to some investments. A Sub-Fund may determine the value of illiquid investments by reference to models developed by an Investment Manager.

Accordingly, illiquid investments may be subject to varying interpretations of value. Valuations of illiquid investments may not be indicative of what actual fair market value would be in an active, liquid or established market. In particular, any valuation models may not fully address all credit, market or other risks associated with a particular illiquid investment. There is no guarantee that the value attributable to an illiquid investment by a Sub-Fund, as determined by the Directors, will represent the value that will be realised by a Sub-Fund on the eventual realisation of such an investment.

If any interpretation of value changes or any assumption proves to be incorrect, or if a model is adjusted, no adjustment will be made to any prior Subscription Price or Redemption Price of any Shares or to the redemption proceeds paid or payable to any Shareholder on the basis of previous valuations. A Sub-Fund is entitled to rely, without independent investigation, upon pricing information and valuations furnished to it by third parties, including pricing services.

Illiquidity of Shares

There is no active secondary market for the Shares and it is not expected that such a market will develop.

Effect of Substantial Redemptions

Substantial redemptions by Shareholders within a short period of time could require a Sub-Fund to liquidate securities positions or other investments more rapidly than would otherwise be desirable, possibly reducing the value of a Sub-Fund's assets and/or disrupting an Investment Manager's investment approach. Reduction in the size of a Sub-Fund could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in a Sub-Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses. In addition, substantial redemptions of Shares may result in the delay of the payment of redemption proceeds if a Sub-Fund is unable, or it is unduly burdensome, to liquidate sufficient positions in a timely manner to satisfy the relevant redemption requests.

Administration of Subscriptions and Redemptions

The Fund may operate bank accounts in its name for subscriptions and redemptions, and may use other such bank accounts. The Administrator may also operate bank accounts for the Fund in the Administrator's name for subscriptions and redemptions. Monies in such bank accounts are not deemed to be property of the Fund.

All subscription monies will be held to the order of the Fund immediately upon receipt, but the economic entitlement arising from the relevant subscription will be calculated as of the relevant Valuation Day. If the Fund were to be placed into liquidation before the issuance of Shares to an applicant, or before the Fund's register of members was updated, the applicant might not be treated as a member of the Fund in any liquidation.

Redemption proceeds will be held to the order of the Fund until such time as redemption proceeds are remitted to the relevant Shareholder, but the economic entitlement arising from the relevant redemption will be calculated as of the relevant Valuation Day. Accordingly, if the Fund were to be placed into liquidation before the redemption of any Shares subject to a redemption request, or before the Fund's register of members was updated, the redeeming Shareholder might be treated as a member of the Fund in any liquidation and its ability to recover redemption proceeds may be affected accordingly.

Profit Sharing

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

Legal, Regulatory and Tax Risks

Regulatory Risks of Funds

The regulatory environment for funds is evolving and changes therein may adversely affect the ability of a Sub-Fund to obtain the leverage it might otherwise obtain or to pursue its investment approach. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action which may adversely affect the value of the investments held by a Sub-Fund. The effect of any future regulatory or tax change on the Fund and its Sub-Funds is impossible to predict.

The exit of the UK from the EU has led to uncertainty which may create additional compliance costs that may be borne by Shareholders. The Directors and/or the Manager will monitor the position and reserve the right to adopt such arrangements as they deem necessary or desirable to comply with the applicable requirements of the AIFM Rules, including making any relevant filings in order to be

able to market Shares to professional investors in the EEA and the UK. However, for the purposes of AIFM Rules, marketing does not include responding to enquiries and requests for information made at the initiative of the relevant investor.

Securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organisations, including but not limited to the CFTC, and exchanges are authorised to take extraordinary actions in the event of market emergencies including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of swaps, futures and/or other derivative transactions and funds that engage in such transactions is subject to modification by governmental, regulatory and judicial actions. The effect of any future regulatory change on the Sub-Fund could be substantial and adverse including, for example, increased compliance costs, the prohibition of certain types of trading and/or the inhibition of the Sub-Fund's ability to pursue the investment approach as described herein.

Lack of US Regulation

The offering of Shares has not been and will not be registered under the 1933 Act or any state within the United States in reliance on an exemption from registration pursuant to Rule 506 of Regulation D under the 1933 Act and applicable state securities law exemptions. The Fund has not been, and currently does not intend to be, registered as an investment company under the 1940 Act in reliance upon an exemption available to privately offered investment companies whose US Person security holders are all "qualified purchasers" as such term is defined in Section 2(a)(51) of the 1940 Act. The Manager will not be registered as a CPO under the CEA with respect to the Fund and its Sub-Funds pursuant to an available exemption set forth in CFTC Rule 4.13(a)(3). Therefore, Shareholders will not have the benefit of all the protections afforded by the foregoing laws.

Legal Risks

A Sub-Fund may make investments based on, or enter into contracts described by, significant legal documents. Such documents may include (but are not limited to) prospectuses and other offering documents as well as OTC derivative contracts, including contracts for differences and credit default swaps. Whilst a Sub-Fund generally seeks advice on material matters, there can be no guarantee that any advice given will be accurate, that a contract will be validly executed by the relevant counterparty or that a contract will ultimately prove to be enforceable against the relevant counterparty. Furthermore, the expected outcome of these contracts or investments may not be realised in practice. If these contracts or investments do not produce the expected result, a Sub-Fund could suffer significant losses.

Possible Law Changes

No assurance can be given that legislative, administrative or judicial changes will not occur which will alter, either prospectively or retroactively, the tax considerations or risk factors discussed in this Prospectus. Prospective Shareholders should seek, and must rely on, the advice of their own advisers with respect to the possible impact on its investment of any future proposed legislation or administrative or judicial action.

Regulation of OTC Transactions

There has been an international effort to increase the stability of the financial system in general, and the OTC derivatives market in particular, in response to the financial crisis of 2007-2009. The leaders of the G20 have agreed that all standardised OTC derivative contracts should be traded on exchanges or electronic trading platforms, where appropriate, and cleared through central counterparties, that OTC derivative contracts should be reported to trade repositories and that non-centrally cleared contracts should be subject to higher margin requirements.

In the United States, the Dodd-Frank Act includes provisions that comprehensively regulate the OTC derivatives markets for the first time (including the markets in foreign currency contracts and credit default swaps). Key provisions of the Dodd-Frank Act require rulemaking by the SEC and the CFTC, not all of which has been proposed or finalised as at the date of this Prospectus. As a result, investors should expect future changes in the regulatory environment.

In an attempt to reduce systemic and counterparty risks associated with OTC derivatives transactions, the Dodd-Frank Act requires that a substantial portion of OTC derivatives must be executed in regulated markets and submitted for clearing to regulated clearing houses. The CFTC has issued rules requiring the clearing of certain OTC derivatives transactions that fall within its jurisdiction and it is possible that the CFTC and the SEC will require the clearing of more transactions in the future. OTC trades submitted for clearing are subject to minimum initial and variation margin requirements set by the relevant clearing house, as well as SEC- or CFTC-mandated margin requirements. The CFTC, SEC and US bank regulators have also adopted rules imposing minimum initial and variation margin requirements on non-cleared OTC derivatives. Although the Dodd-Frank Act includes limited exemptions from the clearing and margin requirements for so-called “end-users”, a Sub-Fund does not expect to be able to rely on such exemptions. In addition, the OTC derivative dealers with which a Sub-Fund may execute the majority of its OTC derivatives will not be able to rely on the end-user exemptions under the Dodd-Frank Act and therefore such dealers will be subject to clearing and margin requirements notwithstanding whether a Sub-Fund is subject to such requirements. OTC derivative dealers are also required to post margin to the clearing houses through which they clear their customers’ trades instead of using such margin in their operations. This will further increase the dealers’ costs, which costs are expected to be passed through to other market participants in the form of higher fees and less favourable dealer marks. In addition, a Sub-Fund may also be required to post higher margin amounts to certain of the dealers with which it trades and that will increase the costs of a Sub-Fund and reduce the amount of available capital with which to implement its investment approach. With respect to cleared OTC derivatives, a Sub-Fund will not face a clearing house directly but rather through an OTC derivatives dealer that is registered with the CFTC or SEC to act as a clearing member. A Sub-Fund may face the indirect risk of the failure of another clearing member customer to meet its obligations to its clearing member. Such scenario could arise due to a default by the clearing member on its obligations to the clearing house, triggered by a customer’s failure to meet its obligations to the clearing member. For OTC derivatives that are cleared through a clearing house, there is the additional risk that the clearing house may become insolvent or lack the financial resources to assure performance in the event of a clearing house member’s default.

The CFTC has also issued rules requiring certain OTC derivatives transactions that fall within its jurisdiction and that has historically been executed on a bilateral basis in the OTC markets to be executed through a regulated securities, futures, or swap exchange or execution facility. It is possible that the CFTC and the SEC will require the execution on a regulated market of additional OTC derivatives transactions in the future. Such requirements may make it more difficult and costly for investment funds, including a Sub-Fund, to enter into highly tailored or customised transactions. They may also render certain strategies in which a Sub-Fund might otherwise engage impossible or so costly that they will no longer be economical to implement.

OTC derivative dealers and major OTC derivatives market participants are required to register with the SEC and/or the CFTC. Based on the current levels of uncollateralised exposure to their swap dealers, it is not anticipated that a Sub-Fund and/or an Investment Manager will be required to register as major participants in the OTC derivatives markets. Dealers and major participants are also subject to minimum capital and margin requirements. These requirements may apply irrespective of whether the OTC derivatives in question are exchange-traded or cleared. OTC derivatives dealers are subject to business conduct standards, disclosure requirements, reporting and recordkeeping requirements, transparency requirements, position limits, limitations on conflicts of interest, and other regulatory requirements. These requirements may increase the overall costs for OTC derivative dealers, which are likely to be passed along, at least partially, to market participants in the form of higher fees or less advantageous dealer marks. The overall impact of the

Dodd-Frank Act on a Sub-Fund is highly uncertain and it is unclear how the OTC derivatives markets will adapt to this new regulatory regime and whether new developments will render certain strategies in which a Sub-Fund engages impossible or so costly that they will no longer be economical to implement.

Although the Dodd-Frank Act requires many OTC derivative transactions previously entered into on a principal-to-principal basis to be submitted for clearing by a regulated clearing house, certain of the derivatives that may be traded by a Sub-Fund may remain principal-to-principal or OTC contracts between the Sub-Fund and third parties entered into privately. The risk of counterparty non-performance can be significant in the case of these OTC instruments, and “bid-ask” spreads may be unusually wide in these heretofore substantially unregulated markets. While the Dodd-Frank Act is intended in part to reduce these risks, its success in this respect may not be evident for some time after the Dodd-Frank Act is fully implemented; a process that may take several years.

EMIR introduced uniform requirements in respect of OTC derivative contracts by requiring certain “eligible” derivatives contracts to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of derivatives contracts to trade repositories. In addition, EMIR imposes risk mitigation requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty credit risk in respect of OTC derivatives contracts which are not subject to mandatory clearing, such as the exchange and segregation of collateral.

EMIR has a significant impact on a Sub-Fund’s trading of derivatives, which may include an increase in the overall costs of entering into and maintaining OTC derivatives contracts. The Directors and an Investment Manager will monitor the position. However, prospective investors should be aware that the regulatory changes arising from EMIR may adversely affect a Sub-Fund’s ability to adhere to its investment approach and achieve its investment objective.

Short-Selling Regulation

Due to regulatory or legislative action taken by regulators around the world as a result of volatility in the global financial markets during the 2007-2009 financial crisis, taking short positions on certain securities has been restricted and/or more onerous disclosure requirements in respect of short positions have been implemented than was the case prior to 2007. The levels of restriction and disclosure vary across different jurisdictions. Such restrictions and/or disclosure requirements have made it difficult and in some cases impossible for market participants either to implement their investment strategies or to control the risk of their open positions or have increased the risk for such participants to do so. Accordingly, an Investment Manager may not be in a position to fully express its negative views in relation to certain securities, companies or sectors and the ability of an Investment Manager to fulfil the investment objective of a Sub-Fund may be constrained.

The EU regulation on short-selling and certain aspects of credit default swaps (the “SSR”) applies to short sales of/short positions relating to (i) the issued share capital of companies whose shares are admitted to trading on a regulated market or multilateral-trading facility (“MTF”) in the EEA (unless the principal trading venue for the relevant shares is located in a country outside the EEA) (“EEA listed shares”) and (ii) debt instruments issued by an EEA sovereign issuer (“EEA sovereign debt”).

The SSR provides for the possibility of an EEA Member State’s national regulator temporarily suspending the prohibition where it believes that its sovereign debt market is not functioning properly and that the prohibition may have a negative impact on the sovereign credit default swaps debt market.

The SSR may prevent an Investment Manager from fully expressing its negative views in relation to EEA listed shares and reduces the flexibility of an Investment Manager to use credit default swaps referencing EEA sovereign debt for risk management or investment purposes. Accordingly,

the ability of an Investment Manager to implement the investment approach and to fulfil the investment objective may be constrained.

Speculative Position Limits and Daily Price Fluctuation Limits

The CFTC and US exchanges have established limits, referred to as “speculative position limits”, on the maximum net long or net short position that any person, or group of persons acting together, may hold or control in particular futures contracts, options on futures contracts and swaps that perform a significant price discovery function. In addition, all trading accounts owned or managed by an Investment Manager acting on behalf of a Sub-Fund, its principals and affiliates will be combined for speculative position limit purposes. Because futures position limits allow a person and its principals to hold or control only a limited number of contracts in any one commodity, an Investment Manager and its principals are potentially subject to a conflict among the interests of all accounts a Sub-Fund and its principals control which are competing for shares of that limited number of contracts. Although an Investment Manager may be able to achieve the same performance results with OTC substitutes for futures contracts, the OTC market may be subject to differing prices, lesser liquidity and greater counterparty credit risks than the regulated US commodities exchanges. An Investment Manager may in the future reduce the size of the positions which would otherwise be taken or not trade in certain markets on behalf of a Sub-Fund in order to avoid exceeding such limits. Modification of such trades that would otherwise be made by an Investment Manager, if required, could adversely affect the Fund’s operations and profitability. Such modification, if required, could require a Sub-Fund to liquidate certain positions more rapidly than might otherwise be desirable, and could adversely affect the performance of a Sub-Fund. A violation of speculative position limits by a Sub-Fund could lead to regulatory action materially adverse to such Sub-Fund’s prospects for profitability.

In addition, some US commodity exchanges limit fluctuations in certain prices during a single day by imposing what are known as “daily price fluctuation limits” or “daily limits.” The existence of “daily price fluctuation limits” or “daily limits” may reduce liquidity or effectively curtail trading in particular markets. Once the price of a particular contract has increased or decreased by the daily limit, positions in the contract can effectively neither be taken nor liquidated. Contract prices in various investments may occasionally fluctuate beyond the daily limit for several consecutive days with little or no trading. Such occurrences could prevent a Sub-Fund from promptly liquidating unfavourable positions and subject such Sub-Fund to substantial losses, which could exceed the margin initially committed to such trades. Daily limits may reduce liquidity, but they do not limit ultimate losses, as such limits apply only on a day-to-day basis. In addition, even if contract prices have not fluctuated beyond the daily limit, a Sub-Fund may not be able to execute trades at favourable prices if there is only light trading in the contracts involved.

Tax Considerations

The Fund may be subject to withholding, capital gains or other taxes on income and/or gains arising from its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by the Fund is incorporated, established or resident for tax purposes. The Fund may also incur or bear transaction or other similar taxes in respect of the actual or notional amount of any acquisition, disposal or transaction relating to its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by the Fund or the counterparty to a transaction involving the Fund is incorporated, established or resident for tax purposes. Where the Fund invests in securities or enters into transactions that are not subject to withholding, capital gains, transaction or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Fund may not be able to recover such tax and so any change could have an adverse effect on the Net Asset Value of the Shares.

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

Tax Audits

The Fund may be audited by national, local or other tax authorities. An income tax audit may result in an increased tax liability of the Fund, including with respect to years when an investor was not a Shareholder of the Fund, which could reduce the Net Asset Value of a Sub-Fund and affect the return of all Shareholders.

TAXATION

Investors should consult their professional advisers on the possible tax and other consequences of their subscribing for, purchasing, holding, selling, exchanging or redeeming Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

There can be no guarantee that the tax position or proposed tax position at the date of this Prospectus or at the time of an investment will endure indefinitely.

The following is based on the Fund's understanding (following receipt of advice to the Directors) of certain aspects of the law and practice currently in force in Ireland and the UK and has been reviewed by the Fund's legal counsel as to Irish law and English law.

Ireland

The income and gains (if any) that the Fund receives from its investments (other than securities of Irish issuers) and assets may be subject to taxes, including withholding taxes in the territory where such income and gains arise, which may not be reclaimable in those territories. The Fund, in certain circumstances, may not be able to benefit from the applicable reduced rates of withholding tax provided in double taxation agreements between Ireland and such territories. If this position changes in the future and the application of a lower withholding tax rate results in a repayment to the Fund, the Net Asset Value will not be restated and the benefit will be allocated to the existing investors rateably at the time of repayment.

The Directors have been advised that on the basis that the Fund is Resident in Ireland for taxation purposes and the Fund is not regarded as an 'IREF' (Irish Real Estate Fund) within the meaning of Section 739K of the Taxes Acts, the taxation position of the Fund and the Shareholders is as set out below.

Under current Irish law and practice, the Fund qualifies as an 'investment undertaking' for the purposes of Section 739B of the Taxes Act. Accordingly, it is generally not chargeable to Irish tax on its income and gains other than gains arising on chargeable events.

A chargeable event includes:

- (A) any payments of a distribution to a Shareholder;
- (B) any encashment, repurchase, redemption, cancellation or transfer of Shares;
- (C) the appropriation or cancellation of Shares for the purposes of meeting the tax arising on certain chargeable events that do not involve the making of a payment to a Shareholder (including but not limited to the transfer by a Shareholder, by way of sale or otherwise of entitlement to a Share); and
- (D) the ending of a Relevant Period.

Where a chargeable event occurs, the Fund is required to account for the Irish tax thereon, other than in certain limited circumstances. A chargeable event does not include:

- (A) any exchange by a Shareholder, effected by way of a bargain made at arm's length by the Fund, of the Shares in the Fund for other Shares in the Fund;
- (B) any transaction in relation to Shares which are held in a recognised clearing system as designated by order of the Revenue Commissioners;

- (C) certain transfers of Shares between spouses/civil partners and former spouses/civil partners;
- (D) an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Fund with another investment undertaking;
- (E) an exchange of Shares arising on a scheme of amalgamation (within the meaning of Section 739D(8C) of the Taxes Act), subject to certain conditions; and
- (F) an exchange of Shares arising on a scheme of migration and amalgamation (within the meaning of Section 739D(8D) of the Taxes Act), subject to certain conditions.

A gain shall not be treated as arising on the happening of a chargeable event (and thus the Fund will not be obliged to account for tax in relation to that event) in certain limited circumstances including where the chargeable event occurs in respect of a Shareholder who is:

- (A) an Exempt Non-Resident Investor or
- (B) an Exempt Irish Investor at the time of the chargeable event.

Tax payable

Where none of the relieving provisions outlined above have application, the Fund is liable to account for Irish tax on gains arising on chargeable events as follows:

- (A) where the chargeable event relates to a Share held by a Shareholder that is a company and that company has made a declaration to the Fund that it is a company and that declaration contains the Irish corporation tax reference number with respect to the company, at a rate of 25 per cent;
- (B) where (A) above does not apply, at a rate of 41 per cent.

Where the chargeable event is as a consequence of the ending of a Relevant Period, if less than 10 per cent of the Shares (by value) in the Fund are held by Irish Resident Shareholders, who are not Exempt Irish Investors, the Fund may elect not to account for Irish tax on this chargeable event. To claim this election, the Fund must:

- (A) confirm to the Revenue Commissioners, on an annual basis, that this 10 per cent requirement is satisfied and provide the Revenue Commissioners with details of any Irish Resident Shareholders, who are not Exempt Irish Investors, (including the value of their Shares and their Irish tax reference numbers); and
- (B) notify any Irish Resident Shareholders, who are not Exempt Irish Investors, that the Fund is electing to claim this exemption.

If the exemption is claimed by the Fund, any Irish Resident Shareholders, who are not Exempt Irish Investors, must pay to the Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the Fund on the ending of the Relevant Period (and any subsequent ending of a Relevant Period).

To the extent that any tax is paid on a chargeable event that occurs solely as a consequence of the ending of a Relevant Period, such tax will be allowed a credit or paid by the Fund to the Shareholder on the happening of a subsequent chargeable event in accordance with the provisions of section 739E of the Taxes Act.

If the Fund becomes liable to account for tax if a chargeable event occurs, the Fund shall be entitled to deduct from the payment arising on the chargeable event (if applicable), any amount equal to the appropriate tax arising on that chargeable event. If no such payment is made (a chargeable event arising on a transfer or the ending of a Relevant Period) the Fund may appropriate or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as are required to meet the amount of tax.

The holding of Shares at the end of each Relevant Period will constitute a chargeable event. To the extent that any tax arises on such a chargeable event, such tax will be allowed as a credit against any tax payable on a subsequent chargeable event whether the ending of a subsequent Relevant Period or encashment, redemption, cancellation or transfer of the relevant Shares.

The relevant Shareholder shall indemnify and keep the Fund indemnified against loss arising to the Fund by reason of the Fund becoming liable to account for tax on the happening of a chargeable event if such deduction, appropriation or cancellation has been made.

Dividend Withholding Tax

Distributions paid by the Fund are not subject to Irish dividend withholding tax provided the Fund continues to be a collective investment undertaking as defined in Section 172A(1) of the Taxes Act.

Dividends received by the Fund from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20 per cent). However, where the Fund makes an appropriate declaration pursuant to paragraph 6, Schedule 2A of the Taxes Act to the payer that it is an investment undertaking within the meaning of Section 739B of the Taxes Act, the Fund will be entitled to receive such dividends without deduction of Irish dividend withholding tax.

Stamp Duty

On the basis that the Fund qualifies as an investment undertaking within the meaning of Section 739B of the Taxes Act, generally, no stamp duty will be payable in Ireland on the issue, transfer, repurchase or redemption of Shares. However, where any subscription for or redemption of Shares is satisfied by an in-kind or in specie transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or properties.

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

Capital Acquisitions Tax

On the basis that the Fund qualifies as an investment undertaking within the meaning of Section 739B of the Taxes Act, the disposal of Shares will not be within the charge to Irish capital acquisitions tax provided that:

- (A) the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date;
- (B) the donor is not domiciled or Ordinarily Resident in Ireland at the date of the disposition; and
- (C) the beneficiary is not domiciled or Ordinarily Resident in Ireland at the date of the gift or inheritance.

For the purpose of Irish tax residency for capital acquisitions tax purposes, special rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponent will not be treated as Resident in Ireland or Ordinarily Resident in Ireland at the relevant date except where that person has been Resident in Ireland for five consecutive years of assessment immediately preceding the year of assessment in which the date of the gift or inheritance falls and that person is either Resident in Ireland or Ordinarily Resident in Ireland on that date.

Personal Portfolio Investment Undertaking

An investment undertaking such as the Fund will be considered to be a personal portfolio investment undertaking (“PPIU”) in relation to a specific non-corporate Irish Resident Shareholder where that Shareholder can influence the selection of some or all of the property of the undertaking. The undertaking will only be a PPIU in respect of those individuals who can influence the selection. The tax deducted on the happening of a chargeable event in relation to a PPIU will be at the rate of 60 per cent (or 80 per cent where details of the payment/disposal are not correctly included in the individual’s tax returns). An investment undertaking is not a PPIU if the property which may or has been selected was acquired on arm’s length terms as part of a general offering to the public.

Currency Gains

If Shares are not denominated in Euro, a Shareholder who is not an Exempt Non-Resident Investor, may be liable (on a self-assessment basis) to Irish capital gains taxation, currently at the rate of 33 per cent, on any currency gain arising on the redemption or transfer of their Shares.

United Kingdom

The Fund

The Directors intend that the affairs of the Fund should be managed and conducted so that they do not become resident in the UK for UK taxation purposes. Accordingly, and provided that the Fund is not trading in the UK through a fixed place of business or agent situated therein that constitutes a “permanent establishment” for UK taxation purposes and that all their trading transactions in the UK are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business, the Fund will not be subject to UK corporation tax or income tax on their profits. The Directors and the Investment Manager each intend that the respective affairs of the Fund, and the Investment Manager are conducted so that these requirements are met, insofar as this is within their respective control. However, it cannot be guaranteed that the necessary conditions will at all times be satisfied.

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

Shareholders

Subject to their personal circumstances, Shareholders resident in the UK for taxation purposes will be liable to UK income tax or corporation tax in respect of dividends or other distributions of an income nature made by the Fund, whether or not such dividends or distributions are reinvested. The nature of the charge to tax and any entitlement to a tax credit in respect of such dividends or distributions will depend on a number of factors which may include the composition of the relevant assets of the Fund and the extent of a Shareholder’s interest in the Fund.

The Offshore Funds (Tax) Regulations 2009 (the “Offshore Funds Regulations”) set out the regime for the taxation of investments in offshore funds (as defined in the United Kingdom Taxation (International and Other Provisions) Act 2010 (“TIOPA 2010”)) which operates by reference to whether a Fund opts into a reporting regime (“reporting funds”) or not (“non-reporting funds”). If an

investor who is resident in the UK for taxation purposes holds an interest in an offshore fund that does not have reporting fund status throughout the period during which the investor holds that interest, any gain accruing to the investor upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income (“offshore income gains”) and not as a capital gain. Investors in reporting Fund are subject to tax on the share of the reporting Fund’s income attributable to their holding in the Fund, whether or not distributed, and any gains on disposal of their holding would be taxed as capital gains. Investors in non-reporting funds would not be subject to tax on income retained by the non-reporting Fund.

The Shares will constitute interests in an offshore Fund and it is not intended to apply to the United Kingdom HM Revenue & Customs in respect of any Class of Shares for recognition as a reporting Fund. Accordingly, any gains arising to Shareholders resident in the UK on a sale, redemption or other disposal of Shares (including a deemed disposal on death) will be taxed as offshore income gains rather than capital gains.

Persons within the charge to UK corporation tax should note that the regime for the taxation of most corporate debt contained in the United Kingdom Corporation Tax Act 2009 (the “loan relationships regime”) provides that, if at any time in an accounting period of such a person, that person holds an interest in an offshore fund within the meaning of the relevant provisions of the Offshore Funds Regulations and TIOPA 2010, and there is a time in that period when that Fund fails to satisfy the “qualifying investments” test, the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to satisfy the qualifying investments test at any time when more than 60 per cent of its assets by market value (excluding cash awaiting investment) comprise “qualifying investments”. Qualifying investments include government and corporate debt securities, cash on deposit, certain derivative contracts and holdings in other collective investment schemes which at any time in the accounting period of the person holding the interest in the offshore fund do not themselves satisfy the qualifying investments test. The Shares will constitute such interests in an offshore fund and on the basis of the investment policies of the Fund, the Fund could fail to satisfy the qualifying investments test. In that eventuality, the Shares will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on the Shares in respect of such a person’s accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a “fair value accounting” basis. Accordingly, such a person who acquires Shares in the Fund may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares). In 2013, the UK Government consulted on the future of the loan relationships regime, including on proposals potentially to reform this aspect of the regime.

Anti-avoidance

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

Persons resident in the UK for taxation purposes should note the provisions of section 13 of the United Kingdom Taxation of Chargeable Gains Act 1992 (now re-enacted as section 3 of the same Act) (“section 13”). Section 13 could be material to any such person who has an interest in the Fund as a “participator” for UK taxation purposes (which term includes a shareholder) at a time when any gain accrues to the Fund (such as on a disposal of any of its investments) which constitutes a chargeable gain or an offshore income gain if, at the same time, the Fund is itself controlled in such a manner and by a sufficiently small number of persons as to render the Fund a body corporate that would, were it to have been resident in the UK for taxation purposes, be a “close” company for

those purposes. The provisions of section 13 would result in any such person who is a Shareholder being treated for the purposes of UK taxation as if a part of any chargeable gain or offshore income gain accruing to the Fund had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the Fund. No liability under section 13 could be incurred by such a person, however, in respect of a chargeable gain or an offshore income gain accruing to the Fund if the aggregate proportion of that gain that could be attributed under section 13 both to that person and to any persons connected with him for UK taxation purposes does not exceed one quarter of the gain. In addition, section 13 does not apply where the asset giving rise to the gain was neither disposed of nor acquired or held as part of a scheme or arrangements having a tax avoidance main purpose. In the case of Shareholders who are individuals domiciled outside the UK, section 13 applies subject to the remittance basis in particular circumstances.

Companies resident in the UK for taxation purposes should note the "controlled foreign companies" legislation contained in Part 9A of TIOPA 2010 (the "CFC rules"). The CFC rules could in particular be material to any company that has (either alone or together with persons connected or associated with it for UK taxation purposes) an interest in 25 per cent or more of the "chargeable profits" of the Fund if the Fund is controlled (as "control" is defined in section 371RA of TIOPA 2010) by persons (whether companies, individuals or others) who are resident in the UK for taxation purposes or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40 per cent of the interests, rights and powers by which those persons control the Fund, and the other of whom has at least 40 per cent and not more than 55 per cent of such interests, rights and powers. The effect of the CFC rules could be to render such companies liable to UK corporation tax by reference to their proportionate interest in the chargeable profits of the Fund. The chargeable profits of the Fund do not include any capital gains.

Transfer taxes

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

The preceding paragraphs, which are intended as a general guide only and do not constitute tax advice, are based on current UK tax legislation and what is understood to be the current practice of the United Kingdom HM Revenue & Customs as at the date of this Prospectus. If a Shareholder is in any doubt as to their taxation position or if a Shareholder is subject to tax in any jurisdiction in addition to or other than the UK, they should consult an appropriate professional adviser immediately. It should be noted that the levels and bases of, and reliefs from, taxation can change.

FATCA and other cross-border reporting systems ("CRS")

Ireland has an intergovernmental agreement with the US (the "IGA") in relation to FATCA, of a type commonly known as a 'model 1' agreement. Ireland has also enacted regulations to introduce the provisions of the IGA into Irish law. The Fund intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA.

Unless an exemption applies, the Fund shall be required to register with the U.S. Internal Revenue Service as a 'reporting financial institution' for FATCA purposes and report information to the Irish Revenue Commissioners relating to Shareholders who, for FATCA purposes, are specified U.S. persons, non-participating financial institutions or passive non-financial foreign entities that are controlled by specified U.S. persons. Exemptions from the obligation to register for FATCA purposes and from the obligation to report information for FATCA purposes are available only in limited circumstances.

Any information reported by the Fund to the Irish Revenue Commissioners will be communicated to the U.S. Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Fund should generally not be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on US source payments to the Fund if the Fund did not comply with its FATCA registration and reporting obligations and the U.S. Internal Revenue Service specifically identified the Fund as being a 'non-participating financial institution' for FATCA purposes.

The CRS is a single global standard on Automatic Exchange Of Information ("AEOI"). It was approved by the Organisation for Economic Co-operation and Development ("OECD") in February 2014 and draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. Under the CRS, participating jurisdictions will be required to exchange certain information held by financial institutions regarding their non resident investors.

The CRS was effective in Ireland from 1 January 2016. The Fund will be required to provide certain information to the Irish Revenue Commissioners about non-Irish tax resident Shareholders (which information will in turn be provided to the relevant tax authorities). It should also be noted the CRS replaces the EU Taxation on Savings Directive.

In light of the above, Shareholders in the Fund will be required to provide certain information to the Fund to comply with the terms of the reporting systems. Each investor agrees to provide the Fund with information and documentation prescribed by FATCA and CRS and such additional documentation reasonably requested by the Fund as may be necessary for the Fund to comply with its obligations under FATCA and CRS.

Other Jurisdictions

Income and capital gains received by the Fund from sources outside Ireland and the UK may give rise to withholding or other taxes imposed by other jurisdictions.

Prospective applicants for Shares should consult their own advisers as to the particular tax consequences of their proposed investment in the Fund.

The receipt of dividends (if any) by Shareholders, the redemption, redesignation or transfer of Shares and any distribution on a winding-up of the Fund may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the relevant Sub-Fund. The Directors, the Fund and each of the Fund's agents shall have no liability in respect of the individual tax affairs of Shareholders.

The tax and other matters described in this Prospectus and any Supplement do not constitute, and should not be considered as, legal or tax advice to prospective investors. Prospective investors should consult legal and tax advisors in the countries of their citizenship, residence and domicile to determine the possible tax or other consequences of purchasing, holding and redeeming shares under the laws of their respective jurisdictions.

GENERAL AND STATUTORY INFORMATION

The information in this section includes a summary of some of the provisions of the Instrument and material contracts described below and is provided subject to the general provisions of each of such documents.

The Fund

The Fund was incorporated with limited liability in Ireland as an Irish Collective Asset-management Vehicle under the provisions of the ICAV Act. The sole object of the Fund is the collective investment of its funds in a portfolio of assets and giving its investors the benefit of the results of the management of its funds.

The Fund is authorised by the Central Bank as a Qualifying Investor AIF pursuant to the ICAV Act and the AIF Rulebook.

Share capital of the Fund

As of the date of this Prospectus the Fund has issued two Founder Shares for no par value. The Founder Shares do not participate in the assets of the Fund. The maximum issued share capital of the Fund shall not be more than 100,000,000,005 shares of no par value.

The Founder Shares are held by the Manager and its parent, Carmignac Gestion S.A.. The Founder Shares do not participate in the assets of the Fund.

The Directors are empowered to issue Shares on such terms as they may think fit. There are no rights of pre-emption exercisable by existing investors upon a new issue of Shares. Shares shall be issued at the Subscription Price during the Initial Offer Period or as at the relevant Subscription Day (plus any applicable duties and charges where applicable). Shares shall not be issued, or if issued shall be cancelled, if the equivalent of the issue price is not paid into the assets of the Fund within the reasonable time identified within this Prospectus.

The proceeds from the issue of Shares shall be applied in the books of the relevant Sub-Fund and shall be used for the acquisition of the relevant Sub-Fund's investments and the payment of the running costs of the relevant Sub-Fund.

The Directors reserve the right to re-designate any Class from time to time, provided that Shareholders in that Class shall first have been notified by the Fund that the Shares will be re-designated and shall have been given the opportunity to redeem their Shares, except that this requirement shall not apply where the Directors re-designate Shares in issue in order to facilitate the creation of an additional Class.

Each of the Shares entitles the holder to attend and vote at meetings of the Fund and the relevant Sub-Fund. No Class confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other Class or any voting rights in relation to matters relating solely to any other Class.

Any resolution to alter the Class rights of the Shares requires the approval in writing of all of the holders of the Shares or the approval of three quarters of Shareholders, by value, represented or present and voting at a general meeting duly convened in accordance with the Instrument.

The Instrument empowers the Directors to issue fractional Shares. Fractional Shares may be issued and shall not carry any voting rights at general meetings of the Fund, a Sub-Fund or Class and the Net Asset Value of any fractional Share shall be the Net Asset Value per Share adjusted in proportion to the fraction. Fractions of Shares issued may be rounded up naturally to four decimal places or such other number of decimal places as may be determined by the Manager from time to time.

The Founder Shares do not participate in the assets of the Fund. The Founder Shares entitle the holders holding them to attend and vote (in certain circumstances) at all meetings of the Fund but do not entitle the holders to participate in the dividends or net assets of the Fund or any Sub-Fund.

Separate records shall be maintained in respect of each Class.

Change in share capital

The Fund may, by ordinary resolution, alter its share capital by consolidating, re-designating and/or dividing its share capital into shares of larger amount than its existing shares, subdividing its shares into shares of smaller amount than that fixed by the Instrument, or by cancelling any shares which, at the date of such ordinary resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

For so long as the share capital is divided into different Classes or Series, the rights attached to any Class or Series may be varied by consent in writing of holders of not less than three quarters of the issued Shares of that Class or Series or with the sanction of a special resolution (a three quarters majority of votes cast) passed at a general meeting of the holders of the Shares of that Class or Series.

Transfer of Shares

Subject to the restrictions set out in this section and under “Subscriptions” above, Shares are transferable by written instrument of transfer signed by (or in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor and containing the name and address of the transferor and the transferee. The instrument of transfer shall be in such form as the Directors approve.

In the case of the death of any one of joint Shareholders, the survivor(s) will be the only person or persons recognised by the Fund as having any title to the interest of the deceased joint Shareholder in the Shares registered in the names of such joint Shareholders.

Shareholders wishing to transfer Shares must sign the transfer in the exact name or names in which the Shares are registered, indicate any special capacity in which they are signing and supply all other required details. The completed form of transfer, duly stamped if applicable, together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and the eligibility of the transferee to become a Shareholder, must be sent to the Administrator. The transfer shall take effect upon the registration of the transferee in the register of members. If the transferee is not already a Shareholder, the transferee will be required to complete an Application Form.

The Directors may decline to register a transfer of Shares without giving any reason therefor.

Transfers of Shares will generally be treated for the purposes of the Performance Fee as a redemption of, and a simultaneous subscription for, Shares of the relevant Class and/or Series, unless the Directors otherwise determine. Accordingly, transfers of Shares will generally result in the crystallisation of any Performance Fee accrued in respect of the relevant Shares, with such Performance Fee being payable in accordance with the procedures set out in the paragraph headed “Performance Fee” in the section entitled “Fees and Expenses” in the relevant Supplement, unless the Directors otherwise determine.

Suspension of Net Asset Value and Dealing in Shares

The Directors may suspend (i) the determination of the Net Asset Value of the Fund and/or a Sub-Fund and/or (ii) the issue, redemption and/or exchange of Shares during:

- (A) any period (other than ordinary holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the relevant Sub-Fund investments, or when trading thereon is restricted or suspended;
- (B) any period when any emergency exists as a result of which disposal by the relevant Sub-Fund of investments which constitute a substantial portion of its assets is not practically feasible;
- (C) any period when for any reason the prices of a material portion of the investments of the relevant Sub-Fund cannot be reasonably, promptly or accurately ascertained by the relevant Sub-Fund;
- (D) any period when due to conditions of market turmoil or market illiquidity it is not possible, in the opinion of the Directors, to determine the fair value of the assets of the relevant Sub-Fund;
- (E) any period when remittance of monies which will, or may be, involved in the realisation of, or in the payment for, investments of the relevant Sub-Fund cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (F) any period when proceeds of the sale or redemption of the Shares cannot be transmitted to or from a Sub-Fund's account;
- (G) any period during which circumstances exist in which the Directors consider that to permit the determination of the Net Asset Value of the Fund or a Sub-Fund and/or (ii) the issue, redemption and/or exchange of Shares would not be in the best interest of the Fund or the relevant Sub-Fund; or
- (H) in the case of the Fund, any period during which the determination of the Net Asset Value and/or the issue, redemption and/or exchange of Shares is suspended.

If the determination of the Net Asset Value of the Fund, a Sub-Fund is suspended, then the issue and redemption and exchange of Shares will also be suspended.

In the event of a suspension by the Fund, an investor may at any time revoke any application for Shares, any redemption request or any exchange request that is not yet effective, provided that the revocation notice is received by the Administrator before the suspension is terminated. If not revoked, applications for Shares, redemption requests and exchange requests will be effected on the first Subscription Day or Redemption Day (as the case may be) after the suspension is lifted at the relevant Subscription Price and/or Redemption Price prevailing on that Subscription Day or Redemption Day.

Notice of any suspension and its termination will be given to Shareholders. All reasonable steps will be taken to bring any period of suspension to an end as soon as possible after the conditions for the suspension have ended.

The Directors retain the right to compulsorily redeem Shares during a suspension of the redemption of Shares. If the determination of the Net Asset Value is also suspended on the day on which the compulsory redemption is effective, the Redemption Price will be determined as at the first Valuation Day following the end of the suspension of the determination of the Net Asset Value. The

redemption proceeds of a redemption during any period of suspension will be paid following the end of the suspension.

Cash Accounts

Cash subscriptions received in advance of the relevant Subscription Day are required to be wired/sent by bank transfer to the account details in the Application Form. Provided that all documentation required by the Fund and the Administrator for anti-money laundering and customer identification purposes has been received, subscriptions will be processed and Shares in the Sub-Fund issued on the relevant Subscription Day. Subscriptions will not be processed and Shares will not issue until all anti-money laundering documentation has been received and cleared funds have been received. Subscription monies received prior to the Subscription Day will not be subject to the Investor Money Regulations 2015 (as may be amended, supplemented or replaced from time to time ("IMR")) or any equivalent client asset protection regime and shall not form part of the assets of the relevant Sub-Fund until transferred to the Sub-Fund's account. This is on the basis that the relevant bank account is not designated as a subscription/redemption account and is not an account which is opened to hold monies for the benefit of an investor in a Sub-Fund for the purposes of IMR. Prospective Investors and Shareholders should note that prior to transfer to the account of the relevant Sub-Fund, prospective investors and Shareholders may be exposed to the creditworthiness of the Depositary and the relevant credit institution where subscription monies are held and neither the Directors nor the Fund shall have any fiduciary duties in respect of such monies.

Should the Fund be unable to issue Shares to an applicant who has paid the requisite subscription amount to the Fund but has yet to provide the Fund or the Administrator with all requisite information or documentation in order to verify the applicant's identity, the Administrator shall ensure that in the event that such subscription proceeds cannot be applied, they will be returned to the relevant applicant without interest as soon as reasonably practicable, in accordance with and subject to applicable laws.

In respect of a dividend declared and payable to an investor that is unable to be paid for any reason whatsoever, such as, for example, if the relevant investor has not provided the requisite information or documentation to the Fund or the Administrator, such dividend amount may be held as an asset of the relevant Sub-Fund in cash in a cash account until such time as the reason for the relevant Sub-Fund or the Administrator being unable to pay the dividend amount has been addressed, at which point the Fund or the Administrator shall pay the dividend amount to the investor. In this regard, the relevant investor should seek to promptly address the reason for the Fund or the Administrator being unable to pay the dividend amount to the relevant investor. Until such time as such dividend amount has been paid to a Shareholder, in the event of the Fund becoming insolvent, the Shareholder will rank as a general unsecured creditor of the Fund in respect of such a dividend amount.

In respect of a redemption request, the Fund or the Administrator may refuse to remit the redemption proceeds until such time as the investor has provided the requisite information or documentation to the Fund or the Administrator, as requested by the Fund or the Administrator from time to time. In such circumstances, the Administrator will nevertheless process the redemption request (and from the Redemption Day the Shareholder will no longer be considered a shareholder of the relevant Sub-Fund) but the proceeds of that redemption will be held as an asset of the relevant Sub-Fund in cash in a cash account until such time as the Fund or the Administrator has received all requisite information or documentation and has verified the investor's identity to its satisfaction, following which the redemption proceeds will be released. In this regard, the relevant investor should seek to promptly address the reason for the Fund or the Administrator being unable to pay the redemption proceeds to the relevant investor. In respect of such compulsory redemption proceeds that are unable to be paid and until such time as the redemption proceeds have been released to the Shareholder, in the event of the Fund becoming insolvent, the Shareholder will rank as a general unsecured creditor of the Fund in respect of such redemption proceeds. Redemption payments will be paid from the custody account of the relevant Sub-Fund through the general cash account of the Depositary to the Shareholders account of record. In the event that such monies are

lost prior to payment to the relevant Shareholder, such Shareholder may be exposed to the creditworthiness of the Depositary and the relevant credit institution where redemption monies are held. This is on the basis that the general cash account of the Depositary is not opened to hold monies for the benefit of an investor in a Sub-Fund for the purposes of IMR.

Publication of prices

The most recent Net Asset Value per Share is available from the Administrator on request.

The Net Asset Value of the relevant Sub-Fund, the Net Asset Value per Share, together with details of the historical performance of a Sub-Fund, will be sent to all relevant Shareholders by the Administrator.

Periodic and regular disclosure

The following information will be disclosed to Shareholders by way of report sent to Shareholders by the Manager:

- (A) The percentage of a relevant Sub-Fund's assets that are subject to special arrangements arising from their illiquid nature (including, but not limited to, deferrals of redemptions and suspensions).
- (B) Any new arrangements for managing the liquidity of each relevant Sub-Fund including, but not limited to, any material changes to the liquidity management systems and procedures employed by the Manager, provided that Shareholders will be notified in accordance with the AIFM Rules where deferrals or other similar special arrangements are activated or where redemptions of Shares are suspended.
- (C) The current risk profile of the relevant Sub-Fund and the risk management systems employed by the Manager to manage those risks.
- (D) The total amount of leverage employed by the relevant Sub-Fund.

The following information will be provided by the Manager to Shareholders in accordance with the AIFM Rules, if required thereunder (and otherwise in the discretion of the Fund or the Manager):

- (A) Any changes to the maximum level of leverage which may be employed on behalf of a Sub-Fund.
- (B) Any changes to the right of re-use of collateral or any changes to any guarantee granted under any leveraging arrangement.

A summary of the Manager's (or the Investment Manager's, where applicable) order execution policy will be made available to investors on request from the Manager (or the Investment Manager, where applicable). In accordance with the AIFM Rules, Shareholders will be notified of any material changes to such policy.

Compulsory redemption

The Directors have the right to compulsorily redeem all or part of the Shares held by or for the benefit of a Shareholder at any time without giving any reason therefor.

The Instrument permits the Directors to redeem Shares where during a period of six years no cheque in respect of any dividend on the Shares has been cashed and no acknowledgement has been received in respect of any confirmation of ownership of the Shares sent to the Shareholder and require the redemption proceeds to be held in a separate interest-bearing account or a non-interest bearing account, as the Directors may determine. The Instrument also provides that any unclaimed dividends will be forfeited after six years and, on forfeiture, form part of the assets of the relevant Sub-Fund.

Designated Investments

Pursuant to the Instrument, the Directors may, on the basis of advice received from the Manager, without prior notice to Shareholders, on any Valuation Day (each, a “Re-designation Date”) classify certain of a Sub-Fund’s investments and other assets as being investments or assets that are or have become illiquid or otherwise difficult to value or realise as a result of an event of default, consist of a claim against a trading or other counterparty or any affiliate thereof or which arise out of, or derive from, any such claim and/or in respect of which it is not possible, in the opinion of the Directors, after consultation with the Manager, to determine their fair value (“Designated Investments”). Where there has been an event of default in respect of an investment, the Directors will generally only exercise their discretion to classify such investment as a Designated Investment if the Manager advises that active management of the underlying default relating to such investment is necessary in the best interests of the relevant Sub-Fund, in order to maximise recovery and minimise losses to the relevant Sub-Fund (and indirectly, the relevant Shareholders).

In the event of such classification, the relevant Sub-Fund interest in the Designated Investments will be represented by separate Class and/or Series of Shares by way of the re-designation of the relevant number (as defined in the Instrument) of the issued Shares of each (and Class or Series held by each Shareholder as separate Class or Series (the “Designated Investment Shares”) of the same currency denomination which, unless otherwise determined by the Directors, will be allotted to those Shareholders who are holders of Shares at the time of such re-designation. Re-designation will occur on the relevant Re-designation Date on a one-for-one basis (without the need for redemption and reissue).

The Directors will despatch written notice to each Shareholder of the number of Shares held by such Shareholder that have been re-designated as Designated Investment Shares within thirty (30) days of such re-designation being effected.

On each Re-designation Date, the relevant Sub-Fund’s interest in the underlying Designated Investments will be allocated in the books and records of the relevant Sub-Fund to a sub-fund established with respect to the relevant Class or Series of Designated Investment Shares (a “Designated Investments Sub-Fund”) together with (i) all associated hedging instruments relating to the relevant Sub-Fund’s interest in the underlying Designated Investments, (ii) all liabilities, costs and expenses, including accruals, relating to the relevant Sub-Fund’s interest in the underlying Designated Investments and (iii) a cash amount consisting of cash allocated for the purpose of funding (a) the anticipated maximum margin financing and/or securities lending costs relating to the relevant Sub-Fund’s interest in the underlying Designated Investments allocated to such Designated Investments Sub-Fund, (b) anticipated costs in connection with the hedging, including, but not limited to, the hedging of foreign currency exposure, of the relevant Sub-Fund’s interest in the underlying Designated Investments allocated to such Designated Investments Sub-Fund and (c) the anticipated amount of other liabilities, costs and expenses relating to the relevant Sub-Fund’s interest in the underlying Designated Investments and the administration thereof. The gains and losses attributable to the relevant Sub-Fund’s interest in the underlying Designated Investments allocated to a particular Designated Investments Sub-Fund will be segregated from the relevant Sub-Fund’s interest in the underlying Designated Investments allocated to any other Designated Investments Sub-Fund and such gains and losses will be separately calculated and attributed amongst Shareholders holding Designated Investment Shares of the relevant Class or Series in such manner as the board of Directors, in its absolute discretion, considers fair and equitable.

In the event that the Designated Investments are not re-admitted to trading or otherwise increase in value and/or liquidity, the Directors that the relevant Sub-Fund’s interest in the underlying Designated Investments is sold or otherwise realised in an orderly fashion, with the objective of maximising the value received therefor, and pending sale or realisation to manage any associated hedging instruments as are considered appropriate.

Designated Investment Shares are generally not redeemable at the option of the Shareholders. The Directors may, in their absolute discretion, effect the compulsory redemption of all or part of the Designated Investment Shares held by or for the benefit of a Shareholder at any time without giving any reason therefor. Designated Investment Shares may only be transferred if the Directors, in their absolute discretion, so determine.

The Directors may give effect to distributions to holders of Designated Investment Shares through, in their absolute discretion, (i) compulsory redemptions of Designated Investment Shares and/or (ii) distributions by way of dividend or otherwise in respect of Designated Investment Shares.

A relevant Sub-Fund will be under no obligation to make any distribution to holders of Designated Investment Shares if the value of the cash to be distributed per holder does not exceed a minimum threshold established by the Directors for administrative ease.

Where Designated Investment Shares are being compulsorily redeemed in order to distribute realisation proceeds of Designated Investments, Designated Investment Shares will be redeemed at such value as the Directors may determine from time to time in order to distribute the realisation proceeds of the relevant Sub-Fund interest in the Designated Investments. The relevant Sub-Fund may, on the basis of advice received from the Manager, retain any amount of such cash as is reasonably required to meet any anticipated current or future liabilities attributable to the relevant Sub-Fund's interest in the remaining Designated Investments allocated to the relevant Designated Investments Sub-Fund, including but not limited to the cost of hedging any foreign currency exposure.

Where Designated Investment Shares are being compulsorily redeemed but are not being compulsorily redeemed in order to distribute realisation proceeds of Designated Investments, then the Redemption Price payable therefor will be based, in the Directors' absolute discretion, either on the initial value of the relevant Designated Investments Sub-Fund or the fair value of the relevant Designated Investments, as determined by the Directors in their sole discretion, in either case after reduction on account of accrued fees and expenses attributable thereto and of such amounts, if any, as would have been payable as a Management Fee (which amounts shall be so paid), after consultation with the Manager and such independent appraisers, if any, as the Directors may select and taking into account any appropriate discount. Shares held by the remaining holders of Designated Investment Shares in respect of the relevant Sub-Fund having an aggregate Net Asset Value equal to the Redemption Price of the Designated Investment Shares being redeemed, will be exchanged on a pro rata basis for additional Designated Investment Shares of the relevant Designated Investments Sub-Fund.

A holder of Designated Investment Shares shall (in respect of such Designated Investment Shares) have the right to receive notice of, attend at and vote as a member of the and/or the relevant Sub-Fund at a general meeting of the relevant Sub-Fund and any separate class meeting convened in accordance with the Instrument.

Management Fees, Investment Management Fees and Performance Fees will be payable by the relevant Sub-Fund to the Manager or the Investment Manager in respect of Designated Investment Shares at their respective rates which are no greater than those payable in respect of the relevant Class of Shares that were re-designated into Designated Investment Shares.

The Fund shall report to the Central Bank on an annual basis confirming whether or not the parameters for Designated Investments outlined above continue to be respected and outlining the prospects and/or plans for Designated Investments.

Notification of change of investor status

Shareholders are required to notify the Fund and the Administrator immediately in writing if at any time they become US Persons, hold Shares for the account or benefit of US Persons or if they become a Benefit Plan Investor as defined under ERISA or an Ineligible Applicant.

Any person who becomes aware that he is holding Shares in contravention of any of the above provisions and who fails to transfer or, where possible, redeem his Shares shall indemnify and hold harmless each of the Directors, the Fund, the Manager, any Investment Manager, the Administrator, the Depositary and the Shareholders (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

Legal implications of investment in a Sub-Fund

The main legal implications of the contractual relationship entered into for the purpose of investment in a Sub-Fund are as follows:

- (A) By submitting an Application Form to the Administrator, the investor makes an offer to subscribe for Shares which, once it is accepted by the Fund, has the effect of a binding contract. The terms of this contract are governed by the Application Form, read together with the Prospectus.
- (B) Upon the issue of Shares, an investor becomes a member of the Fund, and the Instrument takes effect as a statutory contract between the Shareholders and the Fund.
- (C) The Instrument may only be amended in accordance with the ICAV Act.
- (D) Subject to any Side Arrangements and/or other separate contractual arrangements agreed to by a Shareholder with the Fund, a Shareholder's liability to the Fund will generally be limited to the amount, if any, unpaid on the Shares held by that Shareholder.
- (E) The Instrument and the Application Form are each governed by and construed in accordance with the laws of Ireland.
- (F) The rights and restrictions that apply to a Shareholder's Shares may be modified and additional terms may be agreed with a Shareholder by way of Side Arrangements (subject to such terms being consistent with the Instrument). In certain cases, these Side Arrangements may be governed by the laws of a different jurisdiction. However, such Side Arrangements may not contravene the terms of the Instrument, the AIFM Rules or Irish law generally.
- (G) Statutory enforcement in Ireland of civil or commercial judgments obtained in a foreign jurisdiction is available, subject to satisfying certain conditions, in respect of such judgments originating in other EU member states (under Council Regulation (EU) No 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters and Council Decision 2006/325/EC of 27 April 2006 concerning the Agreement between the European Community and the Kingdom of Denmark on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters) and in respect of such judgments originating in Norway, Iceland or Switzerland (under the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters signed at Lugano on 30 October 2007 as applied in Ireland by Part IIIA of the Jurisdiction of Courts and Enforcement of Judgments Act 1998 as amended). Additionally, a final and unappealable judgment originating in any other foreign jurisdiction which imposes a liability to pay a liquidated sum will be recognised and enforced in the courts of Ireland at common law, without any re-examination of the merits of the underlying dispute, provided such judgment satisfies certain criteria.

None of the agreements appointing the Manager, any Investment Manager, the Administrator, the Depositary, a Prime Broker, the Auditor, the Legal Advisers or any of the Fund's or other service providers provides for any third party rights for investors.

In the absence of a direct contractual relationship between a Shareholder and a service provider, Shareholders generally have no direct rights against that service provider and there are only limited circumstances in which a Shareholder may potentially bring a claim against that service provider. Instead, the proper claimant in an action in respect of which a wrongdoing is alleged to have been committed against the Fund by the relevant service provider is, *prima facie*, the Fund.

Fair treatment of investors

As a general matter, the Directors owe certain fiduciary duties to the Fund which require them to, among other things, act in good faith and in what they consider to be the best interests of the Fund and in doing so the Directors act in a manner that ensures the fair treatment of Shareholders. In exercising their discretions (including in determining to cause the Fund to enter into any Side Arrangements), the Directors will act in accordance with these fiduciary duties. This requires them to act in a manner that their actions (including, without limitation, in entering into Side Arrangements) do not result in the unfair treatment of Shareholders.

As a general matter of Irish law, the Manager owe duties to the Fund only and not directly to Shareholders.

Under the AIFM Rules, the Manager must treat all Shareholders fairly and equally if within the same Class. The Manager ensures the fair treatment of Shareholders through its decision-making procedures and organisational structure which (i) identify any preferential treatment, or the right thereto, accorded to Shareholders and (ii) ensure that any such preferential treatment does not result in an overall material disadvantage to other Shareholders.

In addition, the Manager monitors the terms of Side Arrangements entered into with Shareholders in relation to their investment in the Fund to seek to ensure the fair treatment of Shareholders. In so doing, the Manager takes into consideration whether such Side Arrangements are in accordance with Side Arrangements previously entered into.

Preferential treatment of investors

Any Shareholder may be granted preferential treatment in relation to the terms of its investment in a Sub-Fund by the Manager, the Fund and/or the other service providers to the Fund.

As at the date of this Prospectus, the Fund and/or the Manager have not entered into, but may in the future enter into, Side Arrangements with certain investors that include terms that contain certain clarifications in respect of the relevant investor's investment in the Fund and/or grant that investor preferential treatment or the right thereto. Information in relation to such terms, together with details of any economic or legal links which an investor may have with the Fund or the Manager, are available from the Manager.

Retirement of Directors

There is no provision for the retirement of Directors on their attaining a certain age and the Instrument does not provide for retirement of Directors by rotation.

Meetings

The Directors may convene meetings of the Fund at such time and in such manner and place as the Directors consider necessary or desirable, and they shall convene such a meeting upon the written request of Shareholders holding 10 per cent or more of the issued Shares carrying the right to vote on the relevant matter. At least 14 clear days' notice specifying the place, day and time of the meeting and the general nature of the business to be transacted shall be given. No business shall be transacted at any meeting of Shareholders unless a quorum is present. A quorum shall (if the Fund has more than one Shareholder) consist of at least two Shareholders (present in person, by proxy or authorised corporate representative, as the case may be) entitled to attend and vote at the meeting, provided always that if the Fund has one such Shareholder of record the quorum shall be that one Shareholder present in person, by proxy or authorised corporate representative, as the case may be. If within 30 minutes from the time appointed for the meeting a quorum is not present, or if during such a meeting a quorum ceases to be present, the meeting, if convened upon the request of the Shareholders, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week. If at such adjourned meeting a quorum is not present within thirty minutes from the time appointed for the meeting, the Shareholders present shall be a quorum.

Shares carry voting rights as specified in this Prospectus. The vote of the person first named in the register of members shall be accepted as the vote of joint Shareholders, to the exclusion of the votes of the other joint holders. Votes may be cast in person or by proxy.

Indemnity

The Directors and other officers of the Fund are entitled to be indemnified by the Fund from the assets of the relevant Sub-Fund against all expenses (including legal fees), losses or liabilities which they sustain or incur in or about the execution of their duties, provided that such Director or other officer acted honestly and in good faith with a view to the best interests of the Fund and had no reasonable cause to believe that his conduct was unlawful. The determination of the Directors in this respect is, in the absence of fraud, negligence or wilful default, conclusive unless a question of law is involved. The Directors and other officers of the Fund are entitled to be indemnified by the Fund on the same basis against expenses, losses or liabilities sustained or incurred by them in or about the execution of their duties.

Other Service Providers

Auditor

The Fund has entered into an engagement letter with PricewaterhouseCoopers (the “Auditor”), the Fund’s statutory auditors, whereby the Auditor agrees to provide annual audit services to the Fund and to audit the Fund’s financial statements (the “Engagement Letter”).

Legal Advisers

Simmons & Simmons (Ireland) LLP is legal adviser to the Fund and as to matters of Irish law. In connection with the offering of Shares and subsequent advice to the Fund and, where applicable, the Manager and the Investment Manager, Simmons & Simmons (Ireland) LLP has not been representing or will not represent investors in the Fund in that capacity.

Secretary

Simmons & Simmons Corporate Services Limited provides registered office and secretarial services to the Fund.

Counterparties, Brokers and Execution and Settlement Agents

A list of each Sub-Fund’s trading counterparties, brokers and execution and settlement agents is available from the Manager or the Investment Manager. When selecting trading counterparties, the Fund may take into account such criteria as it determines to be appropriate, including but not limited to legal status, country of origin and credit rating. None of the Fund’s trading counterparties is a related party to the Manager or its affiliates.

Material contracts

The following contracts have been entered into by the Fund on or prior to the date of this Prospectus and are, or may be, material:

- (A) The Management Agreement between the Fund, and the Manager dated 3 May 2022 whereby the Fund has appointed the Manager, subject to the control and review by the Directors, to manage the investments of the Fund and each Sub-Fund (the “Management Agreement”).

Under the Management Agreement, the Manager has full discretion, subject to the control of and review of the Directors, to manage and invest the assets of the Fund in pursuit of the investment objective, investment policy and approach, and subject to the investment restrictions, described in this Prospectus and each Supplement. The Manager may delegate any of its functions, powers and duties under the Management Agreement to any person, although it may only delegate the exercise of investment discretion with the written consent of the Fund. The Management Agreement may be terminated by any party giving to the other party less than 90 days written notice. It may also be terminated forthwith by notice in writing by either party if the other party commits any material breach of its obligations and fails to remedy the breach within 30 days of receipt of written notice requiring the same, or if the other party is dissolved or otherwise enters into insolvency proceedings. The Manager will not be liable for any loss suffered by any Sub-Fund in connection with the performance or non-performance by the Manager of its obligations and duties under the Management Agreement in the absence of material breach of contract, wilful misconduct, fraud, bad faith or negligence on the part of the Manager or any of its members, officers or employees. In addition, liability for trade errors is determined in accordance with the Manager’s incident management policy, under which certain losses arising from trade errors may be set off against certain gains arising from trade errors. The Fund has agreed to indemnify the Manager and its members, officers and employees against all losses incurred by them in connection with the performance by the Manager of its obligations and duties under the Management Agreement, other than those resulting from material breach of contract, wilful misconduct, fraud, bad faith or negligence on the part of the Manager or any of its members, officers and employees. The Management Agreement is governed by the laws of Ireland and the courts of Ireland shall have exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Management Agreement. The Manager will not be liable for any loss suffered by any Sub-Fund in connection with the performance or non-performance by the Manager of its obligations and duties under the Management Agreement in the absence of material breach of contract, wilful misconduct, fraud, bad faith or negligence on the part of the Manager or any of its members, officers or employees.

- (B) The Administration Agreement between (1) the Fund, (2) the Manager and (3) the Administrator whereby the Administrator has agreed to provide registrar, transfer agency, accounting and other administrative services to the Fund.

Under the Administration Agreement, the Administrator is responsible for providing administration services to the Fund, including maintaining the registers of members, serving as the agent of the Fund for the issue and redemption of Shares, performing anti-money laundering, counter-terrorist financing and other know-your-client procedures, assisting with communications with investors (including certain communications from the Manager and/or any Investment Manager), arranging for the payment of expenses, preparing the accounts of the Fund, calculating the Management Fee, any Investment Management Fee or Performance Fee, calculating and publishing the Net Asset Value of the Fund, the Net Asset Value per Share of each Class series of Shares and assisting with the reporting of information to tax and other governmental authorities.

The Administration Agreement may be terminated by any party giving to the other party 90 days’ prior written notice. It may also be terminated forthwith by notice in writing by either

party if the other party commits any material breach of its obligations and fails to remedy the breach 30 days of receipt of written notice requiring the same, or if another party is dissolved or otherwise enters into insolvency proceedings.

The Administrator will not be liable for any loss suffered by any Sub-Fund in connection with the performance or non-performance by the Administrator of its obligations and duties under the Administration Agreement in the absence of material breach of contract, negligence, bad faith, fraud, wilful misconduct or recklessness on the part of the Administrator or any of its members, officers or employees. The Fund agreed to indemnify the Administrator its directors, officers, employees, delegates, servants or agents against all claims, costs, demands and expenses (including legal expenses) arising in connection with the performance by the Administrator of its obligations and duties under the Administration Agreement, other than those resulting from material breach of contract, negligence, bad faith, fraud, wilful misconduct or recklessness on the part of the Administrator or any of its members, officers and employees.

The Administration Agreement is governed by the laws of Ireland and the courts of Ireland shall have exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Administration Agreement.

- (C) The Depositary Agreement between (1) the Fund, (2) the Manager and (3) the Depositary whereby, inter alia, the Depositary was appointed as depositary by the Fund.

The Depositary shall act as depositary of the assets of each Sub-Fund and shall be responsible for the oversight of each Sub-Fund to the extent required by and in accordance with applicable law, rules and regulations. The Depositary shall exercise the supervisory duties in accordance with applicable law, rules and regulations as well as the Depositary Agreement.

Under the terms of the Depositary Agreement and in accordance with the AIFM Rules, the Depositary has power to delegate certain of its depositary functions. The liability of the Depositary will not be affected by the fact that it has entrusted to a third party certain of a Sub-Fund's assets in its safekeeping. In order to discharge its responsibility in this regard, the Depositary must exercise due skill, care and diligence in the selection, continued appointment and ongoing monitoring of a third party as a safe-keeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned; and maintain an appropriate level of supervision over the safe-keeping agent; and make appropriate inquiries from time to time to confirm that the obligations of the agent continue to be competently discharged.

The Depositary may, in the future and with the prior written consent of the Fund and the Manager, discharge itself of liability in certain circumstances as provided in the Depositary Agreement. The Depositary has not to date contractually discharged itself of liability but in time may. The Manager will inform investors before they invest, of any arrangement made by the Depositary to contractually discharge itself of any liability. The Manager will also inform Shareholders of any changes with respect to the Depositary's liability without delay.

From time to time conflicts may arise between the Depositary and the delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to the Fund. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to the applicable laws.

Pursuant to the Depositary Agreement, the Depositary will be liable for loss of financial instruments held in custody (i.e. those assets which are required to be held in custody pursuant to the AIFMD) or in the custody of any sub-custodian, unless it can prove that loss has arisen as a result of an external event beyond its control, the consequences of which

would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall also be liable for all other losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under the AIFMD.

The Depositary Agreement may be terminated by any party giving to the other party no less than 3 months' prior written notice. It may also be terminated forthwith by notice in writing by either party if the other party commits any material breach of its obligations and fails to remedy the breach 30 days of receipt of written notice requiring the same, or if the Depositary goes into liquidation or otherwise enters into insolvency proceedings.

The Depositary Agreement is governed by the laws of Ireland and the courts of Ireland shall have exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Depositary Agreement.

Winding Up

The Fund may voluntarily commence to wind up and dissolve by special resolution.

Documents available for inspection

Copies of the Prospectus, each relevant Supplement, the Instrument and the most recent financial statements of the relevant Sub-Fund may be obtained, free of charge, upon request at the registered office of the Fund.

GDPR privacy notice

In accordance with the requirements of the EU General Data Protection Regulation (Regulation 2016/679) ("GDPR"), Shareholders should note that the privacy notice for the Fund is available within the Application Form.

DEFINITIONS

<u>"1933 Act"</u>	the United States Securities Act of 1933, as amended.
<u>"1940 Act"</u>	the United States Investment Company Act of 1940, as amended.
<u>"Administrator"</u>	CACEIS Ireland Limited, or any other person from time to time appointed as the administrator of the Fund.
<u>"AIF"</u>	an alternative investment fund within the meaning of AIFMD.
<u>"AIFM"</u>	an alternative investment fund manager, as defined in the AIFM Rules.
<u>"AIFMD"</u>	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers as amended by the European Directive 2024/927 of the European Parliament and of the European Council of 13 March 2024 and as may be further amended from time to time.
<u>"AIFMD Regulations"</u>	the European Union (Alternative Investment Fund Managers) Regulations (SI No 257 of 2013), the AIF Rulebook and any guidance issued pursuant thereto (as each may be amended from time to time).
<u>"AIFM Rules"</u>	Commission Delegated Regulation (EU) No 231/2013, AIFMD, the AIFMD Regulations, the AIF Rulebook and any guidance, notices or supplementary materials issued by the Central Bank from time to time or conditions imposed or derogations granted thereunder, all ESMA guidelines relating to matters covered by AIFMD and any other requirements applicable to AIFs and the CSSF Rules, each as may be amended, supplemented or substituted from time to time.
<u>"AIF Rulebook"</u>	the Central Bank's AIF rulebook, as such may be amended, supplemented or replaced from time to time and any guidelines and policy updates issued by the Central Bank from time to time (including any amendments or updates made in relation thereto) or conditions imposed or derogation granted thereunder.
<u>"Auditor"</u>	PricewaterhouseCoopers, or any other person or firm from time to time appointed as the auditor of the Fund.
<u>"Benefit Plan Investors"</u>	pension and profit-sharing plans maintained by US corporations and/or unions, US individual retirement accounts and Keogh plans, entities that invest the assets of such accounts or plans and other entities investing US benefit plan assets.
<u>"Business Day"</u>	any day on which banks are open for business in Dublin and such other place or places as the Directors may from time to time determine or, in respect of a Sub-Fund, such day or days as may be outlined in the relevant Supplement.
<u>"Calculation Period"</u>	a calculation period for the Performance Fee as set out in the relevant Supplement.

<u>“Central Bank”</u>	the Central Bank of Ireland or any successor regulatory authority with responsibility for authorisation and supervision of the Fund.
<u>“CEA”</u>	the United States Commodity Exchange Act, as amended.
<u>“CFTC”</u>	the Commodity Futures Trading Commission of the United States.
<u>“Class”</u>	a Class of Shares in a Sub-Fund.
<u>“Code”</u>	the United States Internal Revenue Code of 1986, as amended.
<u>“Dealing Deadline”</u>	such date and time as outlined in the relevant Supplement.
<u>“Depository”</u>	CACEIS Bank, Ireland Branch and any other person from time to time appointed as a depository services provider of the Fund.
<u>“Directors”</u>	the members of the board of directors of the Fund for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time.
<u>“EEA”</u>	the European Economic Area.
<u>“EEA Member State”</u>	a member state of the EEA.
<u>“EMIR”</u>	the EU Regulation No. 648/2012 on OTC Derivatives, Central Counterparties and Trade Repositories, also known as the European Market Infrastructure Regulation.
<u>“ERISA”</u>	the United States Employee Retirement Income Security Act of 1974, as amended.
<u>“ESMA”</u>	the European Securities and Markets Authority or any successor regulatory authority or authorities.
<u>“ESMA Remuneration Guidelines”</u>	the guidelines on sound remuneration policies under the AIFMD issued by ESMA.
<u>“EU”</u>	the European Union.
<u>“Eurozone”</u>	the economic region formed by those EU Member States that have adopted the Euro as its lawful currency.
<u>“Exchange Act”</u>	the United States Securities Exchange Act of 1934, as amended.

“Exempt Irish Investor”

an Irish Resident or person Ordinarily Resident in Ireland who is permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Fund on the happening of a chargeable event in respect of that investor provided that, when necessary, they have completed the appropriate statutory declaration under Schedule 2B of the Taxes Act, including:

(A) a qualifying management company within the meaning of Section 739B(1) of the Taxes Acts;

(B) a specified company within the meaning of Section 734(1) of the Taxes Acts;

(C) an investment undertaking within the meaning of Section 739B(1) of the Taxes Acts;

(D) an investment limited partnership within the meaning of Section 739J of the Taxes Acts;

(E) a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Acts, or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Acts applies;

(F) a company carrying on life business within the meaning of Section 706 of the Taxes Acts;

(G) a special investment scheme within the meaning of Section 737 of the Taxes Acts;

(H) a unit trust to which Section 731(5)(a) of the Taxes Acts applies;

(I) a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Acts;

(J) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 784A(2) of the Taxes Acts and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;

(K) a qualifying fund manager within the meaning of Section 784A of the Taxes Acts or a qualifying savings manager within the meaning of Section 848B of the Taxes Acts, in respect of Shares which are assets of a special savings incentive account within the meaning of Section 848C of the Taxes Acts;

(L) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Acts and the Shares held are assets of a personal retirement savings account as defined in Section 787A of the Taxes Acts;

(M) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of Section 37 of the National Treasury Management Agency (Amendment) Act 2014);

(N) the National Asset Management Agency;

(O) the Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers Insolvency Compensation Fund under the Insurance Act 1964 (amended by the Insurance (Amendment) Act 2018);

(P) the Courts Service;

(Q) a credit union within the meaning of Section 2 of the Credit Union Act 1997;

(R) an Irish resident company, within the charge to corporation tax under Section 739G(2) of the Taxes Acts, but only where the fund is a money market fund;

(S) a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Acts in respect of payments made to it by the fund; and

(T) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the fund in respect of that Shareholder under Part 27, Chapter 1A of the Taxes Acts.

"Exempt Non-Resident Investor"

any person that is neither Resident in Ireland nor Ordinarily Resident in Ireland at the time of the chargeable event provided either (i) the Fund is in possession of a Relevant Declaration and is not in possession of any information that would suggest that the information contained therein is no longer materially correct or (ii) the Fund is in possession of a written notice of approval from the Revenue Commissioners pursuant to the provisions of section 739D (7B) of the Taxes Act to the effect that section 739D(7) and section 739D(9) of the Taxes Act is deemed to have been complied with in respect of the investor and that approval has not been withdrawn.

"Extended Notice Period"

means a period added to the Minimum Notice Period applicable to a Sub-Fund, which may be activated by the Directors in accordance with the procedures set out in this Prospectus and the relevant Supplement.

"FATCA"

Foreign Account Tax Compliance Act.

"FINRA"

the Financial Industry Regulatory Authority, Inc. of the United States.

"Founder Shares"

founder shares of no par value in the Fund.

<u>“Fund”</u>	Carmignac Alts ICAV.
<u>“IFRS”</u>	international financing reporting standards.
<u>“ICAV”</u>	an Irish Collective Asset-management Vehicle established pursuant to the ICAV Act.
<u>“ICAV Act”</u>	the Irish Collective Asset-management Vehicles Act 2015, as may be amended, supplemented or replaced from time to time, including any regulations made by ministerial order thereunder and any conditions imposed thereunder by the Central Bank.
<u>“Initial Offer Period”</u>	the initial offer period for a Sub-Fund as set out in the relevant Supplement.
<u>“Instrument”</u>	the instrument of incorporation of the Fund as may be amended from time to time in accordance with the requirements of the Central Bank.
<u>“Investment Management Agreement”</u>	any investment management agreement between the Fund, any Investment Manager and the Manager whereby the Manager has appointed an Investment Manager, subject to the control and review by the Manager and Directors, to manage the investments of a Sub-Fund.
<u>“Investment Management Fee”</u>	any investment management fee payable by a Sub-Fund as outlined in the relevant Supplement.
<u>“Investment Manager”</u>	Carmignac Gestion S.A. or any person or entity appointed by the Manager to provide discretionary portfolio management in respect of a Sub-Fund, details of which will be set out in the relevant Supplement.
<u>“Legal Adviser”</u>	Simmons & Simmons (Ireland) LLP, and any other person or firm from time to time appointed as a legal adviser of the Fund.
<u>“Manager”</u>	Carmignac Gestion Luxembourg S.A. or any other entity from time to time appointed as AIFM of the Fund.
<u>“Management Fee”</u>	any management fee payable by a Sub-Fund as outlined in the relevant Supplement.
<u>“MiFID”</u>	the Markets in Financial Instruments Directive (Directive 2004/39/EC) as may be amended, modified or replaced from time to time.
<u>“Minimum Additional Investment”</u>	such minimum cash amount or minimum number of Shares of any Class as the case may be (if any) as the Directors may from time to time prescribe to be invested (in the case of a minimum cash amount) or subscribed for (in the case of a minimum number of Shares) by a Shareholder (after investing or subscribing for the Minimum Initial Investment) as set out in the relevant Supplement.

<u>"Minimum Holding"</u>	such minimum cash amount or number of Shares of any Class (if any) as the Directors may from time to time prescribe to be held by a Shareholder as set out in the relevant Supplement.
<u>"Minimum Initial Investment"</u>	such minimum cash amount or minimum number of Shares as the case may be (if any) as the Directors may from time to time prescribe to be invested (in the case of a minimum cash amount) or subscribed for (in the case of a minimum number of Shares) by a Shareholder as its initial investment for Shares and as set out in the relevant Supplement or such lesser amount as may be determined by the Directors from time to time subject to the Regulatory Minimum Initial Investment.
<u>"Minimum Notice Period"</u>	means, in respect of a Sub-Fund, the period between the Dealing Deadline applicable to redemptions and the relevant Redemption Day, as specified in the relevant Supplement, being the minimum period of advance notice that a Shareholder must give in order for a redemption request to be effective for a given Redemption Day.
<u>"Minimum Redemption Amount"</u>	such minimum cash amount or minimum number of Shares of any Class as the case may be (if any) as the Directors may from time to time prescribe as permitted to be redeemed by a Shareholder as set out in the relevant Supplement.
<u>"Net Asset Value"</u>	the net asset value of the Fund, or a Class, a Series, a Sub-Fund, as the case may be, as determined in accordance with the Instrument.
<u>"Net Asset Value per Share"</u>	in respect of a Class or Series, the Net Asset Value of the relevant Class or Series divided by the number of Shares of the relevant Class or Series in issue or deemed to be in issue.
<u>"OFAC"</u>	has the meaning ascribed to such term in the section of this Prospectus entitled "Anti-Money Laundering".
<u>"Ordinarily Resident in Ireland"</u>	an individual who has been Resident in Ireland for three consecutive tax years with effect from the commencement of the fourth tax year save that an individual who has been Ordinarily Resident in Ireland will continue to be Ordinarily Resident in Ireland until the commencement of the fourth consecutive tax year in which he/she is not Resident in Ireland.
<u>"Performance Fee"</u>	any performance fee payable by a Sub-Fund as outlined in the relevant Supplement.
<u>"Performance Fee Rate"</u>	the percentage rate at which Performance Fees are charged in respect of each Class, as set out in the relevant Supplement.

<u>"Qualifying Company"</u>	a qualifying company within the meaning of section 110 of the Taxes Act.
<u>"Prime Brokers"</u>	any person from time to time appointed as a prime broker of of a Sub-Fund as identified in the relevant Supplement.
<u>"Prime Brokerage Agreement"</u>	any agreement between the Fund and a Prime Broker (as may be amended, supplemented or otherwise modified from time to time) in respect of a Sub-Fund as outlined in the relevant Supplement.
<u>"Qualifying Investor"</u>	an investor who: (A) is a professional client within the meaning of Annex II of Directive 2004/39/EC (Markets in Financial Instruments Directive) as amended; or (B) receives an appraisal from an EU credit institution, a MiFID firm or a UCITS management company that the investor has the appropriate expertise, experience and knowledge to adequately understand the investment in the scheme; or (C) certifies that they are an informed investor by providing the following: (1) confirmation (in writing) that the investor has such knowledge of and experience in financial and business matters as would enable the investor to properly evaluate the merits and risks of the prospective investment; or (2) confirmation (in writing) that the investor's business involves, whether for its own account or the account of others, the management, acquisition or disposal of property of the same kind as the property of the scheme; (Within the EU, Qualifying Investor AIFs may only be marketed to professional investors as defined in AIFMD unless the EEA Member State in question permits, under the laws of that EEA Member State, AIFs to be sold to other categories of investors and this permission encompasses investors set out in categories (B) and (C) above) and certifies in writing to the Fund that they meet the minimum criteria and that they are aware of the risk involved in the proposed investment and the fact that inherent in such investments is the potential to lose all of the sum invested.

<u>“Qualifying Investor AIF”</u>	an AIF authorised by the Central Bank which may be marketed to investors who meet the criteria set out in the Qualifying Investor AIF chapter of the AIF Rulebook.
<u>“Redemption Day”</u>	“such day or days as outlined in the relevant Supplement.
<u>“Redemption Fee”</u>	means the charge, if any, payable on the redemption of Shares as outlined in the relevant Supplement.
<u>“Redemption Price”</u>	the price per Share at which Shares of a Class or Series are redeemed, as defined in the relevant Supplement.
<u>“Regulatory Minimum Initial Investment”</u>	such amount as specified by the Central Bank as a minimum initial subscription amount in respect of the Fund, which at the date of this Prospectus is €100,000 or its equivalent in another currency.
<u>“Relevant Declaration”</u>	the declaration relevant to the Registered Shareholder as set out in Schedule 2B of the Taxes Act.
<u>“Relevant Period”</u>	in relation to a Share, a period of eight years beginning with the acquisition of a Share by an investor and each subsequent period of eight years beginning immediately after the preceding Relevant Period for as long as the investor holds that Share.

“Resident in Ireland”

for the present purposes:

- (A) in the case of an individual, an individual who is resident in Ireland for tax purposes;
- (B) in the case of a trust, a trust that is resident in Ireland for tax purposes; and
- (C) in the case of a company, a company that is resident in Ireland for tax purposes.

An individual will be regarded as resident in Ireland for a particular tax year if he/she is present in Ireland: (a) for a period of at least 183 days in that tax year, or (b) for a period of at least 280 days taking into account the number of days present in Ireland in that tax year together with the number of days present in Ireland in the preceding tax year, provided that the individual is resident in Ireland for at least 31 days in each of those tax years.

In determining the number of days present in Ireland, an individual is deemed to be present in Ireland if he/she is in the country at any time during the day.

A trust will be Resident in Ireland and Ordinarily Resident in Ireland for the purposes of Irish capital gains tax unless the general administration of the trust is ordinarily carried on outside Ireland and the trustees (being a single and continuing body of persons) or a majority of them for the time being are not Resident in Ireland or Ordinarily Resident in Ireland.

A company will be Resident in Ireland if its central management and control is exercised in Ireland irrespective of where it is incorporated. For Ireland to be treated as the location for central management and control this typically means that Ireland is the location where all fundamental policy decisions of the company are made. This is unless it is regarded as resident in another territory and not in Ireland under the terms of a double tax treaty in effect with Ireland.

A company incorporated in Ireland after 1 January 2015 will be regarded for all purposes of Irish tax legislation as being resident in Ireland unless it is regarded for the purposes of a double tax treaty in effect with Ireland as being resident in that other tax treaty territory and not in Ireland.

A company incorporated in Ireland prior to 1 January 2015 will be similarly treated for the purposes of ascertaining tax residency after 31 December 2020 or if earlier, from the date of a major change of ownership of the company where there is a major change in the nature or conduct of the business of the company within the relevant period. Relevant period for this purpose means a period beginning not later than 1 January 2015 or the date which occurs one

year before the date of the change in ownership of the company and ending 5 years after the date of that change in ownership. Otherwise, a company incorporated in Ireland prior to 1 January 2015 will be regarded as being resident in Ireland unless it is a 'relevant company' and it either carries on a trade in Ireland or it is related to a company that carries on a trade in Ireland or, if pursuant to the terms of a double taxation treaty between Ireland and another territory, the company is regarded as resident in a territory other than Ireland and as not resident in Ireland. A relevant company is a company:

that is under the "control", directly or indirectly, of a person or persons who is or are:

(1) resident for the purposes of tax, in either an EU member state or in a territory with which Ireland has a double taxation treaty (a "treaty territory") (together a "relevant territory") under the law of that relevant territory, and

(2) not under the control, directly or indirectly, of a person who is, or persons who are, not so resident; or

that is, or is related to, a company the principal class of shares of which is substantially and regularly traded on one or more recognised stock exchanges in a relevant territory or territories.

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

"Revenue Commissioners"

the Revenue Commissioners of Ireland.

"SEC"

the Securities and Exchange Commission of the United States and any successor body from time to time carrying out all or any part of the relevant functions thereof.

"Series"

in relation to each Class of Shares of a Sub-Fund, a series of that Class (if applicable and disclosed in the relevant Supplement).

"Separate Account"

a separate account for a Class.

"SFDR"

means Regulation (EU) 2019/2088 of the European Parliament and of the European Council of 27 November 2019 on sustainability-related disclosures in the financial services sector as may be further amended, consolidated or substituted from time to time.

"Shareholder"

a person recorded as a holder of Shares in the Fund's register of Shareholders.

<u>“Share” or “Shares”</u>	shares in the Fund and including, where the context permits or requires, the shares in a Sub-Fund and/or shares of a class in each case as set out in the relevant Supplement.
<u>“Sub-Fund”</u>	a sub-fund of the Fund the proceeds of issue of which are pooled separately in a segregated portfolio of assets and invested in accordance with the investment objective and investment policies applicable to such Sub-Fund as set out in the relevant Supplement and which may be established by the Fund from time to time with the prior approval of the Central Bank.
<u>“Subscription Day”</u>	such day or days as outlined in the relevant Supplement.
<u>“Subscription Fee”</u>	the charge, if any, payable on the subscription of Shares as outlined in the relevant Supplement.
<u>“Subscription Price”</u>	the price per Share at which Shares of a Class are issued, as outlined in the relevant Supplement.
<u>“Supplement”</u>	a document which contains specific information in relation to a particular Sub-Fund and any addenda thereto.
<u>“Taxes Act”</u>	the Taxes Consolidation Act 1997.
<u>“UCITS”</u>	an open-ended collective investment scheme that complies with the requirements of the directive on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (Directive 2009/65/EC) as may be amended, modified or replaced from time to time.
<u>“United States” or “US”</u>	the United States of America, its states, territories or possessions or an enclave of the United States government, its agencies or instrumentalities.
<u>“US Person”</u>	a person who is a “US person” within the meaning of the Code and within the meaning of Regulation S under the 1933 Act, and who is not a Non-United States Person.
<u>“US Tax-Exempt Investor”</u>	a “US person” within the meaning of the Code that is subject to ERISA or is otherwise exempt from payment of US federal income tax.
<u>“Valuation Day”</u>	such day or days as outlined in the relevant Supplement.

In this Prospectus, all references to “Euro” and “€” are to the unit of the European single currency, all references to “Sterling” and “£” are to the currency of the UK, all references to “Swiss Franc” and “CHF” are to the currency of Switzerland and all references “US Dollars”, “USD” and “US\$” are to the currency of the United States.

In this Prospectus, unless otherwise defined, a reference to a named Class of Shares refers to a Class of shares in the Fund issued as Shares of the named Class