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

MACQUARIE COLLECTIVE FUNDS PLC

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 448170 and established as an umbrella fund with segregated liability between Funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended)

PROSPECTUS

Dated 12 June 2014

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION ABOUT THE COMPANY AND THE FUNDS AND SHOULD BE READ CAREFULLY BEFORE INVESTING. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS PROSPECTUS AND/OR THE RELEVANT SUPPLEMENTS, YOU SHOULD CONSULT YOUR BANK MANAGER, LEGAL ADVISER, ACCOUNTANT, OR OTHER FINANCIAL ADVISER.

Investments in the Funds are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46 008 583 542 and its holding companies, including their subsidiaries or related companies (the "Macquarie Group"), and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of the Funds, the repayment of capital from the Funds, or any particular rate of return.

Certain terms used in this Prospectus and the Supplements are defined on pages 3 to 8 of this document.

Central Bank Authorisation

The Company has been authorised by the Central Bank as a UCITS within the meaning of the Regulations. The authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus and the Supplements. Authorisation of the Company by the Central Bank does not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company or of any Fund.

Investment Risks

There can be no assurance that each Fund will achieve its investment objective. It should be appreciated that the value of Shares may go down as well as up. An investment in a Fund involves investment risks, including possible loss of the entire amount invested. For certain classes of Shares in view of the fact that an initial charge of up to five per cent may be payable on subscriptions for shares and a repurchase fee of up to one per cent may be payable on repurchases of Shares by an investor in a Fund, an investment in a Fund should be regarded as a medium- to long-term investment. The capital return and income of a Fund are based on the capital appreciation and income on the investments it holds, less expenses incurred. Therefore, a Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income. Investors' attention is drawn to the specific risk factors set out on pages 22 to 31 of this Prospectus and in each Supplement. It is recommended that an investment in any of the Funds should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors. Subject to the conditions and within the limits from time to time laid down by the Central Bank, and except where otherwise stated in the investment objective and policies of a Fund, each Fund may engage in transactions in financial derivative instruments, whether for efficient portfolio management purposes (i.e., with the intent of hedging, reducing risks or costs, or increasing capital or income returns) or investment purposes.

Selling Restrictions

The distribution of this Prospectus and the relevant Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus and the relevant Supplement or the accompanying application form in any such jurisdiction may treat this Prospectus and the relevant Supplement or such application form

as constituting an invitation to them to subscribe for Shares, nor should they in any event use such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Prospectus and the relevant Supplement do not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful, or in which the person making such offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and the relevant Supplement and any persons wishing to apply for Shares pursuant to this Prospectus and the relevant Supplement to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence, incorporation, or domicile.

With respect to a securities dealer or other financial intermediary acting on behalf of its clients, shares of each Fund are offered on a continuous basis and may be purchased only through a securities dealer or other financial intermediary that has entered into an agreement with the Distributor (a "participating securities dealer or other financial intermediary"). Participating securities dealers and other financial intermediaries are responsible for transmitting orders properly. The Company reserves the right to suspend sales of a Fund's shares, and reject any order for the purchase of Fund shares if, in the opinion of the Directors, such rejection is in such Fund's best interest.

Australia: This Prospectus is not a product disclosure statement or prospectus under the Corporations Act 2001 (Cth) Australia (the "Corporations Act"). Accordingly, Shares in each Fund may not be offered, issued, sold or distributed in Australia other than by way of an offer or invitation that does not need disclosure to investors under Part 6D.2 or Part 7.9 of the Corporations Act, whether by reason of the investor being a "wholesale client" (as defined in the Corporations Act) or otherwise. In addition, this Prospectus does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, of shares or interests to a "retail client" as defined in the Corporations Act. The issuer of this Prospectus is not licensed in Australia to provide financial product advice including in relation to any Fund. Note that as all investors must be wholesale clients, no cooling off rights are available.

Belgium: The offering of Shares has not been and will not be notified to the Belgian Banking, Finance and Insurance Commission (Commissie Voor Het Bank, Financie en Assurantiewezen/Commission Bancaire, Financière et des Assurances) nor has this Prospectus and the relevant Supplement been, nor will it be, approved by the Belgian Banking, Finance and Insurance Commission. The Shares may be offered in Belgium only to individuals or legal entities investing a minimum of EUR 250,000, in reliance on Article 3, 1 of the Royal Decree of 7 July 1999 on the public character of transactions which aim to solicit public savings and the assimilation of certain transactions with a public offer. This Prospectus and the relevant Supplement may be distributed in Belgium only to such investors for their personal use and exclusively for the purposes of this offering of Shares. Accordingly, this Prospectus and the relevant Supplement may not be used for any other purpose or passed on to any other investor in Belgium.

Cayman Islands: No invitation may be made to the public in the Cayman Islands to subscribe for the Shares.

Denmark: The Company is not authorised under the Danish Act on Investment Associations and Special Purpose Associations or the Danish Statutory Order on Marketing carried out by certain Foreign Undertakings for Collective Investment in Transferable Securities ("UCITS") and certain Collective Investment Undertakings in Denmark. Accordingly, the Shares may not be marketed in Denmark and this Prospectus and the relevant Supplement or other document

or offering and marketing material relating to the Shares may not be published or distributed in Denmark.

Finland: The Company is registered with the Finnish Financial Supervision Authority to market its Shares to investors in the Republic of Finland.

France: The Shares may not be offered or sold directly or indirectly in the Republic of France and neither this Prospectus and the relevant Supplement, which has not been submitted to the Autorité des marchés financiers, nor any offering material or information contained therein relating to the Company, may be supplied in the Republic of France or used in connection with any offer for subscription or sale of the Shares in the Republic of France.

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

The Shares may not be offered or sold in Hong Kong, by means of this Prospectus and the relevant Supplement or any other document, other than to professional investors as defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571) and rules made thereunder ("professional investors"), or in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies Ordinance of Hong Kong (Cap. 32) or which do not constitute an offer or invitation to the public for the purposes of the Companies Ordinance, and no person shall issue, or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Shares which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to such professional investors.

India: The Shares are not being offered to the Indian public for sale or subscription but are being privately placed with a limited number of sophisticated private and institutional investors. The Shares are not registered and/or approved by the Securities and Exchange Board of India, the Reserve Bank of India or any other governmental or regulatory authority in India. This Prospectus and the relevant Supplement are not and should not be deemed to be a "prospectus" as defined under the provisions of the Companies Act, 1956 (1 of 1956) and the same shall not be filed with any regulatory authority in India. Pursuant to the Foreign Exchange Management Act, 1999 and the regulations issued thereunder, any investor resident in India may be required to obtain prior special permission of the Reserve Bank of India before making investments outside of India, including any investment in the Company. The Company has neither obtained any approval from the Reserve Bank of India or any other regulatory authority in India nor does it intend to do so and hence any eligible investor who is resident of India will be entirely responsible for determining eligibility to invest in the shares in the Company.

Isle of Man: The Company is not a recognised collective investment scheme for the purposes of Sections 12 or 13 of the Financial Supervision Act 1988 (the "Act") of the Isle of Man and is thus subject to the prohibition on the promotion of collective investment schemes contained in Section 1(1) of the Act. Accordingly, this Prospectus and the relevant Supplement may only be issued or passed on to any person in the Isle of Man by way of the two limited exceptions to this general prohibition contained in Section 1(2) of the Act and the Financial Supervision (Promotion of Unregulated Schemes) (Exemption) Regulations 1992. Shareholders in the Company are not protected by any statutory compensation scheme and the Isle of Man Financial Supervision Commission does not regulate the Company and has not approved it.

Italy: Shares may not be offered or sold and this Prospectus and the relevant Supplement, or any circular, advertisement, or other document or offering material relating to the Shares, may not be published, distributed, or made available in the Republic of Italy or to any Italian resident investor in circumstances which would be in breach of relevant Italian law and regulations.

Japan: The Shares have not been and will not be registered under the Securities and Exchange Law of Japan and, accordingly, no Shares may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Japanese person or to others for reoffering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances that will result in compliance with all applicable laws, regulations, and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, "Japanese person" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Jersey: This Prospectus and the relevant Supplement relate to a private placement and do not constitute an offer to the public in Jersey to subscribe for the Shares offered hereby. No regulatory approval has been sought to the offer in Jersey and it must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of, or any representations made in connection with, the Company. The offer of Shares is personal to the person to whom this Prospectus and the relevant Supplement is being delivered, by or on behalf of the Company, and a subscription for the Shares will only be accepted from such person. This Prospectus and the relevant Supplement may not be reproduced or used for any other purpose.

Republic of Korea: The Shares have not been registered under the Securities and Exchange Act of Korea and none of the Shares may be offered, sold or delivered, directly or indirectly, or offered or sold to any person for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea.

The Netherlands: This Prospectus and the relevant Supplement are not addressed to or intended for any individual or legal entity in the Netherlands except individuals or legal entities who or which trade or invest in securities in the course of a profession or trade within the meaning of Dutch securities legislation (which includes banks, brokers, insurance companies, pension funds, other institutional investors, and treasuries and financing companies of groups which are active in a professional manner in the financial markets for their own account).

Spain: The offer of Shares has not been registered with the Spanish National Securities Market Commission (Comission Nacional del Mercado de Valores) and, therefore, no Shares may be offered, sold or delivered, nor may this Prospectus and the relevant Supplement or any offering or publicity material relating to the Shares be distributed, in the Kingdom of Spain by the Company or any other person acting on its behalf.

Sweden: The Company is a foreign collective investment scheme recognised in Sweden under Chapter 1, Section 1(8) of the Swedish Securities Funds Act (Sw. lag (2004:46) om värdepappersfonder) (the "SFA") and has been registered with the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) pursuant to Chapter 1, Section 7 of the SFA. Accordingly, the promotion of the Company, the sale, redemption or repurchase of Shares and the distribution of this Prospectus and the relevant Supplement in Sweden is permitted in accordance with Chapter 1, Section 7 of the SFA.

Taiwan: The Shares have not been and will not be registered under the Securities Exchange Law, the Securities and Investment Trust and Consulting Act, or any other Taiwan law, and may not be offered or sold in Taiwan except pursuant to exemption from registration. This

Prospectus and the relevant Supplement may be delivered only to persons qualified to invest in the Shares under such an exemption.

United Kingdom: The Company is a collective investment scheme recognised in the United Kingdom under section 264 of the Financial Services and Markets Act 2000 ("FSMA"). Accordingly, the promotion of the Company and the distribution of this Prospectus and the relevant Supplement in the United Kingdom are permitted in accordance with section 238 of the FSMA.

UK investors are advised that the rules made by the Financial Conduct Authority ("FCA") under FSMA do not in general apply to the Company in relation to its investment business. In particular the rules made under FSMA for the protection of private customers (for example, those conferring rights to cancel or withdraw from certain investment agreements) do not apply, and the Financial Services Compensation Scheme may not be available, in connection with an investment in the Company.

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

The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act. Each applicant for Shares will be required to certify whether it is a U.S. Person.

The Company will not accept any subscriptions from investors that are employee benefit plans or entities whose assets constitute employee benefit plans (whether or not subject to the United States Employee Retirement Income Securities Act of 1974, as amended ("ERISA") (together, "Benefit Plans")) if, after such subscription, the Shares held by Benefit Plans would be 25 per cent or more of any class of Shares. If the Shares of any class held by Benefit Plans were to exceed this 25 per cent limit, the Company's assets would be considered plan assets under ERISA, which could result in adverse consequences to the Company, the Investment Manager, any Sub-Investment Manager, and the fiduciaries of the Benefit Plans.

The Company will not be registered under the United States Investment Company Act of 1940 (as amended) (the "1940 Act"). Based on interpretations of the 1940 Act by the staff of the United States Securities and Exchange Commission relating to foreign investment companies, if the Company has more than 100 beneficial owners of its Shares who are U.S. Persons, it may become subject to certain requirements under the 1940 Act. To ensure that the number of holders of Shares who are U.S. Persons is maintained, the Directors may compulsorily redeem Shares beneficially owned by U.S. Persons.

Notwithstanding the foregoing prohibitions, the Company may arrange or permit the private placement in the United States of a portion of the Shares under the exemption provided by Section 4(2) of the 1933 Act and Regulation D promulgated thereunder to a limited number of U.S. Persons that are "accredited investors" as defined in Rule 501(a) of Regulation D under the 1933 Act and "qualified eligible persons" as defined in Rule 4.7 under the Commodity Exchange Act, under restrictions and other circumstances designed to preclude a distribution that would otherwise require registration of the Shares under the 1933 Act, cause the Company to become subject to the registration requirements of the 1940 Act or cause the assets of the Company to be "plan assets" for the purposes of ERISA, including presentation by such investors, prior to the delivery to them of Shares, of a letter containing specified representations and agreements.

Applicants will be required to certify whether they are Irish Residents or Ordinarily Resident in Ireland and may be required to confirm that they are not U.S. Persons.

Marketing Rules

Shares are offered only on the basis of the information contained in the current Prospectus and the relevant Supplement and the latest audited annual accounts and any subsequent half-yearly report. Investors should note that the auditor's report on the Company's annual accounts is made only to the Company and the Shareholders as a body at the date of the auditor's report.

Any further information or representation given or made by any dealer, salesman, or other person should be disregarded and accordingly should not be relied upon. Neither the delivery of this Prospectus and the relevant Supplement nor the offer, issue, or sale of Shares shall, under any circumstances, constitute a representation that the information given in this Prospectus and the relevant Supplement is correct as of any time subsequent to the date of this Prospectus and the relevant Supplement. Statements made in this Prospectus and the relevant Supplement are based on the law and practice currently in force in Ireland and are subject to changes therein.

The distributor of this Prospectus and the relevant Supplement in some jurisdictions may require the translation of this Prospectus and the relevant Supplement into other languages specified by the regulatory authorities of those jurisdictions provided that any such translation shall be a direct translation of the English text. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of Ireland.

This Prospectus and the relevant Supplement should each be read in their entirety before making an application for Shares.

MACQUARIE COLLECTIVE FUNDS PUBLIC LIMITED COMPANY

Board of Directors

Eimear Cowhey
Denise Kinsella
David P. O'Connor
Richard Salus

Registered Office of the Company

Arthur Cox Building
Earlsfort Terrace
Dublin 2
Ireland

Promoter

Delaware Investment Advisers
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U.S.A.

Investment Manager and Distributor

Delaware Investment Advisers
2005 Market Street
Philadelphia, PA 19103
U.S.A.

Company Secretary

Bradwell Limited
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Dublin 2
Ireland

Custodian

BNY Mellon Trust Company (Ireland) Limited
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Guild Street
IFSC
Dublin 1
Ireland

Legal Advisers in Ireland

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Earlsfort Centre
Earlsfort Terrace
Dublin 2
Ireland

Listing Sponsors

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Dublin 2
Ireland

Auditors

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Ernst & Young Building
Harcourt Centre
Harcourt Street
Dublin 2
Ireland

Administrator

BNY Mellon Fund Services (Ireland) Limited
Guild House
Guild Street
IFSC
Dublin 1
Ireland

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MACQUARIE COLLECTIVE FUNDS PLC

SUMMARY

Structure

The Company is an umbrella fund with segregated liability between Funds, established as an open-ended, variable capital investment company incorporated as a public limited company under the laws of Ireland. The Articles of Association provide for separate Funds, each representing interests in a separate and defined portfolio of assets and liabilities which may be issued from time to time with the approval of the Central Bank.

Investment Objectives

The Company aims to provide investors with a choice of Funds investing in a wide range of transferable securities and other permitted assets on a worldwide basis and featuring a diverse array of investment objectives. The investment objectives and policies for each Fund are set out in the relevant Supplement.

Share Classes

The classes of Shares available in each of the Funds are set out in the relevant Supplement.

Taxation

As an investment undertaking within the meaning of Section 739B (1) of the Taxes Act, the Company is exempt from Irish tax on its income and gains and the Company will not be required to account for any tax in respect of Shareholders who are not Irish Residents provided that the necessary signed declarations are in place. The Company may be required to account for tax in respect of Shareholders who are Irish Residents. Shareholders who are not Irish Residents and who have made true declarations to that effect will not be liable to Irish tax on income from their Shares or gains made on the disposal of their Shares, provided that the Shares are not held directly or indirectly by or for a branch or agency in Ireland. No stamp duty or other tax is payable in Ireland on the subscription, issue, holding, redemption, or transfer of Shares. Where any subscription for or redemption of Shares is satisfied by an *in specie* transfer of Irish securities or other Irish property, Irish stamp duty may arise on the transfer of such securities or property. A gift or inheritance of Shares may be liable to Irish capital acquisitions tax. Potential investors are advised to consult their own tax advisers as to the implications of an investment in the Company. Please refer to the section entitled "Taxation" on pages 47 to 55 for further information.

Distributions

It is not proposed to declare a distribution in respect of the Shares of the Funds except in respect of the distributing Share classes. Dividends, if declared, will usually be declared in July each year and shall be payable from net income and realised capital gains net of realised and unrealised capital losses attributable to the relevant class for the relevant period.

Fees and Expenses

Investors' attention is drawn to the details of the fees and expenses charged to the Funds set out on pages 31 and 32.

Dealing Days

Shares may be issued on a Dealing Day by sending an application form (in respect of initial subscriptions) or a subscription form (in respect of subsequent subscriptions), as appropriate,

to the Administrator to arrive no later than the Trade Cut-Off Time. Each Business Day shall be a Dealing Day, except where the Net Asset Value determination has been temporarily suspended in the circumstances outlined on pages 41 and 42.

Shares in the Funds may be repurchased on a Dealing Day by sending a repurchase form to the Administrator to arrive no later than the Trade Cut-Off Time.

Investor Restrictions

The Shares may not be offered or sold in any jurisdiction in which such offer or sale is not lawful or in which the person making such offer or sale is not qualified to do so or to anyone to whom it is unlawful to make such an offer or sale. Except as otherwise provided in this Prospectus and the relevant Supplement, Shares may not be purchased or held by or for the account of any U.S. Person. Applicants and transferees will be required to certify whether or not they are Irish Residents or Ordinarily Resident in Ireland.

Investment Risks

An investment in a Fund involves investment risks, including possible loss of the amount invested. There can be no assurance that a Fund will achieve its investment objective. A more detailed description of certain investment risks relevant to investors in the Company is set out in the section of this Prospectus entitled "Risk Factors" and in the relevant Supplement for each Fund.

DEFINITIONS

In this Prospectus and the Supplements, the following words and phrases shall have the meanings indicated below:-

"1933 Act"	the U.S. Securities Act of 1933 (as amended);
"1940 Act"	the U.S. Investment Company Act of 1940 (as amended);
"Administrator"	BNY Mellon Fund Services (Ireland) Limited;
"Administration Agreement"	the administration agreement dated 20 December 2007, as novated by novation agreement dated 31 July 2008 between Mellon Fund Administration Limited, the Administrator and the Company and as amended by amendment agreement dated 29 June 2012 pursuant to which the Administrator was appointed administrator of the Company;
"ADRs"	American Depositary Receipts;
"Articles of Association" or "Articles"	the articles of association of the Company;
"Base Currency"	the base currency of each Fund as specified in the Supplement for the relevant Fund;
"Business Day"	unless otherwise determined by the Directors and notified in advance to Shareholders, a day (except Saturday or Sunday) on which retail banks are open for business in Dublin and the New York Stock Exchange is open;
"Central Bank"	the Central Bank of Ireland or any successor regulatory authority with responsibility for the authorisation and supervision of the Company;
"class"	any class of Shares, each representing interest in a Fund;
"Class A"	Class A USD (Accumulating), Class A USD (Distributing), Class A EUR, Class A GBP (Accumulating) and Class A GBP (Distributing) Shares in a Fund;
"Class C"	Class C USD (Accumulating), Class C USD (Distributing), Class C EUR, Class C GBP (Accumulating) and Class C GBP (Distributing) Shares in a Fund;
"Class F"	Class F USD (Accumulating), Class F USD (Distributing), Class F EUR, Class F GBP (Accumulating) and Class F GBP (Distributing) Shares in a Fund;
"Class I"	Class I USD (Accumulating), Class I USD

	(Distributing), Class I EUR, Class I GBP (Accumulating) and Class I GBP (Distributing) Shares in a Fund;
"Clearing System"	the National Securities Clearing Corporation ("NSCC") clearance and settlement system or any other clearing system used to settle the trading of Shares;
"Company"	Macquarie Collective Funds plc (formerly known as Delaware Investments Global Funds plc), an investment company with variable capital, incorporated in Ireland pursuant to the Companies Acts 1963 to 2012 and the Regulations;
"Custodian"	BNY Mellon Trust Company (Ireland) Limited;
"Custodian Agreement"	the custodian agreement dated 20 December 2007 as novated by novation agreement dated 31 July 2008 between Mellon Trustees Limited, the Custodian and the Company pursuant to which the Custodian was appointed custodian of the Company;
"Dealing Day"	each Business Day, or such other Business Day as the Directors may determine and notify in advance to Shareholders provided there shall be at least one per fortnight;
"Directive"	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as may be amended from time to time;
"Directors"	the directors of the Company for the time being and any duly constituted committee thereof;
"Distributor"	Delaware Investment Advisers;
"EDRs"	European Depositary Receipts;
"EEA"	the European Economic Area;
"Emerging Market Countries" or "Emerging Market Country"	any country that is categorised by the World Bank and the International Finance Corporation and United Nations as "developing" or is a country included in the International Finance Corporation Free Index or the Morgan Stanley Capital International Emerging Markets Index;
"€" or "euro" or "EUR"	the currency unit referred to in the Second Council Regulation (EC) no. 974/98 of 3 May 1998 on the introduction of the euro;

"EU"	the European Union;
"Fitch"	Fitch Ratings Inc.;
"Fund" or "Funds"	any fund from time to time established by the Company which is invested in accordance with the investment objective and policies as set out in the relevant Supplement and such other funds as may be established by the Company from time to time with the prior approval of the Central Bank. The current funds are Delaware Investments Emerging Markets Fund, Delaware Investments Global Value Fund, Delaware Investments U.S. Large Cap Growth Fund and Delaware Investments U.S. Large Cap Value Fund;
"GDRs"	Global Depositary Receipts;
"Initial Offer Period"	the period determined by the Directors during which a class of Shares is first offered for subscription as specified in the Supplement for the relevant Fund;
"Intermediary"	a person who: (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons, or (b) holds shares or units in an investment undertaking on behalf of other persons;
"Investment Manager"	Delaware Investment Advisers provided that the Investment Manager may appoint Sub-Investment Managers in accordance with the requirements of the Central Bank;
"Investment Management Agreement"	the amended and restated investment management agreement dated 8 December 2010 between the Company and the Investment Manager;
"Investment Services Directive"	Council Directive 93/22/EEC of 10 May 1993 (as amended);
"Irish Resident"	unless otherwise determined by the Directors, any person Resident in Ireland or Ordinarily Resident in Ireland, other than an Exempt Irish Resident;
"Irish Stock Exchange"	The Irish Stock Exchange Limited established pursuant to the Stock Exchange Act, 1995 and

	the Companies (Stock Exchange) Regulations, 1995 of Ireland;
"Member State"	a member state of the EU;
"Minimum Holding"	a holding of shares in any Fund the value of which is U.S.$5,000 or the currency equivalent thereof in respect of Class A Shares and Class C Shares, and U.S.$100,000 or the currency equivalent thereof in respect of Class F Shares and Class I Shares or such other amount as the Directors may determine;
"Moody's"	Moody's Investors Service, Inc.;
"Net Asset Value" or "NAV"	the Net Asset Value of the Company or of a Fund or class, as appropriate, calculated as described herein;
"Net Asset Value per Share"	in respect of any Shares the Net Asset Value attributable to the Shares issued in respect of a Fund or class, divided by the number of Shares in issue in respect of the Fund or class;
"NRSRO"	a Nationally Recognized Statistical Rating Organization;
"OECD"	the Organisation for Economic Co-Operation and Development;
"Prospectus"	this prospectus, as amended or supplemented from time to time;
"Regulated Market"	any stock exchange or regulated market in the EU or a stock exchange or regulated market which is set forth in Schedule I to this Prospectus, or such other markets as the Directors may from time to time determine in accordance with the Regulations and as shall be specified in a supplement or addendum to this Prospectus;
"Regulations"	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 or any amendment thereto for the time being in force;
"Relevant Institution"	an EU credit institution; a bank authorised in a member state of the EEA (Norway, Iceland, Liechtenstein); a bank authorised by a signatory other than an EU member state or a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, U.S.); or a bank authorised in Jersey, Guernsey, the Isle of Man, Australia, or New Zealand;

"Rule 144A Securities"	securities which (i) are issued with an undertaking to register with the U.S. Securities and Exchange Commission within one year of issue; and (ii) are not illiquid, meaning that they may be realised by the Company within seven days at the price, or approximately at the price, at which they are valued by the Company;
"Settlement Time"	the time by which funds representing subscription monies in respect of a subscription order must be received by the Company and shall be 5.00 pm (Irish time) three Business Days after the relevant Dealing Day or such other time agreed with the Administrator;
"Share" or "Shares"	any class of share or shares in the Company or the Fund, as the context so requires;
"Shareholder"	a holder of Shares;
"S&P"	Standard & Poor's Financial Services LLC;
"Subscriber Shares"	the initial share capital of 300,000 Shares of no par value subscribed for EUR 300,000;
"Sub-Investment Manager"	a sub-investment manager appointed by the Investment Manager to manage some or all of the assets of a Fund;
"Sub-Investment Management Agreement"	an agreement between the Investment Manager, the Company and a Sub-Investment Manager pursuant to which a Sub-Investment Manager is appointed as sub-investment manager of a Fund;
"Supplement"	any supplement to this prospectus issued by the Company in connection with a Fund from time to time in accordance with the requirements of the Central Bank;
"Supranational Organisation"	an entity established or financially supported by the national governments of one or more countries to promote reconstruction or development. Examples of Supranational Entities include, among others, the International Bank for Reconstruction and Development (more commonly known as The World Bank), the European Economic Community, the European Investment Bank, the Inter-American Development Bank, and the Asian Development Bank;
"Trade Cut-Off Time"	in the case of subscription, redemption and exchange orders, orders received and accepted by the Administrator by 5.00 pm (Irish Time) on the relevant Dealing Day;

"UCITS"	an undertaking for collective investment in transferable securities established pursuant to the Regulations or, in the case of UCITS established in a Member State other than Ireland, the Directive;
"UCITS Notices"	the notices issued by the Central Bank from time to time pursuant to the Regulations;
"UK"	the United Kingdom of Great Britain and Northern Ireland;
"U.S."	the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;
"U.S.$", "U.S. Dollar" or "USD"	U.S. Dollars, the lawful currency of the U.S.;
"U.S. Person"	"U.S. Person" as defined in Regulation S under the 1933 Act.

INTRODUCTION

The Company is an open-ended investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Companies Acts 1963 to 2012 and the Regulations. It was incorporated on 25 October 2007 under registration number 448170. Its sole object, as set out in Clause 2 of the Company's Memorandum of Association, is the collective investment in transferable securities and other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public and which operates on the basis of risk spreading.

The Company is organised in the form of an umbrella fund with segregated liability between Funds. The Articles of Association provide that the Company may offer separate classes of Shares, each representing interests in a Fund, with each Fund comprising a separate and distinct portfolio of investments. The Company has obtained the approval of the Central Bank for the establishment of Delaware Investments Emerging Markets Fund, Delaware Investments Global Value Fund, Delaware Investments U.S. Large Cap Growth Fund, and Delaware Investments U.S. Large Cap Value Fund. Additional Funds may be established by the Company with the prior approval of the Central Bank, the investment objectives and policies for which shall be outlined in a Supplement. Each Supplement shall form part of, and be read in conjunction with, this Prospectus. A Fund may consist of one or more classes of Shares, as outlined in the relevant Supplement. A separate pool of assets will not be maintained for each class within a Fund.

INVESTMENT OBJECTIVES AND POLICIES OF THE FUNDS

Each Fund aims to achieve its investment objective, as set out in the relevant Supplement, while spreading investment risks through investment in transferable securities and liquid financial assets in accordance with the Regulations. The transferable securities and liquid financial assets in which each Fund may invest generally must be listed and/or traded on a Regulated Market except that up to 10 per cent of the Net Asset Value of a Fund may be invested in transferable securities and liquid financial assets which are not so listed and/or traded. The Regulated Markets in which a Fund's investments will be traded are set out in Schedule I.

As set out in the investment objectives of the relevant Funds, certain Funds may invest in collective investment schemes, subject to the limits set out in Schedule II and the limitations contained in Regulation 68. Such investment in collective investment schemes includes investing in other Funds. However, a Fund may not invest in another Fund which itself holds Shares in other Funds. Where a Fund invests in another Fund, the investing Fund may not charge an annual management and/or investment management fee in respect of the portion of its assets invested in the other Fund.

Borrowing

A Fund may not borrow money except as follows:

(a) a Fund may acquire foreign currency by means of a "back to back" loan. Foreign currency obtained in this manner is not classified as borrowing for the purpose of the Regulations provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding; and

(b) a Fund may borrow up to 10 per cent of its Net Asset Value provided such borrowing is on a temporary basis.

Further Information on the Securities in which the Funds May Invest

For each Fund, the information below regarding the securities in which the Fund may invest is subject to the limitations set forth for the Fund in the description of the Funds' investment objective and policies in the relevant Supplement.

Commercial Paper

Commercial paper is a short-term promissory note issued by corporations which at the time of purchase are rated P-1 and/or A-1. Commercial paper ratings of P-1 by Moody's and A-1 by S&P are the highest investment grade category.

Convertible Securities

Convertible securities entitle the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible securities mature or are redeemed, converted, or exchanged. Prior to conversion, convertible securities have characteristics similar to ordinary debt securities in that they normally provide a stable stream of income with generally higher yields than those of common stock of the same or similar issuers. Convertible securities rank senior to common stock in a corporation's capital structure and therefore generally entail less risk than the corporation's common stock, although the extent to which such risk is reduced depends in large measure upon the degree to which the convertible security sells above its value as a fixed income security.

The value of convertible securities is a function of their investment value (determined by yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and their conversion value (their worth, at market value, if converted into the underlying common stock). The investment value of convertible securities is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline, and by the credit standing of the issuer and other factors. The conversion value of convertible securities is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible securities is governed principally by their investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible securities will be increasingly influenced by their conversion value. In addition, convertible securities generally sell at a premium over their conversion value determined by the extent to which investors place value on the right to acquire the underlying common stock while holding fixed income securities.

Capital appreciation for a Fund may result from an improvement in the credit standing of an issuer whose securities are held in the Fund or from a general lowering of interest rates, or a combination of both. Conversely, a reduction in the credit standing of an issuer whose securities are held by a Fund or a general increase in interest rates may be expected to result in capital depreciation to the Fund.

In general, investments in non investment grade convertible securities are subject to a significant risk of a change in the credit rating or financial condition of the issuing entity. Investments in convertible securities of medium or lower quality are also likely to be subject to greater market fluctuation and to greater risk of loss of income and principal due to default than investments of higher rated fixed income securities. Such lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher rated securities, which react more to fluctuations in the general level of interest rates. A Fund will generally reduce risk to the investor by diversification, credit analysis, and attention to current developments in trends of both the economy and financial markets. However, while diversification reduces the effect on a Fund of any single investment, it does not reduce the overall risk of investing in lower rated securities.

Corporate Debt Securities

Corporate debt securities are bonds, notes, or debentures issued by corporations and other business organisations, including business trusts, in order to finance their credit needs.

Corporate debt securities may pay fixed or variable rates of interest, or interest at a rate contingent upon some other factor, such as the price of some commodity. These securities may be convertible into preferred or common equity, or may be bought as part of a unit containing common stock. In selecting corporate debt securities for a fund, the Investment Manager or the Sub-Investment Manager, as appropriate, reviews and monitors the creditworthiness of each issuer and issue. The Investment Manager or the Sub-Investment Manager, as appropriate, also analyses interest rate trends and specific developments, which they believe may affect individual issuers. See Schedule III of this Prospectus for more information on the ratings of the various NRSROs.

Debt Securities

Debt securities include, but are not limited to, fixed or floating rate debt securities, bonds issued or guaranteed by corporations or governments or governmental agencies or instrumentalities thereof, central banks or commercial banks, notes (including structured notes and freely transferable promissory notes), debentures, commercial paper, Brady bonds, and convertible securities. Fixed rate debt securities are securities that carry a fixed rate of interest that does not fluctuate with general market conditions. Floating rate debt securities are securities that carry a variable interest rate, which is initially tied to an external index such as U.S. Treasury Bill rates.

Depositary Receipts

Depositary receipts include sponsored and unsponsored ADRs, EDRs, and GDRs that are actively traded in the United States. ADRs are receipts typically issued by a U.S. bank or trust company, which evidence ownership of underlying securities issued by a non-U.S. corporation. EDRs and GDRs are receipts issued by non-U.S. banks or trust companies and non-U.S. branches of U.S. banks that evidence ownership of the underlying non-U.S. or U.S. securities. "Sponsored" ADRs, EDRs, or GDRs are issued jointly by the issuer of the underlying security and a Depositary, and "unsponsored" ADRs, EDRs, or GDRs are issued without the participation of the issuer of the deposited security. Holders of unsponsored ADRs, EDRs, or GDRs generally bear all the costs of such facilities and the Depositary of an unsponsored ADR, EDR, or GDR facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited security or to pass through voting rights to the holders of such receipts in respect of the deposited securities. Therefore, there may not be a correlation between information concerning the issuer of the security and the market value of an unsponsored ADR, EDR, or GDR. ADRs may be listed on a national securities exchange or may be traded in the over-the-counter market. EDRs and GDRs traded in the over-the-counter market that do not have an active or substantial secondary market will be considered illiquid and therefore will be subject to a Fund's limitation with respect to such securities. ADR prices are denominated in U.S. dollars although the underlying securities are denominated in a non-U.S. currency. Investments in ADRs, EDRs, and GDRs involve risks similar to those accompanying direct investments in non-U.S. securities.

Discount Notes

Discount notes are unsecured corporate debt that is issued at a discount and matures at par. Discount note issuers include several U.S. government agencies and instrumentalities.

Equity-Related Securities

Equity-related securities may include warrants for the acquisition of stock of the same or of a different issuer, corporate fixed income securities that have conversion or exchange rights permitting the holder to convert or exchange the securities at a stated price within a specified period of time to a specified number of shares of common stock, participations that are based on revenues, sales or profits of an issuer (i.e., fixed income securities, the interest on which increases upon the occurrence of a certain event (such as an increase in the price of oil)) and common stock offered as a unit with corporate fixed income securities.

High Yield Securities

High yield securities are not rated in one of the top four rating categories (i.e., below "investment grade") by major rating agencies, including S&P and Moody's sometimes referred to as "junk bonds". Bonds may be fixed and or floating rate. Generally, medium or lower rated securities and unrated securities of comparable quality offer a higher current yield than is offered by higher rated securities but also (i) will likely have some quality and protective characteristics that, in the judgment of the rating organisations, are outweighed by large uncertainties or major risk exposures to adverse conditions; and (ii) are predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation. The market values of certain of these securities also tend to be more sensitive to individual corporate developments and changes in economic conditions than higher quality bonds. In addition, medium and lower rated securities and comparable unrated securities generally present a higher degree of credit risk. The risk of loss due to default by these issuers is significantly greater because medium and lower rated securities and unrated securities of comparable quality generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. In light of these risks, the Investment Manager or the Sub-Investment Manager, as appropriate, in evaluating the creditworthiness of an issue, whether rated or unrated, will take various factors into consideration, which may include, as applicable, the issuer's financial resources, its sensitivity to economic conditions and trends, the operating history of and the community support for the facility financed by the issue, the ability of the issuer's management, and regulatory matters. In addition, the market value of securities in lower rated categories is more volatile than that of higher quality securities, and the markets in which medium and lower rated or unrated securities are traded are more limited than those in which higher rated securities are traded. The existence of limited markets may make it more difficult for a Fund to obtain accurate market quotations for purposes of valuing its portfolio and calculating its Net Asset Value. Moreover, the lack of a liquid trading market may restrict the availability of securities for a Fund to purchase, and may also have the effect of limiting the ability of a Fund to sell, securities at their fair value either to meet repurchase requests or to respond to changes in the economy or the financial markets.

Lower rated debt obligations also present risks based on payment expectations. If an issuer calls the obligation for redemption, a Fund may have to replace the security with a lower yielding security, resulting in a decreased return for investors. Also, as the principal value of bonds moves inversely with movements in interest rates, in the event of rising interest rates the value of the securities held by a Fund may decline proportionately more than a portfolio consisting of higher rated securities. If a Fund experiences unexpected net redemption, it may be forced to sell its higher rated bonds, resulting in a decline in the overall credit quality of the securities held by the Fund and increasing the exposure of the Fund to the risks of lower rated securities.

Initial Public Offering

Under certain market conditions, the Investment Manager or the Sub-Investment Manager, as appropriate, may invest in companies at the time of their initial public offering ("IPO").

Investment Funds/Collective Investment Schemes

Some Emerging Market Countries have laws and regulations that preclude direct non-U.S. investment in the securities of companies located there. However, indirect non-U.S investment in the securities of companies listed and traded on the Regulated Markets in these countries is permitted by certain Emerging Market Countries through specifically authorised investment funds. A Fund may invest in these investment funds, as well as other closed end and open ended investment companies, subject to the Regulations.

Investment Grade Securities/Below Investment Grade Securities

Investment grade debt obligations are rated in the top four quality grades by S&P or another NRSRO, or in the case of unrated tax-exempt obligations if, in the Investment Manager's or the Sub-Investment Manager's, as appropriate, opinion, they are equivalent in quality to the top four quality grades. Below investment grade debt obligations are rated below the top four quality grades by S&P or another NRSRO, or in the case of unrated tax-exempt obligations if, in the Investment Manager's or the Sub-Investment Manager's, as appropriate, opinion, they are equivalent in quality to being rated below the top four quality grades. Below investment grade securities are commonly referred to as "junk bonds". Both investment and below investment grade bonds may include general obligations bonds and revenue bonds.

Money Market Instruments/Securities

Money market instruments include commercial paper, bankers acceptances, certificates of deposit, and other short-term debt securities as ancillary liquid assets.

Mortgage-Backed Securities

Mortgage-backed securities provide capital for mortgage loans to residential homeowners, including securities that represent interests in pools of mortgage loans made by lenders such as savings and loan institutions, mortgage banks, commercial banks and others. Pools of mortgage loans are assembled for sale to investors (such as the funds) by various governmental, government-related, and private organisations, such as dealers. The market value of mortgage-backed securities will fluctuate as a result of changes in interest rates and mortgage loans.

Interests in pools of mortgage loans generally provide a monthly payment that consists of both interest and principal payments. In effect, these payments are a "pass through" of the monthly payments made by the individual borrowers on their residential mortgage loans, net of any fees paid to the issuer or guarantor of such securities. Additional payments are caused by repayments of principal resulting from the sale of the underlying residential property, refinancing or foreclosure, net of fees or costs that may be incurred. Some mortgage-backed securities (such as securities issued by Ginnie Mae) are described as "modified pass through" because they entitle the holder to receive all interest and principal payments owed on the mortgage pool, net of certain fees, regardless of whether the mortgagor actually makes the payment.

Non-Publicly Traded Securities

Non-publicly traded securities are transferable securities that are neither listed nor traded on a Regulated Market, including privately placed securities. A Fund can invest no more than 10 per cent of its Net Asset Value in such securities. If a Fund's investments in such securities are illiquid, they become subject to the risk that should the Fund desire to sell any of these securities when a ready buyer is not available at a price that the Fund deems representative of its value, the value of the Fund's Net Asset Value could be adversely affected.

Non-U.S. Government Securities

Non-U.S. government securities include fixed income securities issued by a non-U.S. government or any of their political subdivisions, authorities, agencies, or instrumentalities that are considered stable by the Investment Manager or the Sub-Investment Manager, as appropriate.

Payment-in-Kind Bonds

Payment-in-kind bonds are bonds that pay interest in the form of additional bonds of the same type. Payment-in-kind bonds may be rated investment grade or below investment grade.

Preferred Shares/Stocks

Preferred shares, which may be listed or traded on Regulated Markets, may pay dividends at a specific rate and generally have preference over common stock in the payment of dividends in a liquidation of assets but rank after debt securities. Unlike interest payments on debt securities, dividends on preferred shares are generally payable at the discretion of the board of directors of the issuer. The market prices of preferred shares are subject to changes in interest rates and are more sensitive to changes in the issuer's creditworthiness than are the prices of debt securities.

Private-Issuer Mortgage Backed Securities

Mortgage-backed securities issued by private issuers do not offer the credit backing of U.S. government securities. Primarily these include multi-class debt or pass-through certificates secured by mortgage loans. They will be issued by banks, savings and loans institutions, mortgage bankers, and other non-governmental issuers. Private issuer mortgage backed securities are subject to the credit risks of the issuers (as well as interest rate risks and pre-payment risks), although in some cases they may be supported by insurance or guarantees.

Regulation S Securities

Regulation S Securities are privately placed securities whose resale is restricted under U.S. securities laws. Regulation S permits securities exempt from registration under the 1933 Act to be freely traded among certain non-U.S. institutional buyers such as the Funds.

Rule 144A Securities

Rule 144A securities are securities that are not registered under the 1933 Act, but that can be sold to certain institutional buyers in accordance with Rule 144A under the 1933 Act. Rule 144A permits many privately placed and legally restricted securities to be freely traded among certain institutional buyers such as the Funds.

Securities of Emerging Market Countries

An Emerging Market Country generally is considered to be a country that is in the initial stages of its industrialisation cycle. Investing in the equity and fixed income markets of Emerging Market Countries involves exposure to economic structures that are generally less diverse and mature, and to political systems that can be expected to have less stability, than those of developed countries. Historical experience indicates that the markets of Emerging Market Countries have been more volatile than the markets of the more mature economies of developed countries; however, such markets often have provided higher rates of return to investors. A Fund may also invest in Brady bonds. Brady bonds are debt securities, generally denominated in U.S. Dollars, issued under the framework of the "Brady Plan," an initiative

announced by former U.S. Treasury Secretary Nicholas F. Brady in 1989 as a mechanism for debtor nations to restructure their outstanding external commercial bank indebtedness.

Securities of Non-U.S. Issuers

Securities of non-U.S. issuers, whether fixed income, equity, equity-related securities, or otherwise may be denominated in any currency, regardless of domicile. The Investment Manager or the Sub-Investment Manager, as appropriate, may hedge against currency fluctuations as described under "Risk Factors" - "Currency Transactions" below.

Supranational Organisations

Supranational Organisations are entities designated or supported by a government or governmental entity to promote economic development, and include, among others, the Asian Development Bank, the European Communities, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, the International Bank for Reconstruction and Development ("World Bank"), and the European Bank for Reconstruction and Development. These organisations have no taxing authority and are dependent upon their members for payments of interest and principal. Moreover, the lending activities of such supranational entities are limited to a percentage of their total capital (including "callable capital" contributed by members at an entity's call), reserves, and net income.

Variable Rate and Floating Rate Securities

Variable and floating rate securities are obligations that possess a floating or variable interest rate adjustment formula. The terms of the variable or floating rate securities that a Fund may purchase provide that interest rates are adjustable at intervals ranging from daily up to six months, and the adjustments are based upon current market levels, the prime rate of a bank or other appropriate interest rate adjustment index as provided in the respective securities. Some of these securities are payable on a daily basis or on not more than seven days' notice. Others, such as securities with quarterly or semi annual interest rate adjustments, may be redeemed on designated days on not more than 30 days' notice.

Zero Coupon Bonds

Zero coupon bonds pay no interest in cash to their holder during their life, although interest is accrued during that period. Its value to an investor consists of the difference between its face value at the time of maturity and the price for which it was acquired, which is generally an amount significantly less than its face value (sometimes referred to as a "deep discount" price). Because zero coupon bonds usually trade at a deep discount, they will be subject to greater fluctuations in market value in response to changing interest rates than debt obligations of comparable maturities which make periodic distributions of interest. On the other hand, because there are no periodic interest payments to be reinvested prior to maturity, zero coupon securities eliminate reinvestment risk and lock in a rate of return to maturity.

Regulated Markets

Subject to the investment restriction set forth below, the securities and liquid financial assets in which the Funds will invest will be listed and/or traded on a Regulated Market. The Regulated Markets in which the Funds may trade are listed in Schedule I hereto.

Adherence to Investment Objectives and Policies

As the Shares of each Fund are listed on the Irish Stock Exchange, the investment objectives and policies of that Fund will be adhered to, and in the absence of any unforeseen

circumstances, will not be altered for a period of three years following the initial listing date of the Shares of that Fund. Any change in investment objectives and any material change in investment policies during or after this period will be subject to approval by the majority of votes of Shareholders passed at a general meeting or by all of the Shareholders by way of a written resolution. In accordance with the Company's Articles of Association, Shareholders will be given 21 days' notice (excluding the day of posting and the day of the meeting) of such general meeting. The notice shall specify the place, day, hour, and nature of business of such meeting, as well as the proposed effective date of any changes to the investment objectives and policies. In the event that a change in investment objectives and/or policies is approved by Shareholders, a reasonable notification period will be provided to Shareholders to enable them to redeem their Shares prior to the implementation of such a change.

DISTRIBUTION POLICY

It is not proposed to declare a distribution in respect of the Shares of the Funds except in respect of the distributing Share classes and the net income and capital gains arising will be accumulated.

Dividends, if declared, will usually be declared in July each year and may, at the sole discretion of the Directors, be paid from a Fund's net income and realised capital gains net of realised and unrealised capital losses. Dividends will be automatically reinvested in additional Shares of the same class of the relevant Fund unless the Shareholder has specifically elected on the application form or subsequently notified the Administrator in writing of its requirement to be paid in cash sufficiently in advance of the declaration of the next dividend payment. Cash payments will be made by telegraphic transfer to the account of the Shareholder specified in the application form or, in the case of joint holders, to the name of the first Shareholder appearing on the register within six weeks of their declaration and in any event within four months of the year end. Any dividend which is unclaimed six years from the date it became payable shall be forfeited and become the property of the relevant Fund.

INVESTMENT RESTRICTIONS

Each of the Fund's investments will be limited to investments permitted by the Regulations, as set out in Schedule II and any additional limitations or restrictions set out in the relevant Supplement. If the Regulations are altered during the life of the Company, the investment restrictions may be changed to take account of any such alterations but any such changes shall be in accordance with the Central Bank's requirements and will be subject to approval by the majority of votes of Shareholders passed at a general meeting or by all of the Shareholders by way of a written resolution. Shareholders will be advised of such changes in the next succeeding annual or half-yearly report of the Company.

INVESTMENT TECHNIQUES AND INSTRUMENTS

Except where otherwise stated in the relevant Supplement, each Fund may engage in transactions in financial derivative instruments ("FDIs"), whether for efficient portfolio management purposes (i.e., with the intent of hedging, reducing risks or costs, or increasing capital or income returns) or investment purposes subject to the conditions and within the limits from time to time set forth in Schedule IV. A list of the Regulated Markets on which the FDIs may be listed and/or traded is set out in Schedule I.

If a Fund invests in total return swaps or other FDI with the same characteristics, the underlying asset or index may be comprised of equity or debt securities, money market instruments or other eligible investments which are consistent with the investment objective and policies of the Funds as set out in the section entitled "Investment Objective and Policies of the Funds". The counterparties to such transactions are typically banks, investment firms, broker-dealers, collective investment schemes or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its

effect on investor returns are described in the section entitled "Risk Factors" under the heading "Derivatives". It is not intended that the counterparties to total return swaps entered into by a Fund assume any discretion over the composition or management of the Fund's investment portfolio or over the underlying of the FDIs, or that the approval of the counterparty is required in relation to any portfolio transactions by the Fund.

The policy that will be applied to collateral arising from OTC FDI transactions or efficient portfolio management techniques relating to the Funds is to adhere to the requirements set out in Schedule IV. This sets out the permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, the re-investment policy prescribed by the Central Bank pursuant to the Regulations. The categories of collateral which may be received by the Funds include cash and non-cash assets such as equities, debt securities and money market instruments. From time to time and subject to the requirements in Schedule IV, the policy on levels of collateral required and haircuts may be adjusted, at the discretion of the Investment Manager or the Sub-Investment Manager, as appropriate, where this is determined to be appropriate in the context of the specific counterparty, the characteristics of the asset received as collateral, market conditions or other circumstances. The haircuts applied (if any) by the Investment Manager or the Sub-Investment Manager, as appropriate, are adapted for each class of assets received as collateral, taking into account the characteristics of the assets such as the credit standing and/or the price volatility, as well as the outcome of any stress tests performed in accordance with the requirements in Schedule IV. Each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets should be justified on the basis of this policy.

If cash collateral received by a Fund is re-invested, the Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Fund. For further details see the section entitled "Risk Factors".

Direct and indirect operational costs and fees arising from the efficient portfolio management techniques of stock lending, repurchase and reverse repurchase arrangements may be deducted from the revenue delivered to the Funds (for example, as a result of revenue sharing arrangements). These costs and fees should not include hidden revenue. All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Fund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers, securities lending agents or other financial institutions or intermediaries and may be related parties to the Company or the Custodian. The revenues arising from such efficient portfolio management techniques for the relevant reporting period, together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques, will be disclosed in the annual and half-yearly reports of the Company.

The use of these strategies involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select a Fund's securities, (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet repurchase requests or other short-term obligations because of the percentage of a Fund's assets segregated to cover its obligations.

The Company shall supply to a Shareholder upon request supplementary information in relation to the quantitative risk management limits applied by it, the risk management methods used by it and any recent developments in the risk and yield characteristics for the main categories of investment.

Types and Description of FDIs

Below are examples of the types of FDIs that the Funds may purchase from time to time, subject to the requirements laid down by the Central Bank and each Fund's investment objectives and policies as outlined in the relevant Supplement:

Options:

A call option on a security is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. The writer (seller) of the call option, who receives the premium, has the obligation, upon exercise of the option, to deliver the underlying securities against payment of the exercise price. A put option is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy the underlying securities, upon exercise, at the exercise price. Put options may be purchased on condition that the security that is the subject of the put option remains at all times in the ownership of the relevant Fund except in the case of cash-settled put options in which case this condition will not apply. Index put options may be purchased provided that all of the assets of the Fund, or a proportion of such assets that may not be less in value than the exercise value of the put option purchased, can reasonably be expected to behave in terms of price movement in the same manner as the options contract.

Futures and Options on Futures:

The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price. The purchase or sale of a futures contract differs from the purchase or sale of a security or option in that no price or premium is paid or received. Instead, an amount of cash, U.S. government securities, or other liquid assets generally not exceeding five per cent of the face amount of the futures contract must be deposited with the broker. This amount is known as initial margin. Subsequent payments to and from the broker, known as variation margin, are made on a daily basis as the price of the underlying futures contract fluctuates making the long and short positions in the futures contract more or less valuable, a process known as "marking to market". In most cases futures contracts are closed out before the settlement date without the making or taking of delivery. Closing out a futures contract sale is effected by purchasing a futures contract for the same aggregate amount of the specific type of financial instrument or commodity and the same delivery date. If the price of the initial sale of the futures contract exceeds the price of the offsetting purchase, the seller is paid the difference and realises a gain. Conversely, if the price of the offsetting purchase exceeds the price of the initial sale, the seller realises a loss. Similarly, the closing out of a futures contract purchase is effected by the purchaser entering into a futures contract sale. If the offsetting sale price exceeds the purchase price, the purchaser realises a gain, and if the purchase price exceeds the offsetting sale price, a loss will be realised.

Swaps:

Swaps are agreements to exchange payment streams over a period of time with another party, called a counterparty. Each payment stream is based on a specified rate, which could be a fixed or variable interest rate, the rate of return on an index or some other reference rate. The payment streams are calculated with reference to a hypothetical principal amount, called the notional principal or the notional amount. For example, in an interest rate swap

one party may agree to pay a fixed interest rate to a counterparty and to receive in return variable interest rate payments from the counterparty. The amount that each party pays is calculated by multiplying the fixed and variable rates, respectively, by the notional amount. The payment streams may thus be thought of as interest payments on the notional amount. The notional amount does not actually change hands at any point in the swap transaction; it is used only to calculate the value of the payment streams.

When two counterparties each wish to swap interest rate payments, they typically each enter into a separate **interest rate swap** contract with a broker/dealer intermediary, who is the counterparty in both transactions, rather than entering into a swap contract with each other directly. The broker/dealer intermediary enters into numerous transactions of this sort, and attempts to manage its portfolio of swaps so as to match and offset its payment receipts and obligations.

The typical minimum notional amount is U.S.$5 million. Variable interest rates are usually set by reference to the London Inter-Bank Offered Rate ("LIBOR"). The typical maximum term of an interest rate swap agreement ranges from 1 to 12 years. Index swaps tend to be shorter term, often for one year.

In an **index swap** (including **total return swaps**), a Fund may enter into a contract with a counterparty in which the counterparty will make payments to the Fund based on the positive returns of an index, such as a corporate bond index, in return for the Fund paying to the counterparty a fixed or variable interest rate, as well as paying to the counterparty any negative returns on the index. In a sense, the Fund is purchasing exposure to an index in the amount of the notional principal in return for making interest rate payments on the notional principal. As with interest rate swaps, the notional principal does not actually change hands at any point in the transaction. The counterparty, typically an investment bank, manages its obligations to make total return payments by maintaining an inventory of the fixed income securities that are included in the index.

Swap transactions provide several benefits to a Fund. Interest rate swaps may be used as a duration management tool. Duration is a measure of a bond's interest-rate sensitivity, expressed in terms of years because it is related to the length of time remaining on the life of a bond. In general, the longer a bond's duration, the more sensitive the bond's price will be to changes in interest rates. The average duration of the Fund is the weighted average of the durations of the Fund's fixed income securities.

If a Fund wished to shorten the duration of certain of its assets, longer term assets could be sold and shorter term assets acquired, but these transactions have potential tax and return differential consequences. By using an interest rate swap, the Fund could agree to make semi-annual fixed rate payments and receive semi-annual floating rate LIBOR payments adjusted every six months. The duration of the floating rate payments received by the Fund will now be six months. In effect, the Fund has reduced the duration of the notional amount invested from a longer term to six months over the life of the swap agreement.

A Fund may also use swaps to gain exposure to specific markets. For example, suppose bond dealers have particularly low inventories of corporate bonds, making it difficult for a fixed income fund to increase its exposure to the corporate bond segment of the market. It is generally not possible to purchase exchange-traded options on a corporate bond index. The Fund could *replicate* exposure to the corporate bond market, however, by engaging in an **index swap** in which the Fund gains exposure to a corporate bond index in return for paying a LIBOR-based floating interest rate.

Other uses of swaps could help permit the Fund to preserve a return or spread on a particular investment or portion of its portfolio or to protect against an increase in the price of securities the Fund anticipates purchasing at a later date. Interest rate swaps may also be considered as a substitute for interest rate futures in many cases where the hedging horizon is longer

than the maturity of the typical futures contract, and may be considered to provide more liquidity than similar forward contracts, particularly long-term forward contracts.

The primary risk of swap transactions is the creditworthiness of the counterparty, since the integrity of the transaction depends on the willingness and ability of the counterparty to maintain the agreed upon payment stream. This risk is often referred to as counterparty risk. If there is a default by a counterparty in a swap transaction, a Fund's potential loss is the net amount of payments the Fund is contractually entitled to receive for one payment period (if any – the Fund could be in a net payment position), not the entire notional amount, which does not change hands in a swap transaction. Swaps do not involve the delivery of securities or other underlying assets or principal as collateral for the transaction. The Fund will have contractual remedies pursuant to the swap agreement but, as with any contractual remedy, there is no guarantee that the Fund would be successful in pursuing them — the counterparty may be judgment proof due to insolvency, for example. The Fund thus assumes the risk that it will be delayed or prevented from obtaining payments owed to it. The standard industry swap agreements do, however, permit the Fund to terminate a swap agreement (and thus avoid making additional payments) in the event that a counterparty fails to make a timely payment to the Fund.

In response to this counterparty risk, several securities firms have established separately capitalised subsidiaries that have a higher credit rating, permitting them to enter into swap transactions as a dealer. A Fund will not be permitted to enter into any swap transaction unless, at the time of entering into such transaction, the unsecured long-term debt of the actual counterparty, combined with any credit enhancements, is rated at least A by S&P or Moody's or is determined to be of equivalent credit quality by the Investment Manager or the Sub-Investment Manager, as appropriate. In addition, the Investment Manager or the Sub-Investment Manager, as appropriate, will closely monitor the ongoing creditworthiness of swap counterparties in order to minimize the risk of swaps.

In addition to counterparty risk, the use of swaps also involves risks similar to those associated with ordinary portfolio security transactions. If the portfolio manager is incorrect in his or her forecast of market values or interest rates, the investment performance of the Fund that has entered into a swap transaction could be less favorable than it would have been if this investment technique were not used. It is important to note, however, that there is no upper limit on the amount the Fund might theoretically be required to pay in a swap transaction.

In order to ensure that a Fund will engage in swap transactions only to the extent consistent with its investment objectives and strategies, the Fund will engage in a swap transaction only if all of the reference rates used in the swap are related to or derived from securities, instruments, or markets that are otherwise eligible investments for the Fund. Similarly, the extent to which a Fund may invest in a swap, as measured by the notional amount, will be subject to the same limitations as the eligible investments to which the purchased reference rate relates.

A Fund will, consistent with industry practice, segregate and mark-to-market daily cash or other liquid assets having an aggregate market value at least equal to the net amount of the excess, if any, of the Fund's payment obligations over its entitled payments with respect to each swap contract. To the extent that the Fund is obligated by a swap to pay a fixed or variable interest rate, the Fund may segregate securities that are expected to generate income sufficient to meet the Fund's net payment obligations. For example, if the Fund holds interest rate swaps and is required to make payments based on variable interest rates, it will have to make increased payments if interest rates rise, which will not necessarily be offset by the fixed-rate payments it is entitled to receive under the swap agreement.

OTC Contracts:

Unlike exchange-traded options, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC options generally are established through negotiation with the other party to the option contract. While this type of arrangement allows a Fund great flexibility to tailor the option to its needs, OTC options generally involve greater risk than exchange-traded options, which are guaranteed by clearing organisations of the exchanges where they are traded.

Forward Currency Exchange Contracts:

A forward currency exchange contract, which involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract, reduces a Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of a Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. A Fund may enter into these contracts to hedge against exchange risk, to increase exposure to a currency or to shift exposure to currency fluctuations from one currency to another. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that a Fund will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for a Fund to benefit from favourable fluctuations in relevant non-U.S. currencies. A Fund may use one currency (or a basket of currencies) to hedge against adverse changes in the value of another currency (or a basket of currencies) when exchange rates between the two currencies are positively correlated.

Forward Roll Transactions:

In a forward roll transaction, a Fund sells a mortgage security to a financial institution, such as a bank or broker-dealer, and simultaneously agrees to repurchase a similar security from the institution at a later date at an agreed upon price. The mortgage securities repurchased will bear the same interest rate as those sold, but generally will be collateralised by different pools of mortgages with different prepayment histories than those sold. During the period between the sale and repurchase, the relevant Fund will not be entitled to receive interest and principal payments on the securities sold. Proceeds of the sale will be invested in short-term instruments, particularly repurchase agreements, and the income from these instruments, together with any additional fee income received on the sale, will generate income for the relevant Fund exceeding the yield on the securities sold. Forward roll transactions involve the risk that the market value of the securities sold by a Fund may decline below the repurchase price of those securities. A Fund may not enter into forward roll transactions with respect to securities that it does not own.

A Fund may enter into a forward roll transaction only in accordance with normal market practice and provided that consideration obtained under the transaction is in the form of cash. A Fund may enter into a forward roll transaction only with counterparties that are rated A-2 or P-2 or better by S&P or Moody's or given an equivalent rating by any other NRSRO. Until settlement of a forward roll transaction, the repurchase price for the underlying security must at all times be in the custody of the Custodian.

When-Issued, Delayed Delivery, and Forward Commitment Securities:

When-issued securities and forward commitments may be sold prior to the settlement date, but a Fund will usually enter into when-issued and forward commitments only with the intention of actually receiving or delivering the securities or to avoid currency risk, as the case may be. The price, which is generally expressed in yield terms, is fixed at the time the

commitment is made, but delivery and payment for the securities take place at a later date. No income accrues on securities which have been purchased pursuant to a forward commitment or on a when-issued basis prior to delivery of the securities. Due to fluctuations in the value of securities purchased or sold on a when-issued or delayed-delivery basis, the yields obtained on such securities may be higher or lower than the yields available in the market on the dates when the securities are actually delivered to the buyers. If a Fund disposes of the right to acquire a when-issued security prior to its acquisition or disposes of its right to deliver or receive against a forward commitment, the Fund may incur a gain or loss. There is a risk that the securities may not be delivered and that the Fund may incur a loss.

Warrants:

Warrants give a Fund the right to subscribe to or purchase securities in which the Fund may invest.

Repurchase Agreements, Reverse Repurchase Agreements, and Stocklending Agreements:

Repurchase agreements are transactions in which a Fund purchases securities from a bank or recognised securities dealer and simultaneously commits to resell the securities to the bank or dealer at an agreed-upon date and price reflecting a market rate of interest unrelated to the coupon rate of maturity of the purchased securities. A reverse repurchase agreement involves the sale of securities with an agreement to repurchase the securities at an agreed upon price, date, and interest payment. A Fund may also lend securities to a counterparty approved by the Investment Manager or the Sub-Investment Manager, as appropriate.

Except where otherwise stated in the investment objective and policies of a Fund, each Fund may engage in repo contracts and stock lending agreements for efficient portfolio management purposes (i.e., hedging, reducing risks or costs, or increasing capital or income returns) or investment purposes subject to the conditions and within the limits from time to time set forth in Schedule IV.

RISK FACTORS

Investors' attention is drawn to the following risk factors. This does not purport to be an exhaustive list of the risk factors relating to investment in the Funds and investors' attention is drawn to the description of the particular risks associated with each Fund as set out in the relevant Supplement.

Investment Risk: There can be no assurance that the Funds will achieve their investment objectives. The value of Shares may rise or fall, as the capital value of the securities in which a Fund invests may fluctuate. The investment income of the Funds is based on the income earned on the securities it holds, less expenses incurred. Therefore, the Funds' investment income may be expected to fluctuate in response to changes in such expenses or income.

Risks of Debt Securities: The prices of debt securities fluctuate in response to perceptions of the issuer's creditworthiness and also tend to vary inversely with market interest rates. The values of such securities are likely to decline in times of rising interest rates. Conversely, when rates fall, the values of these investments are likely to rise. The longer the time to maturity the greater are such variations. The Funds are subject to credit risk (i.e., the risk that an issuer of securities will be unable to pay principal and interest when due, or that the value of a security will suffer because investors believe the issuer is less able to pay). This is broadly gauged by the credit ratings of the securities in which a Fund invests. However, ratings are only the opinions of the agencies issuing them and are not absolute guarantees as to quality.

Not all government securities are backed by the full faith and credit of the U.S. or other national government in the case of non-U.S. government securities. Some are backed only by the credit of the issuing agency or instrumentality. Accordingly, there is at least a chance of default on these U.S. government securities, as well as on non-U.S. government securities in which a Fund may invest, which may subject the Fund to credit risk.

To the extent a Fund invests in medium- or low-rated securities and unrated securities of comparable quality, the Fund may realise a higher current yield than the yield offered by higher-rated securities, but investment in such securities involves greater volatility of price and risk of loss of income and principal, including the probability of default by or bankruptcy of the issuers of such securities. Low-rated and comparable unrated securities (collectively referred to as "low-rated" securities) likely have quality and protective characteristics that, in the judgment of a rating organisation, are outweighed by large uncertainties or major risk exposures to adverse conditions, and are predominantly speculative with respect to an issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation. Although the prices of low-rated securities are generally less sensitive to interest rate changes than are higher-rated securities, the prices of low-rated securities may be more sensitive to adverse economic changes and developments regarding the individual issuer.

When economic conditions appear to be deteriorating, medium- or low-rated securities may decline in value due to heightened concern over credit quality, regardless of the prevailing interest rates. Investors should carefully consider the relative risks of investing in high yield securities and understand that such securities are not generally meant for short-term investing.

Adverse economic developments can disrupt the market for low-rated securities, and severely affect the ability of issuers, especially highly leveraged issuers, to service their debt obligations or to repay their obligations upon maturity, which may lead to a higher incidence of default on such securities. Low-rated securities are especially affected by adverse changes in the industries in which the issuers are engaged and by changes in the financial condition of the issuers.

Highly leveraged issuers may also experience financial stress during periods of rising interest rates. In addition, the secondary market for low-rated securities, which is concentrated in relatively few market makers, may not be as liquid as the secondary market for more highly rated securities. As a result, a Fund could find it more difficult to sell these securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Therefore, prices realised upon the sale of such low-rated securities, under these circumstances, may be less than the prices used in calculating a Fund's Net Asset Value.

Low-rated securities also present risks based on payment expectations. If an issuer calls an obligation for redemption, a Fund may have to replace the security with a lower yielding security, resulting in a decreased return for investors. If a Fund experiences unexpected net redemptions, it may be forced to sell its higher-rated securities, resulting in a decline in the overall credit quality of the Fund's investment portfolio and increasing the exposure of the Fund to the risks of low-rated securities.

Changes in economic conditions or developments regarding individual issuers of medium, or low-rated securities are more likely to cause price volatility and weaken the capacity of such securities to make principal and interest payments than is the case for higher grade debt securities. Investment in such lower rated debt securities may limit a Fund's ability to sell such securities at fair value. Judgment plays a greater role in pricing such securities than in the case of securities having more active markets. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the values and liquidity of lower rated debt securities, especially in a thinly traded market.

The ratings of NRSROs represent the opinions of those agencies. Such ratings are relative and subjective, and are not absolute standards of quality. Unrated debt securities are not necessarily of lower quality than rated securities, but they may not be attractive to as many buyers. The NRSROs may change, without prior notice, their ratings on particular debt securities held by a Fund, and downgrades in ratings are likely to adversely affect the price of the relevant debt securities.

Market Risk: Market risk is the risk that all or a majority of the securities in a certain market — like the stock or bond market — will decline in value because of factors such as economic conditions, future expectations, or investor confidence.

Index swaps are subject to the same market risks as the investment market or sector that the index represents. Depending on the actual movements of the index and how well the portfolio manager forecasts those movements, a fund could experience a higher or lower return than anticipated.

Investments in the Securities of Emerging Markets Issuers: The Funds may invest in securities of companies domiciled in or conducting their principal business activities in emerging markets. Investing in emerging markets poses certain risks, some of which are set out below.

Economic & Political Factors: Investments in securities of issuers located in Emerging Market Countries involve special considerations and risks, including the risks associated with high rates of inflation and interest with respect to the various economies, the limited liquidity and relatively small market capitalisation of the securities markets in Emerging Market Countries, relatively higher price volatility, large amounts of external debt and political, economic and social uncertainties, including the possible imposition of exchange controls or other non-U.S. governmental laws or restrictions, which may affect investment opportunities. In addition, with respect to certain Emerging Market Countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability, or diplomatic developments that could affect investments in those countries. Moreover, individual Emerging Market economies may differ favourably or unfavourably from the economies of developed nations in such respects as growth of gross national product, rates of inflation, capital investment, resources, self-sufficiency, and the balance of payments position. Certain emerging market investments may also be subject to non-U.S. withholding taxes. These and other factors may affect the value of a Fund's shares.

The economies of some Emerging Market Countries have experienced considerable difficulties in the past. Although in certain cases there have been significant improvements in recent years, many such economies continue to experience significant problems, including high inflation and interest rates. Inflation and rapid fluctuations in interest rates have had and may continue to have very negative effects on the economies and securities markets of certain Emerging Market Countries. The development of certain emerging market economies and securities markets will require continued economic and fiscal discipline, which has been lacking at times in the past, as well as stable political and social conditions. Recovery may also be influenced by international economic conditions, particularly those in the U.S. and by world prices for oil and other commodities. There is no assurance that economic initiatives will be successful. Certain of the risks associated with international investments and investing in smaller capital markets are heightened for investments in Emerging Market Countries. For example, some of the currencies of Emerging Market Countries have experienced steady devaluations relative to the U.S. Dollar, and major adjustments have been made in certain of such currencies periodically. In addition, governments of certain Emerging Market Countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In certain cases, the government owns or controls many companies, including the largest in the country. Accordingly, government actions in the future could have a significant effect on economic conditions in such countries, which could affect private sector companies and the value of securities in a Fund's portfolio.

Market Liquidity & Volatility: The securities markets in Emerging Market Countries are substantially smaller, less liquid, and more volatile than the major securities markets in the U.S. and Europe. A limited number of issuers in most, if not all, securities markets in Emerging Market Countries may represent a disproportionately large percentage of market capitalisation and trading volume. Such markets may, in certain cases, be characterised by relatively few market makers, participants in the market being mostly institutional investors including insurance companies, banks, other financial institutions, and investment companies. The combination of price volatility and the less liquid nature of securities markets in Emerging Market Countries may, in certain cases, affect a Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Fund.

Information Standards: In addition to their smaller size, lesser liquidity and greater volatility, securities markets in Emerging Market Countries are less developed than the securities markets in the U.S. and Europe with respect to disclosure, reporting, and regulatory standards. There is less publicly available information about the issuers of securities in these markets than is regularly published by issuers in the U.S. and in Europe. Further, corporate laws regarding fiduciary responsibility and protection of stockholders may be considerably less developed than those in the U.S. and Europe. Emerging market issuers may not be subject to the same accounting, auditing and financial reporting standards as U.S. and European companies. Inflation accounting rules in some Emerging Market Countries require, for companies that keep accounting records in the local currency for both tax and accounting purposes, that certain assets and liabilities be restated on the company's balance sheet in order to reflect the high rates of inflation to which those companies are subject. Inflation accounting may indirectly generate losses or profits for certain companies in Emerging Market Countries. Thus, statements and reported earnings may differ from those of companies in other countries, including the U.S.

Custodial Risks: As the Company may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Company, which are traded in such markets and which have been entrusted to sub-custodians, may be exposed to risk in circumstances whereby the Custodian would have no liability. The Custodian has a sub-custodial network in certain Emerging Market Countries. The Company has agreed that it will not invest in securities issued or corporations located in Emerging Market Countries until the Custodian is satisfied that it has sub-custodial arrangements in place in respect of such countries. However, there is no guarantee that any arrangements made, or agreements entered into, between the Custodian and any sub-custodian will be upheld by a court of any Emerging Market Country or that any judgment obtained by the Custodian or the Company against any such sub-custodian in a court of any competent jurisdiction will be enforced by a court of any Emerging Market Country.

Equity Market Risks: Investments in equity securities offer the potential for substantial capital appreciation. However, such investments also involve risks, including issuer, industry, market, and general economic related risks. Although the Investment Manager or the Sub-Investment Manager, as appropriate, will attempt to reduce these risks by utilising various techniques described herein, adverse developments or perceived adverse developments in one or more of these areas could cause a substantial decline in the value of equity securities owned by a Fund.

Custody and Settlement Risk: As a Fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Funds which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risks in circumstances whereby the Custodian will have no liability. Such markets include, among others, Indonesia, Korea and India, and such risks include: (i) a non-true delivery versus payment settlement; (ii) a physical market and as a consequence the circulation of forged securities; (iii) poor

information in regards to corporate actions; (iv) a registration process that impacts the availability of the securities; (v) lack of appropriate legal/fiscal infrastructure advices; and (vi) lack of compensation/risk fund with the relevant Central Depository. Furthermore, even when a Fund settles trades with counterparties on a delivery-versus-payment basis, it may still be exposed to credit risk to parties with whom it trades.

Certain markets in Central and Eastern Europe present specific risks in relation to the settlement and safekeeping of securities. These risks result from the fact that physical securities may not exist in certain countries (such as Russia); as a consequence, the ownership of securities is evidenced only on the issuer's register of shareholders. Each issuer is responsible for the appointment of its own registrar. In the case of Russia, this results in a broad geographic distribution of several thousand registrars across Russia. Russia's Federal Commission for Securities and Capital Markets (the "Commission") has defined the responsibilities for registrar activities, including what constitutes evidence of ownership and transfer procedures. However, difficulties in enforcing the Commission's regulations mean that the potential for loss or error still remains and there is no guarantee that the registrars will act according to the applicable laws and regulations. Widely accepted industry practices are still in the process of being established. When registration occurs, the registrar produces an extract of the register of shareholders as at that particular point in time. Ownership of shares is evidenced by the records of the registrar, but not by the possession of an extract of the register of shareholders. The extract is the only evidence that registration has taken place. It is not negotiable and has no intrinsic value. In addition, a registrar will typically not accept an extract as evidence of ownership of shares and is not obligated to notify the Custodian, or its local agents in Russia, if or when it amends the register of shareholders. As a consequence of this, Russian securities are not on physical deposit with the Custodian or its local agents in Russia. Therefore, neither the Custodian nor its local agents in Russia can be considered as performing a physical safekeeping or custody function in the traditional sense. The registrars are neither agents of, nor responsible to, the Custodian or its local agents in Russia. Investments in securities listed or traded in Russia will be made only in equity and/or fixed income securities that are listed or traded on level 1 or level 2 of the RTS stock exchange or MICEX. The Custodian's liability extends to its unjustifiable failure to perform its obligations or its improper performance of them and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar. In the event of such losses the relevant Fund will have to pursue its rights directly against the issuer and/or its appointed registrar. A change occurred in the custody arrangements applicable to certain Russian securities on 1 April 2013. The holding of many Russian securities by investors such as a Fund are no longer evidenced by a direct entry on the issuer's register of shareholders. Instead, the ownership of, and settlement of transactions in, those Russian securities have been moved to a central securities depositary, the National Securities Depositary ("NSD"). The Custodian or its local agent in Russia is a participant on the NSD. The NSD in turn is reflected as the nominee holder of the securities on the register of the relevant issuer. Therefore, while this is intended to introduce a centralised and regulated system for recording of the ownership of, and settlement of transactions in, Russian securities, it does not eliminate all of the risks associated with the registrar system outlined above. The aforesaid risks in relation to safekeeping of securities in Russia may exist, in a similar manner, in other Central and Eastern European countries in which a Fund may invest.

Fair Value Pricing: Details of the method of calculation of the Net Asset Value per Share of a Fund are set out in the section of the Prospectus entitled "Determination of Net Asset Value" below. When a Fund uses fair value pricing, it may take into account any factors it deems appropriate. A Fund may determine fair value based upon developments related to a specific security, current valuations of foreign stock indices (as reflected in U.S. futures markets), and/or U.S. sector or broader stock market indices. The price of securities used by a Fund to calculate its NAV may differ from quoted or published prices for the same securities. Fair value pricing may involve subjective judgments and it is possible that the fair value determined for a security is materially different than the value that could be realised upon the sale of that security.

The Funds anticipate using fair value pricing for securities primarily traded on U.S. exchanges only under very limited circumstances, such as the early closing of the exchange on which a security is traded or suspension of trading in the security. A Fund may use fair value pricing more frequently for securities traded primarily in non-U.S. markets because, among other things, most foreign markets close well before the Fund values its securities at 4.00 p.m. New York time. The earlier close of these foreign markets gives rise to the possibility that significant events, including broad market moves, may have occurred in the interim. To account for this, a Fund may frequently value many foreign equity securities using fair value prices based on third-party vendor modelling tools to the extent available.

Supranational Organisations: Supranational Organisations are entities designated or supported by governments or governmental entities to promote economic development, and include, among others, the Asian Development Bank, the European Community, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, the International Bank for Reconstruction and Development ("World Bank"), and the European Bank for Reconstruction and Development. These organisations have no taxing authority and are dependent upon their members for payments of interest and principal. Moreover, the lending activities of such supra-national entities are limited to a percentage of their total capital (including "callable capital") contributed by members at an entity's call, reserves, and net income.

Currency Transactions: The Funds that invest in debt securities and hold active currency positions that are denominated in currencies other than their Base Currencies may be exposed to currency exchange risk. For example, changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a Fund's investments to diminish or increase. Currency exchange rates may fluctuate over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates, and other complex factors. Currency exchange rates can be affected unpredictably by intervention (or the failure to intervene) by governments or central banks, or by currency controls or political developments. A Fund may engage in non-U.S. currency transactions in order to hedge against currency fluctuations between its underlying investments and its Base Currency. If the currency in which a security is denominated appreciates against the Fund's Base Currency, the Base Currency value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security expressed in the Base Currency of the Fund. A Fund's hedging transactions, while potentially reducing the currency risks to which the Fund would otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty.

Non-Publicly-Traded and Rule 144A Securities: Non-publicly traded and Rule 144A Securities may involve a high degree of business and financial risk and may result in substantial losses. These securities may be less liquid than publicly traded securities, and a Fund may take longer to liquidate these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised from these sales could be less than those originally paid by a Fund. Further, companies whose securities are not publicly traded may not be subject to the disclosure and other investor protection requirements that would be applicable if their securities were publicly traded. A Fund's investment in illiquid securities is subject to the risk that should the Fund desire to sell any of these securities when a ready buyer is not available at a price that is deemed to be representative of their value, the Net Asset Value of the Fund could be adversely affected.

The high yield secondary market is particularly susceptible to liquidity problems when institutional investors, such as mutual funds and certain other financial institutions, temporarily stop buying bonds for regulatory, financial, or other reasons.

Derivatives: Derivatives, in general, involve special risks and costs and may result in losses to the Funds. The successful use of derivatives requires sophisticated management, and a Fund will depend on the ability of the Fund's Investment Manager or the Sub-Investment Manager, as appropriate, to analyse and manage derivatives transactions. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular derivative and an asset or liability of a Fund may prove not to be what the Fund's Investment Manager or the Sub-Investment Manager, as appropriate, expected. Some derivatives are "leveraged" and therefore may magnify or otherwise increase investment losses to the Fund although a Fund may not be leveraged in any way through the use of derivative instruments.

Other risks arise from the potential inability to terminate or sell derivatives positions. A liquid secondary market may not always exist for the Funds' derivatives positions at any time. In fact, many over-the-counter instruments will not be liquid and may not be able to be "closed out" when desired. Over-the-counter instruments such as swap transactions also involve the risk that the other party will not meet its securities to the Funds. The participants in "over-the-counter" markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets, and there is no clearing corporation which guarantees the payment of required amounts. This exposes the Funds to risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the relevant Fund to suffer a loss. Derivatives also involve legal risk, the risk of loss due to the unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

Risk of Utilising Options: Because option premiums paid or received by a Fund will be small in relation to the market value of the investment underlying the options, trading in options could cause the Fund's Net Asset Value to be subject to more frequent and wider fluctuations than would be the case if the Fund did not utilise options.

Upon the exercise of a put option written by a Fund, the Fund may suffer a loss equal to the difference between the price at which the Fund is required to purchase the underlying asset and its market value at the time of the option exercise, less the premium received for writing the option. Upon the exercise of a call option written by a Fund, the Fund may suffer a loss equal to the excess of the market value of the asset at the time of the option's exercise over the price at which the Fund is obliged to sell the asset, less the premium received for writing the option.

No assurance can be given that the Funds will be able to effect closing transactions at a time when they wish to do so. If a Fund cannot enter into a closing transaction, the Fund may be required to hold assets that it might otherwise have sold, in which case it would continue to be at market risk on such assets and could have higher transaction costs, including brokerage commissions. In addition, options that are not exchange traded will subject a Fund to risks relating to its counterparty, such as the counterparty's bankruptcy, insolvency, or refusal to honour its contractual obligations.

The Funds are prohibited from writing uncovered options.

Risk of Utilising Swaps: Payments under a swap contract may be made at the conclusion of the contract or periodically during its term. If there is a default by the counterparty to a swap contract, a Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to swap contracts.

In addition, because swap contracts are individually negotiated and ordinarily non-transferable, there also may be circumstances in which it would be impossible for a Fund to close out its obligations under the swap contract. Under such circumstances, a Fund might be able to negotiate another swap contract with a different counterparty to offset the risk associated with the first swap contract. Unless a Fund is able to negotiate such an offsetting swap contract, however, it could be subject to continued adverse developments, even after the Investment Manager or the Sub-Investment Manager, as appropriate, has determined that it would be prudent to close out or offset the first swap contract.

The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary portfolio securities transactions. If the Investment Manager or the Sub-Investment Manager, as appropriate, is incorrect in its expectations of market values or interest rates the investment performance of a Fund would be less favourable than it would have been if this efficient portfolio management technique were not used.

Taxation Risk: Prospective investors' attention is drawn to the taxation risks associated with investing in the Company. Please see "Taxation" below for additional information.

Subscription Default Risk: Each Fund will bear the risk of subscription default. For the purposes of efficient portfolio management, the Investment Manager or the Sub-Investment Manager, as appropriate, may purchase securities or utilise efficient portfolio management techniques and instruments on the basis that settlement will be received on the relevant settlement date. In the event that such settlement monies are not received by a Fund on or by the relevant settlement date, the Fund may have to sell such purchased securities or close out its position under such efficient portfolio management techniques which could result in a loss to the Fund notwithstanding that a subscriber who defaults in settling a subscription payment may be liable to the Fund for any such loss.

Excessive Trading: Prospective investors' attention is drawn to the risks associated with excessive trading. Please see "Excessive Trading" below for additional information.

Zero Coupon and Pay-In-Kind Bonds: Zero coupon and pay-in-kind bonds are generally considered to be more interest sensitive than income-bearing bonds, to be more speculative than interest-bearing bonds, and to have certain tax consequences which could, under certain circumstances, be adverse to a Fund. For example, the Fund accrues, and is required to distribute to shareholders, income on its zero coupon bonds. However, the Fund may not receive the cash associated with this income until the bonds are sold or mature. If the Fund does not have sufficient cash to make the required distribution of accrued income, the Fund could be required to sell other securities in its portfolio or to borrow to generate the cash required.

Prepayment Risk: Prepayment risk is the risk that homeowners will prepay mortgages during periods of low interest rates, forcing an investor to reinvest money at interest rates that might be lower than those on the prepaid mortgage.

Initial Public Offer Risk: Companies involved in IPOs generally have limited operating histories, and prospects for future profitability are uncertain. Prices of IPOs may also be unstable because of the absence of a prior public market, the small number of shares available for trading, and limited investor information. IPOs will frequently be sold within 12 months of purchase.

Company Size Risk: Company size risk is the risk that investments in small- and/or medium-sized companies may be more volatile than those in larger companies because of limited financial resources or dependence on narrow product lines. In addition, such companies are typically less liquid than larger capitalisation companies. As a result, certain

securities may be difficult or impossible to sell at the time and the price that a Fund would like. A Fund may have to lower the price, sell other securities instead, or forego an investment opportunity. Any of these could have a negative effect on the management or performance of a Fund.

Umbrella Structure of the Company and Cross-Liability Risk*:* Each Fund will be responsible for paying its fees and expenses regardless of the level of its profitability. The Company is an umbrella fund with segregated liability between Funds and under Irish law the Company generally will not be liable as a whole to third parties and there generally will not be the potential for cross-liability between the Funds. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

Securities Lending Risk*:* A Fund may lend its portfolio securities to broker-dealers and banks in order to generate additional income for the Fund. In the event of bankruptcy or other default of a borrower of portfolio securities, a Fund could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period which the Fund seeks to enforce its rights thereto, (b) possible sub-normal levels of income and lack of access to income during this period, and (c) expenses of enforcing its rights. In an effort to reduce these risks, the Investment Manager or the Sub-Investment Manager, as appropriate, will monitor the creditworthiness of the firms to which a Fund lends securities. Although not a principal investment strategy, a Fund may engage in securities lending to a significant extent.

Illiquidity Risk: Due to market conditions, the Funds may from time to time trade in transferable securities dealt on a Regulated Market that may become illiquid after the securities have been acquired or it may be difficult for a Fund to liquidate at an amount close to the securities' fair value to meet the Funds' liquidity requirements or to respond to specific events such as a temporary disruption of a particular market.

Limited Number of Securities Risk: Because a Fund expects to hold a concentrated portfolio of a limited number of securities, the Fund's risk may be increased because each investment has a greater effect on the Fund's overall performance. The Investment Manager or the Sub-Investment Manager, as appropriate, maintains a diversified portfolio representing a number of different industries, which helps to minimise the impact that any one industry could have on the portfolio.

Eurozone Risks: A number of countries in the EU have experienced severe economic and financial difficulties. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in the EU and elsewhere have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen or spread within and outside the EU.

Certain countries in the EU have had to accept assistance from supra-governmental agencies such as the International Monetary Fund (the "IMF") and the recently created European Financial Service Facility (the "EFSF"). The European Central Bank (the "ECB") has also been intervening to purchase Eurozone debt in an attempt to stabilise markets and reduce borrowing costs. Responses to the financial problems by European governments, central banks and others including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world.

In addition, one or more countries may abandon the euro and/or withdraw from the EU. The impact of these actions, especially if they occur in a disorderly fashion, is not clear but could be significant and far-reaching. Whether or not a Fund invests in securities of issuers located in the EU or with significant exposure to EU issuers or countries, these events could negatively affect the value and liquidity of the Fund's investments. If the euro is dissolved entirely, the legal and contractual consequences for holders of euro-denominated obligations would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Shares.

Investments Through Intermediaries – Credit Risk: Investors who choose, or are obliged under local regulations, to pay/receive subscription/redemption monies via an intermediary entity rather than directly to the Custodian (e.g. a sub-distributor or agent in the local jurisdiction) bear a credit risk against that intermediate entity with respect to: (a) subscription monies prior to the transmission of such monies to the Custodian for the account of the Company; and (b) redemption monies payable by such intermediate entity to the relevant investor.

Government and Regulatory Risk: Government and regulatory risk is the risk that governments or regulatory authorities have, from time to time, taken or considered actions that could adversely affect various sectors of the securities markets and significantly impact performance.

FEES AND EXPENSES

Each Fund shall pay all of its expenses and its allocable share of any expenses incurred by the Company. These expenses may include the costs of: (i) maintaining the Company and the relevant Fund and registering the Company, the relevant Fund, and the Shares with any governmental or regulatory authority or with any stock exchange; (ii) management, administration, custodial, and related services; (iii) preparation, printing, and posting of prospectuses, sales literature and reports to Shareholders, the Central Bank and other governmental agencies; (iv) marketing expenses; (v) taxes; (vi) commissions and brokerage fees; (vii) expenses incurred in connection with the acquisition and disposal of the assets of the Company; (viii) auditing, tax, and legal fees (including expenses arising in respect of legal or administrative proceedings); (ix) insurance premiums; (x) fees of paying agents, local representatives and similar agents, such fees to be charged at normal commercial rates; (xi) listing fee; and (xii) other operating expenses.

The Directors shall be entitled to be paid a fee from the assets of the Company by way of remuneration for their services at a rate to be determined from time to time by the Directors, provided that the aggregate amount of Directors' remuneration in any one year shall not exceed EUR 80,000 plus VAT or such other maximum amount as may be determined by the Directors and approved by the Shareholders from time to time and disclosed in the Prospectus or the Company's annual report. The Directors will be entitled to be reimbursed by the Company for all reasonable disbursements and out-of-pocket expenses incurred by them. The Company has appointed Kinetic Financial Services (Ireland) Limited ("Kinetic") to provide part time secondees to the Company who will assist the Company in carrying out certain monitoring and oversight responsibilities under the Regulations. Fees payable to Kinetic in relation to such services shall be paid from the assets of the Funds and shall not currently exceed EUR 55,000 per annum and any increase in such fees shall be subject to the approval of the Board of Directors.

All expenses relating to the establishment of the Company shall be borne by the Investment Manager.

The following fees will be borne by the Company:

Investment Management Fee

Under the Investment Management Agreement, the Company will pay to the Investment Manager an investment management fee which is accrued daily and paid monthly in arrears. The investment management fee payable in respect of each Fund is set out in the relevant Supplement.

The Investment Manager is waiving its investment management fee and/or out-of-pocket expenses to the extent necessary to ensure that the total fees (including all fees of the Administrator and the Custodian) and out-of-pocket expenses allocated to a Fund in any fiscal year do not exceed the level of Net Asset Value attributable to each class of Shares of such Fund as set out in the relevant Supplement.

The Investment Manager shall be entitled to be reimbursed its reasonable vouched out-of-pocket expenses. Each Fund shall bear pro rata its share of such out-of-pocket expenses. The above mentioned waiver by the Investment Manager of its investment management fee and/or out-of-pocket expenses is voluntary and may be discontinued at any time.

The Investment Manager shall discharge the fees of any Sub-Investment Manager(s).

Custodian's Fee

The Custodian shall be entitled to receive out of the assets of the Company a trustee services fee that is accrued and paid monthly in arrears for its services at a per annum rate of 0.02 per cent of each Fund's Net Asset Value. The Custodian shall be entitled to receive a minimum fee (at an umbrella level) of U.S.$50,000.00 per annum.

The Custodian shall also be entitled to receive transaction charges and all sub-custodian charges will be recovered by the Custodian from the Company as they are incurred by the relevant sub-custodians. All such charges shall be at normal commercial rates. The Custodian is also entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Company.

Administrator's Fee

The Administrator shall receive an administration fee of up to 0.035 per cent per annum of the Net Asset Value of each of the Funds during the year, subject to a total minimum annual fee for the Company of U.S.$100,000. Such annual minimum fee shall be waived for the first 12 months following the launch of a Fund. The fee shall be calculated and accrued on each Dealing Day and payable monthly in arrears. In addition, the Administrator shall be entitled to be reimbursed its reasonable vouched out-of-pocket expenses, transaction, account, and secretarial services fees.

Anti-Dilution Levies

In calculating the subscription price the Directors may on any Dealing Day when there are net subscriptions adjust the subscription price by adding an anti-dilution levy of up to two per cent of the subscription monies to cover dealing costs and to preserve the value of the underlying assets of the Funds. Additionally, in calculating the repurchase price the Directors may on any Dealing Day when there are net repurchases adjust the repurchase price by deducting an anti-dilution levy of up to two per cent of the repurchase monies to cover dealing costs and to preserve the value of the underlying assets of the Funds. Any anti-dilution levies will be retained by the relevant Fund. The purpose of the anti-dilution levies is to protect existing Shareholders from bearing the costs of subscriptions, repurchases or conversions.

ADMINISTRATION OF THE COMPANY

Determination of Net Asset Value

The Administrator shall determine the Net Asset Value per Share of each class, on each Dealing Day at 4.00 pm (New York time) on the basis set forth below and in accordance with the Articles.

The Net Asset Value per Share of a Fund shall be the value of the gross assets attributable to such Fund less all of the liabilities attributable to such Fund (including such provisions as the Administrator considers appropriate in respect of the costs and expenses payable in relation to such Fund) divided by the number of Shares of such Fund outstanding as of the Dealing Day. Any liabilities of the Company which are not attributable to any Fund shall be allocated among all of the Funds pro rata to the relative Net Asset Value of the Funds.

The Net Asset Value of each class shall be determined by calculating the amount of the Net Asset Value attributable to each class. The amount of the Net Asset Value of a Fund attributable to a class shall be determined by establishing the proportion of the assets of the class as at the most recent Net Asset Value calculation or the close of the Initial Offer Period in the case of an initial offer of a class, adjusted to take account of any subscription orders (after deduction of any repurchase orders) and by allocating relevant Class Expenses (as defined below) and fees to the class and making appropriate adjustments to take account of distributions paid, if applicable, and apportioning the Net Asset Value accordingly. The Net Asset Value per Share of a class shall be calculated by dividing the Net Asset Value of the class by the number of Shares in issue in that class. Class Expenses or fees or charges not attributable to a particular class may be allocated amongst the classes based on their respective Net Asset Value or any other reasonable basis approved by the Custodian having taken into account the nature of the fees and charges. Class Expenses and fees relating specifically to a class will be charged to that class. In the event that a class is priced in a currency other than the Base Currency, currency conversion costs will be borne by that class.

"Class Expenses" means the expenses of registering a class in any jurisdiction or with any stock exchange, regulated market or settlement system, and all other expenses arising from such registration and such further expenses howsoever arising as may be disclosed in the Prospectus. The cost of converting currency and the costs and gains/losses of the hedging transactions are borne solely by the relevant class.

The Net Asset Value per Share shall be rounded upwards or downwards as appropriate to the nearest two decimal places.

In determining the value of the assets of a Fund, each Dealing Day investment quoted, listed, or traded on a Regulated Market for which market quotations are readily available shall be valued at the latest available mid-market price at the time of the determination of Net Asset Value in the relevant Regulated Market on the relevant Dealing Day, provided that the value of the investment listed on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange may be valued, taking into account the level of premium or discount as at the date of valuation of the investment and the Custodian must ensure that the adoption of such procedure is justifiable in the context of establishing the probable realisation value of the security. If the investment is normally quoted, listed or traded on or under the rules of more than one Regulated Market, the relevant Regulated Market shall be that which the Directors or their delegate determine provides the fairest criterion of value for the investment. If prices for an investment quoted, listed, or traded on the relevant Regulated Market are not available at the relevant time or are unrepresentative such investment shall be valued at such value as shall be certified with care and good faith as the probable realisation value of the investment by a competent professional person appointed by the Directors and approved for such purpose by the Custodian. Neither the

Investment Manager nor the Administrator shall be under any liability if a price reasonably believed by them to be the latest mid-market price available for the time being, may be found not to be such.

Units or shares in collective investment schemes that are not valued in accordance with the provisions above shall be valued on the basis of the latest available net asset value per unit/share as published by the collective investment scheme.

Cash deposits and similar investments shall be valued at their face value together with accrued interest unless, in the opinion of the Directors, any adjustment should be made to reflect the fair value thereof.

Exchange-traded derivative instruments shall be valued at the relevant settlement price on the applicable exchange, provided that if the settlement price of an exchange-traded derivative instrument is not available, the value of such instrument shall be the probable realisation value estimated with care and in good faith by a competent person appointed by the Directors and approved for the purpose by the Custodian. Derivative instruments not traded on a Regulated Market shall be valued daily using either the counterparty valuation or an alternative valuation, such as a valuation calculated by a Fund or by an independent pricing vendor appointed by the Directors and approved for that purpose by the Custodian. Where the counterparty valuation is used, the valuation must be approved or verified by an independent party (which may be the Investment Manager) who is approved for the purpose by the Custodian at least weekly. Where an alternative valuation is used, such valuation shall be reconciled on a monthly basis to the valuation provided by the counterparty to such instrument. Forward foreign exchange contracts shall be valued by reference to the price at which a new forward contract of the same size and maturity could be undertaken as of the close of business on the Dealing Day.

The Funds may apply an amortised cost method of valuation to securities with a residual maturity not exceeding six months.

The Directors, with the approval of the Custodian, may adjust the Net Asset Value per Share when calculating realisation prices for any Fund to reflect the value of such Fund's investments assuming they were valued using the mid-market price on the relevant market at the relevant time and provided that such methodology shall be applied on a consistent basis in respect of all asset classes. The Directors' intention is only to exercise this discretion to preserve the value of the holdings of continuing Shareholders in the event of substantial or recurring net repurchases of Shares in the relevant Fund.

In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out above or if such valuation is not representative of a security's fair market value, a competent person appointed by the Directors and approved for the purpose by the Custodian in consultation with the Investment Manager is entitled to use such other generally recognised valuation method in order to reach a proper valuation of that specific instrument, provided that such method of valuation has been approved by the Custodian.

The value of an asset may be adjusted by the Directors or the Investment Manager in consultation with the Custodian where such an adjustment is considered necessary to reflect the fair value of an asset in the context of currency, marketability, dealing costs, and/or such other considerations which are deemed relevant.

Application for Shares

Applicants should confirm that the Shares are not being acquired either directly or indirectly by or on behalf of any U.S. Person or on behalf of any person in any other jurisdiction that would be restricted or prohibited from acquiring shares and that the investor will not sell,

transfer, or otherwise dispose of any such shares, directly or indirectly, to or for the account of any U.S. Person, or in the U.S., or to or for the account of any person in such jurisdiction to whom it is unlawful to make such an offer or solicitation. Please see the section "Selling Restrictions" beginning on page ii for further information.

The Initial Offer Period for the Classes of Shares that have not launched to date is set out in the relevant Supplement.

Subscriptions for Shares must be made in the currency of the class.

Application forms for Shares may be obtained from the Administrator. Shares may be issued on any Dealing Day to eligible investors who have forwarded the completed application form, provided satisfactory proof of identification and provided all documents required to comply with the applicable anti-money-laundering rules and regulations to the Administrator, so that all required forms and documents shall be received by the Administrator no later than the Trade Cut-Off Time. Applications received by the Administrator after the Trade Cut-Off Time and before the time at which the Net Asset Value of a Fund is calculated will be carried over to the next Dealing Day, unless otherwise determined at the discretion of the Directors. Before subscribing for Shares, an investor will be required to complete a declaration (included in the subscription application form) as to the investor's tax residency or status in the form prescribed by the Revenue Commissioners of Ireland. The original application form must be delivered to the Administrator. Repurchase proceeds cannot be released until all original required documents have been received by the Administrator and all anti-money laundering procedures have been completed.

Investors should transmit funds representing the subscription monies by wire instructions to the relevant accounts set out in the subscription application form for Shares, so that funds are received in the Company's account by the Administrator by the Settlement Time or the time agreed with the Administrator. If payment for subscription orders is not received by the Settlement Time, a subscription may be cancelled or the investor may be charged interest on the outstanding subscription monies at normal commercial rates. In such an event, the individual investor may be held liable for any loss to a Fund.

Applications for Shares by *in specie* transfer may be made by agreement with the Investment Manager or the Sub-Investment Manager, as appropriate, on a case-by-case basis and subject to the approval of the Custodian. In such cases the Company shall issue Shares in exchange for investments which the Company may acquire in accordance with its investment objectives, policies, and restrictions and may hold or sell, dispose of, or otherwise convert such securities into cash. No Shares shall be issued until the investments are vested in the Custodian or its nominee. The value of the Shares to be issued shall be calculated on the same basis as the valuation of Shares to be issued for cash.

The Administrator reserves the right to reject in whole or in part any application for Shares or to request further details or evidence of identity from an applicant for Shares. The Funds are not intended for excessive trading. Where an application for Shares is rejected, the subscription monies shall be returned to the applicant within seven Business Days of the date of such rejection.

The Company may issue fractional Shares rounded to the third decimal place. Fractional Shares shall not carry any voting rights.

The minimum initial subscription per Shareholder in a Fund shall be as set out in the relevant Supplement.

The Company reserves the right to vary the minimum initial subscription or minimum subsequent subscription and may choose to waive these minimum investment requirements if considered appropriate.

Clearing System

Initial or subsequent subscriptions for Shares can also be made through a Clearing System for onwards transmission to the Administrator. The Clearing System or its participant may provide a nominee service for investors purchasing Shares through them and investors may elect to make use of such service pursuant to which the nominee will hold Shares in its name for and on behalf of the investors. Investors who elect to make use of such services should note that their shareholder rights may be against the nominee as opposed to the Company directly. Shares may be issued to and registered in the name of a Clearing System (or its participant or nominee thereof) nominated by or on behalf of an investor, or third party nominee service provider, as the case may be, that is recognised and accepted by the Administrator. Investors may incur fees normally payable in respect of the maintenance and operation of accounts in a Clearing System (or nominee). Different subscription procedures and time limits may apply if applications for Shares are made via a Clearing System although the ultimate Trade Cut-Off Time of the Company remains unaffected. Investors should note that they may be unable to subscribe for or redeem Shares through a Clearing System on days that a Clearing System is not open for business, notwithstanding that such a day is a Business Day.

Shares may only be cleared and settled by U.S. financial intermediaries through a Clearing System in accordance with Regulation S under the 1933 Act.

Subscriptions Through Euroclear

For investors wishing to hold Shares through Euroclear or other platforms, settlement must be effected through Euroclear or such other relevant platform. Investors must ensure that they have funds and/or credit arrangements in their Euroclear account sufficient to pay the full subscription monies on the Dealing Day on which they wish to subscribe for Shares.

Morgan Guaranty Trust Company of New York, Brussels Office, as operator of the Euroclear System ("Euroclear Operator"), holds securities on behalf of participants of the Euroclear System. Euroclear eligible securities are freely transferable in the Euroclear System. Therefore, the Euroclear Operator does not monitor any ownership or transfer restrictions on behalf of the Company, but will provide the Administrator with the name and contact address of each person who purchases Shares.

Fractional Shares will not be issued for purchases which are settled through Euroclear.

Investors wishing to hold Shares through Euroclear may obtain the Euroclear Common Code for the Company and settlement procedures by contacting the Administrator in Dublin via telephone at +353-1-4832429 or via facsimile at +353-1-4832430. Settlement through Euroclear or other such platforms is subject to the internal trade cut-off times and deadlines of that platform.

Anti-Money-Laundering Procedures

Measures aimed at the prevention of money laundering will require: (i) an applicant to provide verification of identity to the Administrator or and, where applicable, the beneficial owner on a risk-sensitive basis; and (ii) the ongoing monitoring of the applicant's business relationship with the Company. The Administrator reserves the right to reject any application for Shares or to request further details or evidence of identity from an applicant for, or transferee of, Shares.

Notwithstanding that funds have come from a designated body within a prescribed country recognised by Ireland as having equivalent anti-money-laundering regulations, evidence of identity must be established in accordance with the relevant anti-money-laundering

requirements which are advised to clients prior to application.

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

The Administrator reserves the right to request such documentation as is necessary to verify the identity of the applicant. This may result in Shares being issued on a Dealing Day subsequent to the Dealing Day on which the applicant initially wished to have Shares issued to him.

It is further acknowledged that the Administrator, in the performance of its delegated duties, shall be held harmless by the subscriber against any loss arising as a result of a failure to process the subscription if such information as has been requested by the Administrator has not been provided by the applicant.

Subsequent Subscriptions

Subsequent subscriptions (i.e., subsequent to an initial subscription for Shares within a Fund) may be made by submitting a subscription form to the Administrator by the relevant Trade Cut-Off Time in writing, by fax, or such other means in accordance with the requirements of the Central Bank.

Subsequent faxed subscription requests may be processed without a requirement to submit original documentation. Amendments to a Shareholder's registration details and payment instruction will only be effected on receipt of original documentation, except in the case of investors identified by the Administrator as low risk institutional Shareholders in which case certain amendments to a Shareholder's registration details and payment instruction may be effected on receipt of documentation received by fax or other electronic means.

Subscription Price

During the Initial Offer Period, the initial subscription price per Share of each Fund shall be U.S.$10, EUR 10 or GBP 10 as appropriate. Thereafter, the subscription price per Share shall be the Net Asset Value per Share determined on the next Dealing Day.

An initial charge of up to five per cent of the subscription monies may be payable to the Company on subscriptions for Class A Shares. No initial charge is payable to the Company on subscriptions for Class C Shares, Class F Shares, and Class I Shares. An anti-dilution levy of up to two per cent of subscription monies may be payable on net subscriptions.

Written Confirmations of Ownership

The Administrator shall be responsible for maintaining the Company's register of Shareholders in which all issues, repurchases, conversions, and transfers of Shares will be recorded. Written confirmations of ownership will be issued in relation to the Shares. Shares shall be in registered form. The Administrator shall not issue a Share certificate in respect of Shares. A Share may be registered in a single name or in up to four joint names. The register of Shareholders shall be available for inspection upon reasonable notice at the registered office of the Company during normal business hours where a Shareholder may inspect only his or her entry on the register.

Repurchase Requests

Shares may be repurchased on a Dealing Day by contacting the Administrator so that a repurchase request (in writing, by fax, or such other means in accordance with the requirements of the Central Bank) is received by the Administrator no later than the Trade Cut-Off Time. Repurchase requests received by the Administrator after the Trade Cut-Off Time on a Dealing Day and before the time at which the Net Asset Value of the Funds is calculated will be carried over to the next Dealing Day, unless otherwise determined at the discretion of the Directors.

In the case of faxed repurchase requests, payment will be made to the account of record.

Repurchase requests received subsequent to the Trade Cut-Off Time shall be effective on the next succeeding Dealing Day.

If repurchase requests on any Dealing Day exceed 10 per cent of the total number of Shares in a Fund, the Company may defer the excess repurchase requests to subsequent Dealing Days and shall repurchase such Shares rateably. Any deferred repurchase requests shall be treated in priority to any repurchase requests received for subsequent Dealing Days, subject to the section entitled "Temporary Suspension of Valuation of the Shares and of Sales and Repurchases" below.

Repurchase Price

Shares shall be repurchased at the applicable Net Asset Value per Share obtained on the Dealing Day on which repurchase is effected. A repurchase fee not to exceed one per cent of the Net Asset Value of the Shares that are to be repurchased may be imposed in respect of Shares repurchased within 90 days of purchase. Shares which have been held the longest will always be redeemed or exchanged first. If the Shares are transferred to a different account registration, the Shares will retain their original purchase date for the short-term trading fee purposes. An anti-dilution levy of up to two per cent of repurchase monies may be payable on net repurchases.

All payments of repurchase monies shall normally be made within three Business Days but in any event within 10 Business Days of the Dealing Day on which the repurchase request is effected. The repurchase proceeds shall be made by telegraphic transfer at the Distributor's expense to the Shareholder's bank account, details of which shall be set out by the Shareholder to the Administrator in the application form. Repurchase proceeds cannot be released until the original application form and all documents required in connection with the obligation to prevent money laundering have been received by the Administrator and all anti-money-laundering procedures have been completed.

At the discretion of the Company and with the consent of the Shareholder making such repurchase request, assets may be transferred to a Shareholder in satisfaction of the repurchase monies payable on the repurchase of Shares, provided that such distribution is equitable and not prejudicial to the interests of the remaining Shareholders. The allocation of such assets shall be subject to the approval of the Custodian. At the request of the Shareholder making such repurchase request such assets may be sold by the Company and the proceeds of sale shall be transmitted to the Shareholder. The transaction costs incurred in the sale of the assets will be payable by the Shareholder.

Mandatory Repurchase of Shares

If a repurchase causes a Shareholder's holding in the Company to fall below the Minimum Holding, the Company may repurchase the whole of that Shareholder's holding. Before doing so, the Company shall notify the Shareholder in writing and allow the Shareholder 30 days to

purchase additional Shares to meet the minimum requirement. The Company reserves the right to vary this mandatory redemption amount.

Shareholders are required to notify the Administrator immediately in the event that they become U.S. Persons. Shareholders who become U.S. Persons may be required to dispose of their Shares to non-U.S. Persons on the next Dealing Day thereafter unless the Shares are held pursuant to an exemption, which would allow them to hold the Shares. The Company reserves the right to repurchase or require the transfer of any Shares which are, or become owned, directly or indirectly, by a U.S. Person or other person if the holding of the Shares by such other person is unlawful or, in the opinion of the Directors, the holding might result in the Company or the Shareholders as a whole incurring any liability to taxation or suffering pecuniary or material administrative disadvantage which the Company or the Shareholders as a whole might not otherwise suffer or incur.

Transfer of Shares

All transfers of Shares shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor and the original form must be submitted to the Administrator. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the Share register in respect thereof. Where the transferee is not an existing Shareholder in the Fund, the transferee must complete an application form and comply with the relevant anti-money-laundering procedures. The Directors may decline to register any transfer of Shares if in consequence of such transfer the transferor or transferee would hold less than the currency equivalent of the amount of the minimum initial subscription for the relevant Fund or would otherwise infringe the restrictions on holding Shares outlined above. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than 30 days in any year. The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the registered office of the Company or at such other place as the Directors may reasonably require together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. Such evidence may include a declaration that the proposed transferee is not a U.S. Person and that upon transfer the Shares will not be held by or for the account of any U.S. Person.

Withholdings and Deductions

The Company will be required to account for tax on the value of the Shares repurchased or transferred at the applicable rate unless it has received from the transferor a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident in respect of whom it is necessary to deduct tax. The Company reserves the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising therefrom. The Company reserves the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's residency or status in the form prescribed by the Revenue Commissioners of Ireland.

Conversion of Shares

With the consent of the Directors, a Shareholder may convert Shares of one Fund into Shares of another Fund on giving notice to the Administrator in such form as the Administrator may require provided that the shareholding satisfies the minimum investment criteria and provided that the original application is received within the time limits specified above in the case of subscriptions. Conversion is not intended to facilitate short-term or excessive trading. The conversion is effected by arranging for the repurchase of Shares of one Fund, converting the

repurchase proceeds into the currency of another Fund and subscribing for the Shares of the other Fund with the proceeds of the currency conversion.

Conversion will take place in accordance with the following formula:

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

where:

NS	=	the number of Shares which will be issued in the new Fund;
A	=	the number of the Shares to be converted;
B	=	the repurchase price of the Shares to be converted;
C	=	the currency conversion factor as determined by the Directors;
D	=	the issue price of Shares in the new Fund on the relevant Dealing Day; and
TC	=	the transaction charge incurred in connection with the proposed transaction which shall not in any event exceed five per cent of the Net Asset Value per Share.

If NS is not an integral number of Shares the Directors reserve the right to issue fractional Shares in the new Fund or to return the surplus arising to the Shareholder seeking to convert the Shares.

The length of time for completion of a conversion will vary depending on the Funds involved and the time when the conversion is initiated. In general, the length of time for completion of a conversion will depend upon the time required to obtain payment of repurchase proceeds from the Fund whose Shares are being acquired.

Excessive Trading

Investment in the Funds is intended for long-term purposes only. The Funds will take reasonable steps to seek to prevent short-term trading. Excessive short-term trading into and out of a Fund can disrupt portfolio investment strategies and may increase expenses, and adversely affect investment returns for all shareholders, including long-term shareholders who do not generate these costs. The Company reserves the right to reject any purchase request (including any conversion request) by any investor or group of investors for any reason without prior notice, including, in particular, if it believes that the trading activity would be disruptive to a Fund. For example, a Fund may refuse a purchase order if the Investment Manager or the Sub-Investment Manager, as appropriate, believes it would be unable to invest the money effectively in accordance with the Fund's investment policies or the Fund would otherwise be adversely affected due to the size of the transaction, frequency of trading, or other factors.

The trading history of accounts under common ownership or control may be considered in enforcing these policies. Transactions placed through the same financial intermediary on an omnibus basis may be deemed a part of a group for purposes of this policy and may be rejected in whole or in part by a Fund.

Transactions accepted by a financial intermediary in violation of the Funds' excessive trading policy are not deemed accepted by a Fund and may be cancelled or revoked by the Fund on the next Business Day following receipt.

Investors should be aware that there are practical restraints both in determining the policy, which is appropriate in the interests of long term investors, and in applying and enforcing such policy. For example, the ability to identify and prevent covert trading practices or short-term trading where investors act through omnibus accounts is limited. Also, investors such as fund of funds and asset allocation funds will change the proportion of their assets invested in the Company or in Funds in accordance with their own investment mandate or investment strategies. The Company will seek to balance the interests of such investors in a way that is consistent with the interests of long-term investors but no assurance can be given that the Company will succeed in doing so in all circumstances. For example, it is not always possible to identify or reasonably detect excess trading that may be facilitated by financial intermediaries or made difficult to identify by the use of omnibus accounts by those intermediaries.

As described above in the section entitled "Repurchase Price," Shares repurchased within 90 days of purchase may be subject to a redemption charge not to exceed one per cent of the value of the Shares that are redeemed.

The Distributor, where possible from the reports provided by the Administrator to assist in the analysis, will endeavour to monitor "round trips". A "round trip" is a repurchase or conversion out of a Fund (by any means) followed by a purchase or conversion back into the same Fund (by any means). The Company may limit the number of round trips carried out by a Shareholder.

Disclosure of Portfolio Information

The Funds have adopted a policy generally prohibiting the disclosure of portfolio holdings information to any non-privileged person until 30 calendar days after each month-end has passed. A list of each Fund's month-end portfolio holdings, with a 30-day lag, is available upon request. In addition, certain limited quarter-end and/or month-end portfolio information, portfolio characteristics (such as the top ten securities) and trading information may be made available with a shorter lag. Shareholders should contact the Investment Manager to request this information. These disclosures will also generally be made available on the Company's website delawareinvestments.com/ucits.

Publication of the Price of the Shares

Except where the determination of the Net Asset Value has been suspended in the circumstances described below, the Net Asset Value per Share shall be made public at the office of the Administrator on each Dealing Day and shall be notified to the Irish Stock Exchange immediately upon calculation. In addition, the Net Asset Value per Share shall be published, on the Business Day immediately succeeding each Dealing Day on the Company's website delawareinvestments.com/ucits. Such information shall relate to the Net Asset Value per Share for the previous Dealing Day and is published for information purposes only. Any internet address or website referred to in this document does not form part of this Prospectus or the relevant Supplement. It is not an invitation to subscribe for, repurchase, or convert Shares at that Net Asset Value. The Net Asset Value per Share shall also be published in such newspapers as the Directors may decide from time to time.

Temporary Suspension of Valuation of the Shares and of Sales and Repurchases

The Company may temporarily suspend the determination of the Net Asset Value and the sale or repurchase of Shares in any Fund or class during:

(i) any period (other than ordinary holiday or customary weekend closings) when any market is closed that is the main market for a significant part of the Fund's investments, or when trading thereon is restricted or suspended;

(ii) any period during which disposal of investments that constitute a substantial portion of the assets of the Fund is not practically feasible;

(iii) any period when for any reason the prices of any investments of the Fund cannot be reasonably, promptly, or accurately ascertained by the Administrator;

(iv) any period when remittance of monies which will, or may, be involved in the realisation of, or in the payment for, investments of the Fund cannot, in the opinion of the Directors, be carried out at normal rates of exchange;

(v) any period when proceeds of the sale or repurchase of the Shares cannot be transmitted to or from the Fund's account; or

(vi) upon the service on the Shareholders of a notice to consider a resolution to wind up a Fund or class.

Any such suspension shall be notified immediately to the Central Bank and the Irish Stock Exchange.

Data Protection Notice

Prospective investors should note that by completing the application form they are providing personal information, which may constitute personal data within the meaning of the Irish Data Protection Act, 1988, as amended by the Data Protection (Amendment) Act, 2003 (the "Data Protection Legislation"). These data will be used for the purposes of administration, transfer agency, statistical analysis, research, and disclosure to the Company, its delegates, and agents. By signing the application form, prospective investors acknowledge that they are providing their consent to the Company, its delegates, and its or their duly authorised agents and any of their respective related, associated, or affiliated companies obtaining, holding, using, disclosing, and processing the data for any one or more of the following purposes:

- to manage and administer the investor's holding in the Company and any related accounts on an ongoing basis;
- for any other specific purposes where the investor has given specific consent;
- to carry out statistical analysis and market research;
- to comply with legal and regulatory obligations applicable to the investor and the Company;
- for disclosure or transfer, whether in Ireland or countries outside Ireland, including without limitation the U.S., which may not have the same data protection laws as Ireland, to third parties including financial advisors, regulatory bodies, auditors, technology providers, or to the Company and its delegates and its or their duly appointed agents and any of their respective related, associated, or affiliated companies for the purposes specified above; or
- for other legitimate business interests of the Company.

Pursuant to the Data Protection Legislation, investors have a right of access to their personal data kept by the Company and the right to amend and rectify any inaccuracies in their personal data held by the Company by making a request to the Company in writing.

The Company is a Data Controller within the meaning of the Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with the Data Protection Legislation.

MANAGEMENT AND ADMINISTRATION

The Board of Directors

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the Administrator, the Investment Manager, and other parties, subject to supervision and direction by the Directors and provided that the delegation does not prevent the Company from being managed in the best interests of its investors. The conduct of the Company's business shall be decided by at least two of the Directors.

The Directors and their principal occupations are set forth below. The address of the Directors is the registered office of the Company.

Eimear Cowhey
Ms. Cowhey has over 20 years' experience in the offshore funds industry and currently acts as an independent director and consultant to a number of Irish companies and investment funds. From 1999 to 2006 she held various executive positions within The Pioneer Group, including Head of Legal and Compliance and Head of Product Development. From 1992 to 1999 she was Global Fund Director and Head Legal Counsel of INVESCO Asset Management. She qualified in 1990 as an Irish solicitor with the Irish law firm William Fry and she holds a Bachelor of Civil Law received from University College Dublin in 1986. She also holds a C. Dip. AF (Certified Diploma in Accounting and Finance) which was received from the Chartered Association of Certified Accountants in 1989. She is a former Council member and past Chairman of IFIA (the Irish Funds Industry Association) and a former member of the IFSC Funds Group, a joint government/industry group established to advise the government on investment fund related matters. Ms. Cowhey lectures at the Law Society of Ireland on financial services and investment funds law and is a regular conference speaker.

Denise Kinsella
Ms. Kinsella is an independent non-executive director of a number of investment funds/financial services companies. She is a lawyer by profession and for six years (1999 to 2005) was a Partner at Dillon Eustace Solicitors, specialising in financial services law, in particular investment funds, banking and security, and responsible for advising a number of major domestic and internationally ranked financial institutions on investment, banking, and financial services. Prior to that she was employed by Bank of Ireland Group for 11 years where she held a number of senior roles including, in Bank of Ireland Securities Services, Director of Client Services and Director of Legal Affairs and, in Bank of Ireland Asset Management, Senior Manager. Ms. Kinsella is a former Chairman of the Irish Funds Industry Association and IFIA's legal and regulatory sub-committee. She has also participated on a number of funds industry working groups. She holds an honours BA (Mod) degree in Legal Science from Trinity College Dublin (1983) and was admitted as a solicitor by the Law Society of Ireland in 1987.

David P. O'Connor
Mr. O'Connor joined Delaware Investments in 1996 and spent several years in the firm's legal department, where he served as associate general counsel. In June 2005, he was promoted to Senior Vice President, strategic investment relationships and initiatives, where his responsibilities included overseeing the firm's sub-advisory relationships, including investment responsibility and coordination of the firm's Investment Review Committee, and working with the firm's executive team on strategic opportunities. In late 2006, he took on additional responsibilities when he became the firm's General Counsel, where his responsibilities include

overseeing the Legal and Compliance departments. Prior to joining Delaware Investments, Mr. O'Connor was an associate in the business and finance department of the Philadelphia office of Ballard Spahr Andrews & Ingersoll, where he focused on mergers and acquisitions, contract negotiations, and investment company work. Mr. O'Connor is a member of the board of directors of Philadelphia Futures, a non-profit organization providing urban high school and college students with the necessary resources to achieve a college education. Mr. O' Connor received a bachelor's degree from Gordon College and earned his Juris Doctor degree from Villanova University School of Law.

Richard Salus
Mr. Salus is responsible for accounting and reporting, treasury, compensation and benefits, general ledger, financial operations, Sarbanes/Oxley compliance, and leadership and participation in many special projects for Delaware Investments. He is Chief Financial Officer of the Delaware Funds Board and Optimum Funds Board. Prior to joining the firm in 1996 as Vice President, Assistant Controller, he worked for 10 years with Ernst & Young as a senior manager with a primary focus on the banking and investment company sector. He earned his bachelor's degree in accounting from Franklin and Marshall College, and he is a member of the American Institute of Certified Public Accountants and the Pennsylvania Institute of Certified Public Accountants.

As at the date of this Prospectus no Director has:

1. any unspent convictions in relation to indictable offences;

2. been bankrupt or the subject of any involuntary arrangements, or has had a receiver appointed to any asset;

3. been a director of any company which had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors whilst he or she was a director with an executive function at the time or within 12 months after he or she ceased to be a director with an executive function;

4. been a partner of any partnership, which while he or she was a partner or within 12 months after he or she ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset;

5. had any public criticism by statutory or regulatory authorities (including recognized professional bodies); or

6. been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

The Company Secretary is Bradwell Limited, Arthur Cox Building, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland.

The Articles of Association do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The Articles of Association provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested provided that he or she has disclosed to the Directors the nature and extent of any material interest which he or she may have. A Director may not vote in respect of any contract in which he or she has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he or she is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he or she is not the holder of five per cent or more of the issued shares of any class of such

company or of the voting rights available to members of such company. A Director may also vote in respect of any proposal concerning an offer of shares in which he or she is interested as a participant in an underwriting or sub-underwriting arrangement, and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee, or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in part.

The Investment Manager and Distributor

Delaware Investment Advisers has been appointed the Investment Manager of the Funds. It is a series of Delaware Management Business Trust, which is a statutory trust organised under the laws of the state of Delaware, U.S. Delaware Management Business Trust is a registered investment advisor under the Investment Advisers Act of 1940 (as amended) and is regulated by the United States Securities and Exchange Commission. The Investment Manager and its affiliates within Delaware Investments were managing in excess of U.S.$ 192.9 billion in assets in various institutional or separately managed, investment company, and insurance accounts as of 31 March 2014.

The Investment Management Agreement between the Company and the Investment Manager provides that the Investment Manager shall be responsible for the investment and reinvestment of the Funds' assets. The Investment Management Agreement shall continue in force until terminated immediately at any time by the Company or by the Investment Manager on not less than 90 days' notice in writing.

Notwithstanding the foregoing, either party may at any time terminate the Investment Management Agreement in the event of the winding-up, insolvency of the other party, the winding-up of the other party, the appointment of an examiner or receiver to the other party, or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction or otherwise, in the event that either is no longer permitted to perform its obligations and duties under applicable law. Either party may terminate the agreement in the event that the other party fails to remedy any breach of the Investment Management Agreement (if such breach is capable of remedy) within 30 days of being requested to do so.

The Investment Manager shall be liable for any loss suffered by the Company in connection with the matters to which the Investment Management Agreement relates where such loss results from fraud, bad faith, wilful misfeasance, reckless disregard, or negligence on the part of the Investment Manager in the performance of its obligations and duties under the relevant Investment Management Agreement.

The Investment Manager may, with the prior consent of the Company, delegate its investment management functions to an investment adviser (as applicable) provided that such delegation is made in accordance with the requirements of the Central Bank, information on any investment adviser manager will be provided to Shareholders on request, details of the investment adviser will be disclosed in the annual report and accounts and the unaudited half-yearly accounts and the fees of the investment adviser will not be paid out of the Funds' assets.

The Administrator

Pursuant to the Administration Agreement, the Company has appointed BNY Mellon Fund Services (Ireland) Limited as the administrator of the Company with responsibility for performing the day-to-day administration of the Company, including the calculation of the Net Asset Value of the Fund and of the Shares, and related fund accounting services.

The Administrator is a private limited company incorporated in Ireland on 31 May 1994 and is engaged in the provision of fund administration, accounting, registration, transfer agency, and related shareholder services to collective investment schemes and investment funds. The Administrator is authorised by the Central Bank under the Investment Intermediaries Act, 1995. As at 31 December 2014, the Administrator had assets under administration of U.S.$1.6 trillion.

The Administration Agreement shall continue in force until terminated by the Administrator on 180 days' notice to the Company and by the Company on 90 days' notice to the Administrator. The Administration Agreement may be terminated forthwith by either party giving notice in writing to the other party at any time; if the Defaulting Party shall (a) commit a material breach or is in material breach of any of the terms of the Administration Agreement, which if capable of remedy has not been remedied within 30 days of the other party serving written notice giving particulars of the breach and requiring it to be remedied; (b) enter into liquidation whether compulsory or voluntary (save for the purpose of amalgamation or reconstruction of a solvent company on terms agreeable to the other party which agreement may not be unreasonably withheld, delayed, or conditioned) or is unable to pay its debts as they fall due, or has an administrator, receiver or examiner appointed over it or all or any of its assets, or is the subject of a court order for its winding-up; or (c) cease to hold any authorisation under any applicable laws or if any limitation is placed on any authorisation held by it under any applicable laws (unless that cessation has been caused directly by the action or inaction of that other party), which prevents or limits the lawful performance of the Defaulting Party's obligations under the Administration Agreement.

The Administrator shall not be liable to the Company for any loss, damage, or expense (including, without limitation, legal counsel and professional fees and other costs and expenses reasonably incurred in connection with the defence of any claim, action, or proceedings) arising out of or in connection with the performance by the Administrator of its duties under the Administration Agreement otherwise than by reason of the negligence, recklessness wilful default, bad faith, or fraud of the Administrator in the performance of (or its failure to perform) its duties under the Administration Agreement. The Company shall indemnify and keep indemnified and hold harmless the Administrator from and against any and all actions, proceedings, claims, demands, liabilities, losses, damages, costs, and expenses (including reasonable legal and professional fees and expenses reasonably incurred arising therefrom or incidental thereto) that may be made or brought against or suffered or incurred by the Administrator arising out of or in connection with the performance of the Administrator's duties under the Administration Agreement.

The Custodian

The Company has appointed BNY Mellon Trust Company (Ireland) Limited as custodian.

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

Both the Administrator and the Custodian are wholly owned indirect subsidiaries of The Bank of New York Mellon Corporation. The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 34 countries and serving more than 100 markets. The company is a provider of financial services for institutions, corporations, and high-net-worth individuals, providing asset management and wealth management, asset servicing, issuer services, clearing services, and treasury services. At 31 December 2013, it had more than U.S.$27.6 trillion in assets under custody and administration and more than U.S.$1.6 trillion in assets under management.

The Custodian will be obliged to enquire as to the conduct of the Company in each financial year and to report thereon to the Shareholders. The Custodian must also ensure that the Company complies with the Regulations in its investment decisions and in the administration of issues and repurchases of Shares. The Custodian will be liable to the Company and the Shareholders for any loss suffered by them as a result of its unjustifiable failure to perform its obligations or its improper performance of such obligations. The Company will hold harmless and indemnify the Custodian (and each of its directors, officers, employees, and agents) against any and all actions, proceedings, claims, demands, losses, damages, costs, and expenses (including, but not limited to, reasonable legal and other professional fees and expenses) arising therefrom which may be brought against, suffered or incurred by the Custodian by reason of its performance of its duties under the terms of the Custodian Agreement (otherwise than as a result of its unjustifiable failure to perform its obligations or its improper performance of such obligations). The Custodian Agreement between the Company and the Custodian shall continue in force until terminated by either party on ninety days' notice in writing to the other party. Either party may terminate the Custodian Agreement if at any time (i) the other party shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the first-mentioned party) or be unable to pay its debts or commit any act of bankruptcy under applicable laws or if a receiver or administrative receiver or examiner is appointed over any of the assets of such other party or if some event having an equivalent effect occurs; (ii) the other party shall commit a material breach of the provisions of the Custodian Agreement which, if such breach is capable of remedy, shall not have been remedied within 30 days after the service of written notice requiring it to be remedied; or (iii) the Custodian ceases to be permitted to act as a custodian of collective investment schemes authorised by the Central Bank under Irish law.

Under the terms of the Custodian Agreement, the Custodian may appoint sub-custodians in relation to the Company's assets. However, the liability of the Custodian shall not be affected by the fact that it has entrusted some or all of the Company's assets in its safekeeping to a third party.

The Sub-Investment Manager(s)

The details of any Sub-Investment Managers appointed in respect the Funds are disclosed in the relevant Supplement.

TAXATION

The following is a general summary of the main Irish tax considerations applicable to the Company and certain investors in the Company who are the beneficial owners of Shares in the Company. It does not purport to deal with all of the tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules. For instance, it does not address the tax position of Shareholders whose acquisition of Shares in the Company would be regarded as a shareholding in a Personal Portfolio Investment Undertaking (PPIU). Accordingly, its applicability will depend on the particular circumstances of each Shareholder. It does not constitute tax advice and Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this document. Legislative, administrative or judicial changes may modify the tax consequences described below and as

is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made will endure indefinitely.

Taxation of the Company

The Directors have been advised that, under current Irish law and practice, the Company qualifies as an investment undertaking for the purposes of Section 739B of the Taxes Consolidation Act, 1997, as amended ("**TCA**") so long as the Company is resident in Ireland. Accordingly, it is generally not chargeable to Irish tax on its income and gains.

Chargeable Event

However, Irish tax can arise on the happening of a "**chargeable event**" in the Company. A chargeable event includes any payments of distributions to Shareholders, any encashment, repurchase, redemption, cancellation or transfer of Shares and any deemed disposal of Shares as described below for Irish tax purposes arising as a result of holding Shares in the Company for a period of eight years or more. Where a chargeable event occurs, the Company is required to account for the Irish tax thereon.

No Irish tax will arise in respect of a chargeable event where:

(a) the Shareholder is neither resident nor ordinarily resident in Ireland ("**Non-Irish Resident**") and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained in the declaration is not, or is no longer, materially correct; or

(b) the Shareholder is Non-Irish Resident and has confirmed that to the Company and the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not been withdrawn; or

(c) the Shareholder is an Exempt Irish Resident as defined below.

A reference to "**intermediary**" means an intermediary within the meaning of Section 739B(1) of the TCA, being a person who (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or (b) holds units in an investment undertaking on behalf of other persons.

In the absence of a signed and completed declaration or written notice of approval from the Revenue Commissioners, as applicable, being in the possession of the Company at the relevant time there is a presumption that the Shareholder is resident or ordinarily resident in Ireland ("**Irish Resident**") or is not an Exempt Irish Resident and a charge to tax arises.

A chargeable event does not include:

- any transactions (which might otherwise be a chargeable event) in relation to Shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or

- a transfer of Shares between spouses/civil partners and any transfer of Shares between spouses/civil partners or former spouses/civil partners on the occasion of judicial separation, decree of dissolution and/or divorce, as appropriate; or

- an exchange by a Shareholder, effected by way of arm's length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company; or

- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the TCA) of the Company with another investment undertaking.

If the Company becomes liable to account for tax on a chargeable event, the Company shall be entitled to deduct from the payment arising on that chargeable event an amount equal to the appropriate tax and/or, where applicable, to repurchase and cancel such number of Shares held by the Shareholder as is required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event.

Deemed Disposals

The Company may elect not to account for Irish tax in respect of deemed disposals in certain circumstances. Where the total value of Shares in a Fund held by Shareholders who are Irish Resident and, who are not Exempt Irish Residents as defined below, is 10 per cent or more of the Net Asset Value of the Fund, the Company will be liable to account for the tax arising on a deemed disposal in respect of Shares in that Fund as set out below. However, where the total value of Shares in the Fund held by such Shareholders is less than 10 per cent of the Net Asset Value of the Fund, the Company may, and it is expected that the Company will, elect not to account for tax on the deemed disposal. In this instance, the Company will notify relevant Shareholders that it has made such an election and those Shareholders will be obliged to account for the tax arising under the self-assessment system themselves. Further details of this are set out below under the heading "Taxation of Irish Resident Shareholders".

Irish Courts Service

Where Shares are held by the Irish Courts Service the Company is not required to account for Irish tax on a chargeable event in respect of those Shares. Rather, where money under the control or subject to the order of any Court is applied to acquire Shares in the Company, the Courts Service assumes, in respect of the Shares acquired, the responsibilities of the Company to, *inter alia*, account for tax in respect of chargeable events and file returns.

Exempt Irish Resident Shareholders

The Company will not be required to deduct tax in respect of the following categories of Irish Resident Shareholders, provided the Company has in its possession the necessary declarations from those persons (or an intermediary acting on their behalf) and the Company is not in possession of any information which would reasonably suggest that the information contained in the declarations is not, or is no longer, materially correct. A Shareholder who comes within any of the categories listed below and who (directly or through an intermediary) has provided the necessary declaration to the Company is referred to herein as an "**Exempt Irish Resident**":

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

(b) a company carrying on life business within the meaning of Section 706 of the TCA;

(c) an investment undertaking within the meaning of Section 739B(1) of the TCA, or an investment limited partnership within the meaning of Section 739J of the TCA;

(d) a special investment scheme within the meaning of Section 737 of the TCA;

(e) a charity being a person referred to in Section 739D(6)(f)(i) of the TCA;

(f) a qualifying management company within the meaning of Section 739B(1) of the TCA;

(g) a unit trust to which Section 731(5)(a) of the TCA applies;

(h) a person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) of the TCA where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;

(i) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the TCA, and the Shares are assets of a PRSA;

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

(k) the National Pensions Reserve Fund Commission;

(l) the National Asset Management Agency;

(m) a company within the charge to corporation tax in accordance with Section 110(2) of the TCA (securitisation companies);

(n) in certain circumstances, a company within the charge to corporation tax in respect of payments made to it by the Company; or

(o) any other person who is resident or ordinarily resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising the tax exemptions associated with the Company.

There is no provision for any refund of tax to Shareholders who are Exempt Irish Residents where tax has been deducted in the absence of the necessary declaration. A refund of tax may only be made to corporate Shareholders who are within the charge to Irish corporation tax.

Taxation of Non-Irish Resident Shareholders

Non-Irish Resident Shareholders who (directly or through an intermediary) have made the necessary declaration of non-residence in Ireland, where required, are not liable to Irish tax on the income or gains arising to them from their investment in the Company and no tax will be deducted on distributions from the Company or payments by the Company in respect of an encashment, repurchase, redemption, cancellation or other disposal of their investment. Such Shareholders are generally not liable to Irish tax in respect of income or gains made from holding or disposing of Shares except where the Shares are attributable to an Irish branch or agency of such Shareholder.

Unless the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not

been withdrawn, in the event that a non-resident Shareholder (or an intermediary acting on its behalf) fails to make the necessary declaration of non-residence, tax will be deducted as described above on the happening of a chargeable event and notwithstanding that the Shareholder is not resident or ordinarily resident in Ireland any such tax deducted will generally not be refundable.

Where a Non-Irish Resident company holds Shares in the Company which are attributable to an Irish branch or agency, it will be liable to Irish corporation tax in respect of income and capital distributions it receives from the Company under the self assessment system.

Taxation of Irish Resident Shareholders

Deduction of Tax

Tax will be deducted and remitted to the Revenue Commissioners by the Company from any distributions made by the Company (other than on a disposal) to an Irish Resident Shareholder who is not an Exempt Irish Resident, where payments are made annually or at more frequent intervals on or before 31 December 2013 at the rate of 33 per cent, and, where payments are made less frequently on or before 31 December 2013, at the rate of 36 per cent. Tax will be deducted from any such distributions made by the Company on or after 1 January 2014 at the rate of 41 per cent irrespective of the frequency with which they are made.

Tax will also be deducted by the Company and remitted to the Revenue Commissioners from any gain arising on an encashment, repurchase, redemption, cancellation, or other disposal of Shares by such a Shareholder on or before 31 December 2013 at the rate of 36 per cent and on or after 1 January 2014 at the rate of 41 per cent. Any gain will be computed as the difference between the value of the Shareholder's investment in the Company at the date of the chargeable event and the original cost of the investment as calculated under special rules.

Where the Shareholder is an Irish resident company and the Company is in possession of a relevant declaration from the Shareholder that it is a company and which includes the company's tax reference number, tax will be deducted by the Company from any distributions made by the Company to the Shareholder and from any gains arising on an encashment, repurchase, redemption, cancellation or other disposal of shares by the Shareholder at the rate of 25%.

Deemed Disposals

Tax will also be deducted by the Company and remitted to the Revenue Commissioners in respect of any deemed disposal where the total value of Shares in a Fund held by Irish Resident Shareholders who are not Exempt Irish Residents is 10 per cent or more of the Net Asset Value of the Fund. A deemed disposal will occur on each and every eighth anniversary of the acquisition of Shares in the Fund by such Shareholders. The deemed gain will be calculated as the difference between the value of the Shares held by the Shareholder on the relevant eighth year anniversary or, as described below where the Company so elects, the value of the Shares on the later of the 30 June or 31 December prior to the date of the deemed disposal and the relevant cost of those Shares. The excess arising will be taxable at the rate of 36 per cent in respect of deemed disposals on or before 31 December 2013, and at the rate of 41 per cent in respect of deemed disposals on or after 1 January 2014 (or in the case of Irish resident corporate Shareholders where a relevant declaration has been made, at the rate of 25 per cent. Tax paid on a deemed disposal should be creditable against the tax liability on an actual disposal of those Shares.

Where the Company is obliged to account for tax on deemed disposals it is expected that the Company will elect to calculate any gain arising for Irish Resident Shareholders who are not

Exempt Irish Residents by reference to the Net Asset Value of the relevant Fund on the later of the 30 June or 31 December prior to the date of the deemed disposal, in lieu of the value of the Shares on the relevant eight year anniversary.

The Company may elect not to account for tax arising on a deemed disposal where the total value of Shares in the relevant Fund held by Irish Resident Shareholders who are not Exempt Irish Residents is less than 10 per cent of the Net Asset Value of the Fund. In this case, such Shareholders will be obliged to account for the tax arising on the deemed disposal under the self assessment system themselves. The deemed gain will be calculated as the difference between the value of the Shares held by the Shareholder on the relevant eighth year anniversary and the relevant cost of those Shares. The excess arising will be regarded as an amount taxable under Case IV of Schedule D and will be subject to tax where the Shareholder is a company, at the rate of 25 per cent, and where the Shareholder is not a company, at the rate of 36 per cent in respect of deemed disposals arising on or before 31 December 2013 and at the rate of 41 per cent in respect of deemed disposals arising on or after 1 January 2014.. Tax paid on a deemed disposal should be creditable against the tax payable on an actual disposal of those Shares.

Residual Irish Tax Liability

Corporate Shareholders resident in Ireland which receive payments from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D from which tax at the rate of 25 per cent (or 33 per cent, 36 per cent or 41 per cent (as applicable) if no declaration has been made) has been deducted. Subject to the comments below concerning tax on a currency gain, in general, such Shareholders will not be subject to further Irish tax on payments received in respect of their holding from which tax has been deducted. A corporate Shareholder resident in Ireland which holds the Shares in connection with a trade will be taxable on any income or gains received from the Company as part of that trade with a set-off against corporation tax payable for any tax deducted from those payments by the Company. In practice, where tax at a rate higher than 25 per cent has been deducted from payments to a corporate Shareholder resident in Ireland, a credit of the excess tax deducted over the higher corporation tax rate of 25 per cent should be available.

Subject to the comments below concerning tax on a currency gain, in general, non-corporate Irish Resident Shareholders will not be subject to further Irish tax on income arising on the Shares or gains made on disposal of the Shares, where the appropriate tax has been deducted by the Company from distributions paid to them.

Where a currency gain is made by a Shareholder on the disposal of Shares, the Shareholder will be liable to capital gains tax in respect of that gain in the year/s of assessment in which the Shares are disposed of.

Any Irish Resident Shareholder who is not an Exempt Irish Resident and who receives a distribution from which tax has not been deducted (for example, because the Shares are held in a recognised clearing system) will be liable to account for income tax or corporation tax as the case may be on that payment. Where such Shareholder receives a gain on an encashment, repurchase, redemption, cancellation or other disposal from which tax has not been deducted, (for example, because the Shares are held in a recognised clearing system) the Shareholder will also be liable to account for income tax or corporation tax on the amount of the gain under the self-assessment system and in particular, Part 41A of the TCA. Shareholders who are individuals should also note that failure to comply with these provisions may result in them being subject to tax at their marginal rate (currently up to 41 per cent) on the income and gains together with a surcharge, penalties and interest.

Overseas Dividends

Dividends (if any) and interest which the Company receives with respect to investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of the investments are located. It is not known whether the Company will be able to benefit from reduced rates of withholding tax under the provisions of the double tax treaties which Ireland has entered into with various countries.

However, in the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the relevant Fund will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of such repayment.

Stamp Duty

On the basis that the Company qualifies as an investment undertaking within the meaning of Section 739B of the TCA, generally, no stamp duty will be payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. 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.

No Irish stamp duty will be payable by the Company 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 TCA or a qualifying company within the meaning of Section 110 of the TCA) which is registered in Ireland.

Residence

In general, investors in the Company will be either individuals, corporate entities or trusts. Under Irish rules, both individuals and trusts may be resident or ordinarily resident. The concept of ordinary residence does not apply to corporate entities.

Individual Investors

Test of Residence

An individual will be regarded as resident in Ireland for a particular tax year if the individual is present in Ireland: (1) for a period of at least 183 days in any one tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is resident in Ireland for at least 31 days in each tax year. In determining days present in Ireland, an individual is deemed to be present if he / she is present in the country at any time during the day.

If an individual is not resident in Ireland in a particular tax year the individual may, in certain circumstances, elect to be treated as resident.

Test of Ordinary Residence

If an individual has been resident for the three previous tax years then the individual will be deemed "ordinarily resident" from the start of the fourth year. An individual will remain ordinarily resident in Ireland until the individual has been non-resident for three consecutive tax years.

Trust Investors

A trust will generally be regarded as resident in Ireland where all of the trustees are resident in Ireland. Trustees are advised to seek specific tax advice if they are in doubt as to whether the trust is resident in Ireland.

Corporate Investors

A company will be resident in Ireland if its central management and control is in Ireland or (in certain circumstances) if it is incorporated in Ireland. For Ireland to be treated as the location of a company's central management and control this typically means Ireland is the location where all fundamental policy decisions of the company are made.

All companies incorporated in Ireland are resident in Ireland for tax purposes except where:

(i) the company or a related company carries on a trade in Ireland, and either (a) the company is ultimately controlled by persons resident in a "relevant territory", being an EU member state (other than Ireland) or a country with which Ireland has a double taxation agreement in force by virtue of Section 826(1) of the TCA or that is signed and which will come into force once all the ratification procedures set out in Section 826(1) of the TCA have been completed, or (b) the principal class of the shares in the company or a related company is substantially and regularly traded on a recognised stock exchange in a relevant territory; or

(ii) the company is regarded as resident in a country other than Ireland and not resident in Ireland under a double taxation agreement between Ireland and that other country.

A company coming within either (i) or (ii) above will not be regarded as resident in Ireland unless its central management and control is in Ireland , PROVIDED however, a company coming within (i) above which has its central management and control outside of Ireland will still be regarded as resident in Ireland if (a) it would by virtue of the law of a relevant territory be tax resident in that relevant territory if it were incorporated in that relevant territory but would not otherwise be tax resident in that relevant territory, (b) is managed and controlled in that relevant territory, and (c) would not otherwise by virtue of the law of any territory be regarded as resident in that territory for tax purposes.

Disposal of Shares and Irish Capital Acquisitions Tax

(i) Persons Domiciled or Ordinarily Resident in Ireland

The disposal of Shares by means of a gift or inheritance made by a disponer domiciled or ordinarily resident in Ireland or received by a beneficiary domiciled or ordinarily resident in Ireland may give rise to a charge to Irish Capital Acquisitions Tax for the beneficiary of such a gift or inheritance with respect to those Shares.

(ii) Persons Not Domiciled or Ordinarily Resident in Ireland

On the basis that the Company qualifies as an investment undertaking within the meaning of Section 739B of the TCA, the disposal of Shares will not be within the charge to Irish Capital Acquisitions Tax provided that;

- the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date;
- the donor is not domiciled or ordinarily resident in Ireland at the date of the disposition; and

- the beneficiary is not domiciled or ordinarily resident in Ireland at the date of the gift or inheritance.

European Union Taxation of Savings Income Directive

Ireland has implemented the EC Council Directive 2003/48/EC on the taxation of savings income into national law. Accordingly, where the Administrator, a paying agent, or such other entity as could be considered to be a paying agent for these purposes, makes a payment of interest (which may include an income or capital distribution payment) on behalf of a Fund to an individual or to certain residual entities, resident in another Member State of the European Union (or certain associated and dependent territories of a Member State), it will be obliged to provide details of the payment and certain details relating to the Shareholders (including Shareholders' names and addresses) to the Irish Revenue Commissioners. The Irish Revenue Commissioners in turn are obliged to provide such information to the competent authorities of the state or territory of residence of the individual or residual entity concerned.

The Administrator, a paying agent or such other entity considered to be a paying agent for these purposes shall be entitled to require Shareholders to provide any information regarding tax status, identity or residency in order to satisfy the disclosure requirements in Directive 2003/48/EC and Shareholders will be deemed by their subscription for Shares in the Company to have authorised the automatic disclosure of such information by the Administrator, a paying agent or other relevant person to the relevant tax authorities.

Accordingly, the Administrator, a paying agent or such other entity considered a "paying agent" for the purposes of the Taxation of Savings Income Directive may be required to disclose details of payments of savings interest income to investors in the Company who are individuals or residual entities to the Irish Revenue Commissioners who will pass such details to the member state where the investor resides.

Compliance with U.S. Withholding Requirements - Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("FATCA") generally impose a U.S. federal reporting and withholding tax regime with respect to certain U.S. source income (including, among other types of income, dividends and interest) and gross proceeds from the sale or other disposal of property. The rules are designed to require certain U.S. Persons' direct and indirect ownership of certain non-U.S. accounts and non-U.S. entities to be reported to the U.S. Internal Revenue Service. The 30 per cent withholding tax regime could apply if there is a failure to provide certain required information and these rules apply to such payments made after 1 July 2014. Ireland has entered into an intergovernmental agreement with the U.S. to facilitate FATCA compliance. Under this agreement FATCA compliance will be enforced under new local Irish tax legislation and reporting. The Company may require additional information from the Fund's investors in order to comply with relevant obligations. Each prospective investor should consult its own tax advisers on the requirements under FATCA applicable to it.

Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting, or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence, or domicile.

GENERAL

Conflicts of Interest

The Company has policies designed to ensure that in all transactions, a reasonable effort is made to avoid conflicts of interest and, when they cannot be avoided, that the Funds and their shareholders are fairly treated.

The Directors, Investment Manager, any Sub-Investment Manager, the Custodian and the Administrator may from time to time act as investment manager, investment advisor, custodian, administrator, company secretary, dealer or distributor in relation to, or be otherwise involved in, other funds established by parties other than the Company which have similar investment objectives to those of the Company and any Fund. The Investment Manager, any Sub-Investment Manager and their affiliates shall not be under any obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of (or share with the Company or inform the Company of) any such transaction or any benefit received by any of them from any such transaction, but will allocate any such opportunities on an equitable basis between the Company and other clients, taking into consideration the investment objectives, investment limitations, capital available for investment and diversification posture of the Company and other clients. The Investment Manager and any Sub-Investment Manager may hold Shares in any Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Company and a Fund. Each will, at all times, have regard in such event to its obligations to the Company and the Fund and will ensure that such conflicts are resolved fairly. In addition, any of the foregoing may deal, as principal or agent, with the Company in respect of the assets of a Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis. Transactions must be in the best interests of Shareholders.

Dealings will be deemed to have been effected on normal commercial terms negotiated at arm's length if: (i) a certified valuation of a transaction by a person approved by the Custodian as independent and competent is obtained; (ii) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or (iii) where (i) and (ii) are not practical, the transaction is executed on terms that the Custodian is, or the Directors in the case of a transaction involving the Custodian are, satisfied are normal commercial terms negotiated at arm's length and are in the best interests of Shareholders.

Conflicts of interest may arise as a result of transactions in FDI and efficient portfolio management techniques and instruments. For example, the counterparties to, or agents, intermediaries or other entities which provide services in respect of, such transactions may be related to the Custodian. As a result, those entities may generate profits, fees or other income or avoid losses through such transactions. Furthermore, conflicts of interests may also arise where the collateral provided by such entities is subject to a valuation or haircut applied by a related party.

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

The Investment Manager may be responsible for valuing certain securities held by the Funds. The Investment Manager is paid a fee which is a percentage of the Net Asset Value of each class. Consequently a conflict of interest could arise between its interests and those of the Funds. In the event of such a conflict of interest, the Investment Manager shall have regard to its obligations to the Company and the Fund and will ensure that such a conflict is resolved fairly and in the best interests of the Shareholders.

The Company may engage in securities lending activities subject to the conditions and within the limits as defined by the Central Bank.

Best Execution

The Company has adopted a policy designed to ensure that its service providers act in the Funds' best interests when executing decisions to deal and placing orders to deal on behalf of those Funds in the context of managing the Funds' portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the Funds, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature or any other consideration relevant to the execution of the order. Information about the Company's best execution policy and any material changes to the policy are available to Shareholders at no charge upon request to the Investment Manager.

Voting Policy

The Company has developed a strategy for determining when and how voting rights are exercised. Details of the actions taken on the basis of those strategies are available to Shareholders at no charge upon request to the Investment Manager.

Complaints

Information regarding the Company's complaint procedures is available to Shareholders free of charge upon request to the Investment Manager. Shareholders may file any complaints about the Company or a Fund free of charge at the registered office of the Company.

The Share Capital

The share capital of the Company shall at all times equal the Net Asset Value of the Company. The Directors are empowered to issue up to five hundred billion Shares of no par value in the Company at the Net Asset Value per Share on such terms as they may think fit. There are no rights of pre-emption upon the issue of Shares in the Company. As of the date of this document the Company has issued Subscriber Shares to the value of EUR 300,000. The Subscriber Shares do not participate in the assets of any Fund. The Company reserves the right to redeem some or all of the Subscriber Shares provided that the Company at all times has a minimum issued share capital to the value of EUR 300,000.

Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of a Fund attributable to the relevant class in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder. The Subscriber Shares' entitlement is limited to the amount subscribed and accrued interest thereon.

The proceeds from the issue of Shares shall be applied in the books of the Company to the relevant Fund and shall be used in the acquisition on behalf of the relevant Fund of assets in which the Fund may invest. The records and accounts of each Fund shall be maintained separately.

The Directors reserve the right to redesignate any class of Shares from time to time, provided that shareholders in that class shall first have been notified by the Company that the Shares

will be redesignated and shall have been given the opportunity to have their Shares repurchased by the Company, except that this requirement shall not apply where the Directors redesignate Shares in issue in order to facilitate the creation of an additional class of Shares.

Each of the Shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those Shares. No class of Shares 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 of Shares or any voting rights in relation to matters relating solely to any other class of Shares.

Any resolution to alter the class rights of the Shares requires the approval of three quarters of the holders of the Shares represented or present and voting at a general meeting duly convened in accordance with the Articles of Association.

The Articles of Association of the Company empower the Directors to issue fractional Shares in the Company. Fractional Shares may be issued and shall not carry any voting rights at general meetings of the Company or of any 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.

It is intended that all but two of the Subscriber Shares will be repurchased by the Company at their Net Asset Value on the Dealing Day on which the first issue of Shares is effected after the Initial Offer Period. The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of any Fund or of the Company.

The Funds and Segregation of Liability

The Company is an umbrella fund with segregated liability between Funds and each Fund may comprise one or more classes of Shares in the Company. The Directors may, from time to time, upon the prior approval of the Central Bank, establish further Funds by the issue of one or more separate classes of Shares on such terms as the Directors may resolve. The Directors may, from time to time, in accordance with the requirements of the Central Bank, establish one or more separate classes of Shares within each Fund on such terms as the Directors may resolve.

The assets and liabilities of each Fund will be allocated in the following manner:

(i) the proceeds from the issue of Shares representing a Fund shall be applied in the books of the Company to the Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Memorandum and Articles of Association;

(ii) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Fund;

(iii) where the Company incurs a liability which relates to any asset of a particular Fund or to any action taken in connection with an asset of a particular Fund, such a liability shall be allocated to the relevant Fund, as the case may be; and

(iv) where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, such asset or liability, subject to the approval of the Custodian, shall be allocated to all the Funds pro rata to the Net Asset Value of each Fund.

Any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund, and, neither the Company nor any Director, receiver, examiner, liquidator, provisional liquidator, or other person shall apply, nor be obliged to apply, the assets of any such Fund in satisfaction of any liability incurred on behalf of, or attributable to, any other Fund.

There shall be implied in every contract, agreement, arrangement, or transaction entered into by the Company the following terms, that:

(i) the party or parties contracting with the Company shall not seek, whether in any proceedings or by any other means whatsoever or wheresoever, to have recourse to any assets of any Fund in the discharge of all or any part of a liability that was not incurred on behalf of that Fund;

(ii) if any party contracting with the Company shall succeed by any means whatsoever or wheresoever in having recourse to any assets of any Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Fund, that party shall be liable to the Company to pay a sum equal to the value of the benefit thereby obtained by it; and

(iii) if any party contracting with the Company shall succeed in seizing or attaching by any means, or otherwise levying execution against, the assets of a Fund in respect of a liability which was not incurred on behalf of that Fund, that party shall hold those assets or the direct or indirect proceeds of the sale of such assets on trust for the Company and shall keep those assets or proceeds separate and identifiable as such trust property.

All sums recoverable by the Company shall be credited against any concurrent liability pursuant to the implied terms set out in (i) to (iii) above.

Any asset or sum recovered by the Company shall, after the deduction or payment of any costs of recovery, be applied so as to compensate the relevant Fund.

In the event that assets attributable to a Fund are taken in execution of a liability not attributable to that Fund, and in so far as such assets or compensation in respect thereof cannot otherwise be restored to the Fund affected, the Directors, with the consent of the Custodian, shall certify or cause to be certified, the value of the assets lost to the Fund affected and transfer or pay from the assets of the Fund or Funds to which the liability was attributable, in priority to all other claims against such Fund or Funds, assets or sums sufficient to restore to the Fund affected, the value of the assets or sums lost to it.

A Fund is not a legal person separate from the Company but the Company may sue and be sued in respect of a particular Fund and may exercise the same rights of set-off, if any, as between its Funds as apply at law in respect of companies and the property of a Fund is subject to orders of the court as it would have been if the Fund were a separate legal person.

Separate records shall be maintained in respect of each Fund.

Termination

All of the Shares in the Company or all of the Shares in a Fund or class may be repurchased by the Company in the following circumstances:

(i) a majority of votes cast at a general meeting of the Company or the relevant Fund or class, as appropriate, approve the repurchase of the Shares;

(ii) if so determined by the Directors, provided that not less than 21 days' written notice has been given to the holders of the Shares of the Company or the Fund or the class, as appropriate, that all of the Shares of the Company, the Fund or the class, as the case may be, shall be repurchased by the Company; or

(iii) if no replacement custodian shall have been appointed during the period of 90 days commencing on the date the Custodian or any replacement thereof shall have notified the Company of its desire to retire as custodian or shall have ceased to be approved by the Central Bank.

Where a repurchase of Shares would result in the number of Shareholders falling below two or such other minimum number stipulated by statute or where a repurchase of Shares would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged to maintain pursuant to applicable law, the Company may defer the repurchase of the minimum number of Shares sufficient to ensure compliance with applicable law. The repurchase of such Shares will be deferred until the Company is wound up or until the Company procures the issue of sufficient Shares to ensure that the repurchase can be effected. The Company shall be entitled to select the Shares for deferred repurchase in such manner as it may deem to be fair and reasonable and as may be approved by the Custodian.

On a winding-up or if all of the Shares in any Fund are to be repurchased, the assets available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in proportion to the number of the Shares held in that Fund. The balance of any assets of the Company then remaining that are not attributable to any particular Fund shall be apportioned among the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders and shall be distributed among the Shareholders of each Fund pro rata to the number of Shares in that Fund held by them. With the authority of an ordinary resolution of the Shareholders or with the consent of any Shareholder, the Company may make distributions *in specie* to Shareholders or to any individual Shareholder who so consents. At the request of any Shareholder the Company shall arrange the sale of such assets at the expense of such Shareholder and without any liability on the part of the Company, the Administrator, the Investment Manager, or any Sub-Investment Manager if the proceeds of sale of any asset are less than the value of the assets at the time at which it was distributed *in specie*. The transaction costs incurred in the disposal of such investments shall be borne by the Shareholder. The Subscriber Shares do not entitle the holders to participate in the dividends or net assets of any Fund.

Meetings

All general meetings of the Company or of a Fund shall be held in Ireland. In each year the Company shall hold a general meeting as its annual general meeting. The quorum for general meetings shall be two persons present in person or by proxy. 21 days' notice (excluding the day of posting and the day of the meeting) shall be given in respect of each general meeting of the Company. The notice shall specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. An ordinary resolution is a resolution passed by a plurality of votes cast and a special resolution is a resolution passed by a majority of 75 per cent or more of the votes cast. The Articles of Association provide that matters may be determined by a meeting of Shareholders on a show of hands with each Shareholder having one vote unless a poll is requested by five Shareholders or by Shareholders holding 10 per cent or more of the Shares or unless the Chairman of the meeting requests a poll. Each Share (including the Subscriber Shares) gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll.

Reports

In each year, the Directors shall cause to be prepared an annual report and audited annual accounts for the Company. These will be forwarded to Shareholders within four months of the end of the financial year and at least 21 days before the annual general meeting. In addition, the Company shall prepare and circulate to Shareholders within two months of the end of the relevant period a half-yearly report, which shall include unaudited half-yearly accounts for the Company.

Annual accounts shall be made up to 31 March in each year. Unaudited half-yearly accounts shall be made up to 30 September in each year.

Audited annual reports and unaudited half-yearly reports incorporating financial statements shall be posted to each Shareholder at his registered address free of charge and will be sent, on request, to Shareholders and any potential investors, and will be made available for inspection at the registered office of the Company.

Miscellaneous

(i) The Directors confirm and report that the Company was incorporated on 25 October 2007.

(ii) The Company is not, and has not been since its incorporation, engaged in any legal or arbitration proceedings and no legal or arbitration proceedings are known to the Directors to be pending or threatened by or against the Company.

(iii) Except as disclosed in paragraph (iv) below, there are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.

(iv) David P. O'Connor and Richard Salus are each directors or employees of the Investment Manager or companies affiliated to the Investment Manager. Save as disclosed above, none of the Directors are interested in any contract or arrangement subsisting at the date hereof which is significant in relation to the business of the Company.

(v) At the date of this document, neither the Directors nor their spouses nor their infant children nor any connected person have any direct or indirect interest in the share capital of the Company or any options in respect of such capital.

(vi) No Share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option.

(vii) Save as disclosed herein in the section entitled "Fees and Expenses" above, no commissions, discounts, brokerage, or other special terms have been granted by the Company in relation to Shares issued by the Company.

(viii) The Company does not have, nor has it had since its incorporation, any employees or subsidiary companies.

Material Contracts

The following contracts, details of which are set out in the section entitled "Management and Administration", have been entered into and are, or may be, material:

(i) The Investment Management Agreement between the Company and the Investment Manager, pursuant to which the latter was appointed as investment manager and

distributor in relation to the Company.

(ii) The Custodian Agreement pursuant to which the latter acts as custodian in relation to the Company.

(iii) The Administration Agreement pursuant to which the latter acts as administrator of the Company.

(iv) The Sub-Investment Management Agreement dated as specified in the relevant Supplement pursuant to which a Sub-Investment Manager was appointed to provide investment management services in respect of a Fund.

Supply and Inspection of Documents

The following documents are available for inspection free of charge during normal business hours on weekdays (Saturdays and public holidays excepted) at the registered office of the Company and of the listing sponsor:

(i) the certificate of incorporation and Memorandum and Articles of Association of the Company;
(ii) the material contracts referred to above;
(iii) the Regulations and the UCITS Notices issued by the Central Bank thereunder; and
(iv) a list of the directorships and partnerships of each of the Directors over the previous five years, indicating whether such directorships or partnerships are current.

Copies of the Memorandum and Articles of Association of the Company (each as amended from time to time in accordance with the requirements of the Central Bank) and the latest financial reports of the Company, as appropriate, may be obtained, free of charge, upon request at the registered office of the Company and on the Company's website delawareinvestments.com/ucits.

SCHEDULE I

The Regulated Markets

The following is a list of regulated stock exchanges and markets in which the assets of each Fund may be listed and/or traded from time to time and is set out in accordance with the Central Bank's requirements. With the exception of permitted investments in unlisted securities, each Fund will only invest in securities traded on a stock exchange or market that meets the regulatory criteria (regulated, operating regularly, recognised and open to the public) and is listed in this Prospectus. The Central Bank does not issue a list of approved stock exchanges or markets. A Regulated Market shall comprise any stock exchange which is located in any Member State or located in any of the following countries: Australia, Canada, Japan, Hong Kong, New Zealand, Norway, Switzerland, United States of America; or any stock exchange included in the following list:

Argentina — the stock exchanges in Buenos Aires, Cordoba, Mendoza, Rosario, and La Plata; Bahrain — the stock exchange in Manama; Bangladesh – the stock exchange in Dhaka; Botswana — the stock exchange in Serowe; Brazil — the stock exchanges in Sao Paulo, Brasilia, Bahia-Sergipe-Alagoas, Extremo Sul Porto Alegre, Parana Curitiba, Regional Fortaleza, Santos, Pernambuco e Bahia Recife, and Rio de Janeiro; Bulgaria — the stock exchange in Sofia; Chile — the stock exchange in Santiago; China — the stock exchanges in Shanghai and Shenzhen; Colombia — the stock exchange in Bogota; Croatia — The Zagreb Stock Exchange; Cyprus — Larnaca Stock Exchange; the Czech Republic — the stock exchange in Prague; Egypt — the stock exchanges in Cairo and Alexandria; Ghana — the stock exchange in Accra; Hong Kong — the stock exchange in Hong Kong; Hungary — the stock exchange in Budapest; Iceland — the stock exchange in Reykjavik; India — the stock exchanges in Mumbai, Madras, Delhi, Ahmedabab, Bangalore, Cochin, Gauhati, Magadh, Pune, Hyderabad, Ludhiana, Uttar Pradesh, and Kolkata; Indonesia — the stock exchanges in Jakarta and Surabaya; Israel — the stock exchange in Tel Aviv; Jordan — the stock exchange in Amman; Kazakhstan — Kazakhstan Stock Exchange; Kenya — the stock exchange in Nairobi; Korea — the stock exchange in Seoul; Lebanon — the Beirut Stock Exchange; Mauritius — the stock exchange in Mauritius; Malaysia — the stock exchange in Kuala Lumpur; Mexico — the stock exchange in Mexico City; Morocco the stock exchange in Casablanca; Pakistan — the stock exchange in Karachi; Peru — the stock exchange in Lima; Philippines — the Philippine Stock Exchange; Poland — the stock exchange in Warsaw; Puerto Rico — the stock exchange in San Juan; Romania — Bucharest Stock Exchange; Slovak Republic — Bratislava Stock Exchange; Slovenia — Ljubljana Stock Exchange; Singapore — the stock exchange in Singapore; Serbia — the Serbian stock exchange; South Africa — the stock exchange in Johannesburg; Sri Lanka — the stock exchange in Colombo; Taiwan — the stock exchange in Taipei; Thailand — the stock exchange in Bangkok; Tunisia — the stock exchange in Tunis; Turkey — the stock exchange in Istanbul; Ukraine — the Ukraine Stock Exchange in Kiev; Uruguay — the stock exchange in Montevideo; Venezuela — the stock exchanges in Caracas and Maracaibo; Viet Nam — the Stock Trading Center of Viet Nam in Ho Chi Minh City; Zambia — the Zambian stock exchange; Zimbabwe — the stock exchange in Harare; or any of the following: Equity Securities listed in Russian Trading System 1 (RTS1) and Russian Trading System 2 (RTS2) and Moscow Interbank Currency Exchange (MICEX); the market organised by the International Capital Markets Association; the "listed money market institutions", as described in the Bank of England publication "The Regulation of the Wholesale Cash and OTC Derivatives Markets in Sterling, Foreign Currency and Bullion" dated April, 1988 (as amended from time to time); the market comprising dealers which are regulated by the Federal Reserve Bank of New York; the over-the-counter market conducted by primary and secondary dealers comprising dealers which are regulated by the United States Financial Industry Regulatory Authority and the United States Securities and Exchange Commission; NASDAQ; and the Over-the-Counter market in Japan regulated by the Securities Dealers Association of Japan.

The following is a list of regulated futures and options exchanges and markets in which the assets of each Fund may be invested from time to time and is set out in accordance with the Central Bank's requirements. The Central Bank does not issue a list of approved futures and options exchanges or markets.

(i) all futures and options exchanges:

- in a Member State; or
- in a Member State of the European Economic Area (EEA) (excluding Iceland, Liechtenstein and Norway).

(ii) any futures and options exchanges included in the following list:

- Australian Stock Exchange;
- American Stock Exchange;
- Bolsa Mexicana de Valores;
- Chicago Board of Trade;
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- the Commodity Exchange Inc;
- Coffee, Sugar and Cocoa Exchange;
- Copenhagen Stock Exchange (including FUTOP);
- Eurex Deutschland;
- Euronext Amsterdam;
- Euronext.liffe;
- Euronext Paris;
- European Options Exchange;
- Financial Futures and Options Exchange;
- Financiele Termijnmarkt Amsterdam;
- Finnish Options Market;
- Hong Kong Futures Exchange;
- International Monetary Market;
- International Capital Market Association;
- Irish Futures and Option Exchange (IFOX);
- New Zealand Futures and Options Exchange;
- Kansas City Board of Trade
- Korean Futures Exchange;
- Korean Stock Exchange;
- Marché des Options Négociables de Paris (MONEP);
- Marche À Terme International de France;
- MEFF Renta Fija;
- MEFF Renta Variable;
- Midwest Stock Exchange;
- Montreal Exchange;
- National Association of Securities Dealers Automated Quotations System (NASDAQ);
- New York Futures Exchange;
- New York Mercantile Exchange;
- New York Stock Exchange;
- Osaka Securities Exchange;
- OMX Exchange Helsinki;
- OMX The London Securities and Derivatives Exchange Ltd.;
- OM Stockholm AB;
- Pacific Stock Exchange;
- Philadelphia Board of Trade;
- Philadelphia Stock Exchange;
- Singapore International Monetary Exchange;
- Singapore Stock Exchange;
- Tokyo International Financial Futures Exchange;
- Tokyo Stock Exchange;

- Singapore International Monetary Exchange;
- South Africa Futures Exchange (SAFEX);
- Sydney Futures Exchange;
- Tokyo Stock Exchange;
- Toronto Futures Exchange; and
- TSX Group Exchange.

SCHEDULE II

Investment Restrictions applicable to the Funds

1	**Permitted Investments**
	Investments of a UCITS are confined to:
1.1	Transferable securities and money market instruments, as prescribed in the UCITS Notices, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised, and open to the public in a Member State or non-Member State.
1.2	Recently issued transferable securities that will be admitted to official listing on a stock exchange or other market (as described above) within a year.
1.3	Money market instruments, as defined in the UCITS Notices, other than those dealt on a regulated market.
1.4	Units of UCITS.
1.5	Units of non-UCITS as set out in the Central Bank's Guidance Note 2/03.
1.6	Deposits with credit institutions as prescribed in the UCITS Notices.
1.7	Financial derivative instruments as prescribed in the UCITS Notices.
2	**Investment Restrictions**
2.1	A UCITS may invest no more than 10 per cent of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
2.2	A UCITS may invest no more than 10 per cent of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the UCITS in certain U.S. securities known as Rule 144A securities provided that: • the securities are issued with an undertaking to register with the U.S. Securities and Exchange Commission within one year of issue; and • the securities are not illiquid securities i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.
2.3	A UCITS may invest no more than 10 per cent of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5 per cent is less than 40 per

cent.

2.4 The limit of 10 per cent (in 2.3) is raised to 25 per cent in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bondholders. If a UCITS invests more than 5 per cent of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80 per cent of the net asset value of the UCITS. It is not proposed to avail of this without the prior approval of the Central Bank.

2.5 The limit of 10 per cent (in 2.3) is raised to 35 per cent if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

2.6 The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40 per cent referred to in 2.3.

2.7 A UCITS may not invest more than 20 per cent of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than

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

held as ancillary liquidity, must not exceed 10 per cent of net assets.
This limit may be raised to 20 per cent in the case of deposits made with the trustee/custodian.

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

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

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

- investments in transferable securities or money market instruments;
- deposits, and/or
- counterparty risk exposures arising from OTC derivatives transactions.

2.10	The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8, and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35 per cent of net assets.
2.11	Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8, and 2.9. However, a limit of 20 per cent of net assets may be applied to investment in transferable securities and money market instruments within the same group.
2.12	A UCITS may invest up to 100 per cent of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members. The individual issuers must be listed in the prospectus and may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Export-Import Bank. The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30 per cent of net assets.
3	**Investment in Collective Investment Schemes ("CIS")**
3.1	A UCITS may not invest more than 20 per cent of net assets in any one CIS.
3.2	Investment in non-UCITS may not, in aggregate, exceed 30 per cent of net assets.
3.3	The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
3.4	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion, or redemption fees on account of the UCITS investment in the units of such other CIS.
3.5	Where a commission (including a rebated commission) is received by the UCITS manager/investment manager/investment advisor by virtue of an investment in the units of another CIS, this commission must be paid into the property of the UCITS.
4	**Index Tracking UCITS**
4.1	A UCITS may invest up to 20 per cent of net assets in shares and/or debt securities

	issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the UCITS Notices and is recognised by the Central Bank
4.2	The limit in 4.1 may be raised to 35 per cent, and applied to a single issuer, where this is justified by exceptional market conditions.
5	**General Provisions**
5.1	An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
5.2	A UCITS may acquire no more than: (i) 10 per cent of the non-voting shares of any single issuing body; (ii) 10 per cent of the debt securities of any single issuing body; (iii) 25 per cent of the units of any single CIS; (iv) 10 per cent of the money market instruments of any single issuing body. NOTE: The limits laid down in (ii), (iii), and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.
5.3	5.1 and 5.2 shall not be applicable to: (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities; (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State; (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members; (iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5, and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed. (v) Shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice, or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.
5.4	UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments, which form part of their assets.
5.5	The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1, and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

5.6	If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.
5.7	Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of: • transferable securities; • money market instruments[1]; • units of CIS; or • financial derivative instruments.
5.8	A UCITS may hold ancillary liquid assets.
6	**Financial Derivative Instruments ('FDIs')**
6.1	The UCITS global exposure (as prescribed in the UCITS Notices) relating to FDI must not exceed its total net asset value.
6.2	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS Notices. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the UCITS Notices.)
6.3	UCITS may invest in FDIs dealt in OTC provided that • The counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
6.4	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank

[1] Any short selling of money market instruments by UCITS is prohibited.

SCHEDULE III

Securities Ratings

EXPLANATION OF RATING CATEGORIES

The following is a description of credit ratings issued by two of the major credit rating agencies. Credit ratings evaluate only the safety of principal and interest payments, not the market value risk of lower quality securities. Credit rating agencies may fail to change credit ratings to reflect subsequent events on a timely basis. Although the Investment Manager or the Sub-Investment Manager, as appropriate, considers security ratings when making investment decisions, it also performs its own investment analysis and does not rely solely on the ratings assigned by credit agencies.

STANDARD & POOR'S RATING SERVICES

Bond Rating Explanation

Investment Grade

AAA Highest rating, extremely strong capacity to pay principal and interest.

AA High quality, very strong capacity to pay principal and interest.

A Strong capacity to pay principal and interest, somewhat more susceptible to the adverse effects of changing circumstances and economic conditions.

BBB- Adequate capacity to pay principal and interest, normally exhibit adequate protection parameters, but adverse economic conditions or changing circumstances more likely to lead to a weakened capacity to pay principal and interest than for higher rated bonds.

Non-Investment Grade

BB+, B, CCC, CC, C Predominantly speculative with respect to the issuer's capacity to meet required interest and principal payments. BB — lowest degree of speculation, C — highest degree of speculation. Quality and protective characteristics outweighed by large uncertainties or major risk exposure to adverse conditions.

D In default.

MOODY'S INVESTORS SERVICE, INC.

Bond Rating Explanation

Investment Grade

Aaa Highest quality, smallest degree of investment risk.

Aa High quality, together with Aaa bonds, they compose the high-grade bond group.

A Upper medium grade obligations, many favourable investment attributes.

Baa Medium-grade obligations, neither highly protected nor poorly secured. Interest and principal appear adequate for the present but certain protective elements may be lacking or may be unreliable over any great length of time.

Non-Investment Grade

Ba More uncertain, with speculative elements. Protection of interest and principal payments not well safeguarded during good and bad economic conditions.

B Lack characteristics of desirable investment, potentially low assurance of timely interest and principal payments or maintenance of other contract terms over time.

Caa Poor standing, may be in default, elements of danger with respect to principal or interest payments.

Ca Speculative in a high degree, could be in default or have other marked shortcomings.

C Lowest-rated, extremely poor prospects of ever attaining investment standing.

Unrated securities will be treated as non-investment grade securities unless a portfolio manager determines that such securities are the equivalent of investment grade securities. Split rated securities (securities that receive different ratings from two or more ratings agencies) are considered to be in the lower rated category.

SCHEDULE IV

Investment Techniques and Instruments

Permitted Financial Derivative Instruments ("FDI")

1. A Fund may invest in FDI provided that:

1.1 the relevant reference items or indices consist of one or more of the following: instruments referred to in paragraph 1(i) to (vi) of UCITS Notice 9 including financial instruments having one or several characteristics of those assets; financial indices; interest rates; foreign exchange rates or currencies;

1.2 the FDI do not expose the Fund to risks which it could not otherwise assume (e.g. gain exposure to an instrument/issuer/currency to which the Fund cannot have a direct exposure);

1.3 the FDI do not cause the Fund to diverge from its investment objectives; and

1.4 the reference in 1.1 above to financial indices shall be understood as a reference to indices which fulfil the following criteria and the provisions of both UCITS Notice 21 and Guidance Note 2/07:

(a) they are sufficiently diversified, in that the following criteria are fulfilled:

(i) the index is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

(ii) where the index is composed of assets referred to in Regulation 68(1) of the Regulations, its composition is at least diversified in accordance with Regulation 71 of the Regulations;

(iii) where the index is composed of assets other than those referred to in Regulation 68(1) of the Regulations, it is diversified in a way which is equivalent to that provided for in Regulation 71(1) of the Regulations;

(b) they represent an adequate benchmark for the market to which they refer, in that the following criteria are fulfilled:

(i) the index measures the performance of a representative group of underlyings in a relevant and appropriate way;

(ii) the index is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers following criteria which are publicly available;

(iii) the underlyings are sufficiently liquid, which allows users to replicate the index, if necessary;

(c) they are published in an appropriate manner, in that the following criteria are fulfilled:

(i) their publication process relies on sound procedures to collect prices and to calculate and to subsequently publish the index value, including pricing procedures for components where a market price is not available;

(ii) material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

Where the composition of assets which are used as underlyings by FDI does not fulfil the criteria set out in (a), (b) or (c) above, those FDI shall, where they comply with the criteria set out in Regulation 68(1)(g) of the Regulations, be regarded as FDI on a combination of the assets referred to in Regulation 68(1)(g)(i) of the Regulations, excluding financial indices; and

1.5 where a Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the assets held by the Fund must comply with Regulations 70, 71, 72, 73 and 74 of the Regulations .

2. Credit derivatives

Credit derivatives are permitted where:

2.1 they allow the transfer of the credit risk of an asset as referred to in paragraph 1.1 above, independently from the other risks associated with that asset;

2.2 they do not result in the delivery or in the transfer, including in the form of cash, of assets other than those referred to in Regulations 68(1) and (2) of the Regulations;

2.3 they comply with the criteria for OTC derivatives set out in paragraph 4 below; and

2.4 their risks are adequately captured by the risk management process of the Fund, and by its internal control mechanisms in the case of risks of asymmetry of information between the Fund and the counterparty to the credit derivative resulting from potential access of the counterparty to non-public information on firms the assets of which are used as underlyings by credit derivatives. The Fund must undertake the risk assessment with the highest care when the counterparty to the FDI is a related party of the Fund or the credit risk issuer.

3. FDI must be dealt in on a market which is regulated, operates regularly, is recognised and is open to the public in a Member State or non-Member State. Restrictions in respect of individual stock exchanges and markets may be imposed by the Central Bank on a case by case basis.

4. Notwithstanding paragraph 3, a Fund may invest in FDI dealt in over-the-counter ("OTC derivatives") provided that:

4.1 the counterparty is a credit institution listed in sub-paragraphs 1.4(i), (ii) or (iii) of UCITS Notice 9 or an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA member state, or is an entity subject to regulation as a Consolidated Supervised Entity ("CSE") by the US Securities and Exchange Commission;

4.2 in the case of a counterparty which is not a credit institution, the counterparty has a minimum credit rating of A-2 or equivalent, or is deemed by the Fund to have an implied rating of A-2 or equivalent. Alternatively, an unrated counterparty will be acceptable where the Fund is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A-2 or equivalent;

4.3 risk exposure to the counterparty does not exceed the limits set out in Regulation 70(1)(c) of the Regulations. In this regard the Fund shall calculate the counterparty exposure using the positive mark-to-market value of the OTC derivative contract with that counterparty. The Fund may net its FDI positions with the same counterparty, provided that the Fund is able to legally enforce netting arrangements with the counterparty. Netting is only permissible with respect to OTC derivative instruments with the same counterparty and not in relation to any other exposures the Fund may have with the same counterparty;

4.4 the Fund is satisfied that: (a) the counterparty will value the OTC Derivative with reasonable accuracy and on a reliable basis; and (b) the OTC derivative can be sold, liquidated or closed out by an offsetting transaction at fair value at any time at the Fund's initiative ;

4.5 the Fund must subject its OTC derivatives to reliable and verifiable valuation on a daily basis and ensure that it has appropriate systems, controls and processes in place to achieve this. The valuation arrangements and procedures must be adequate and proportionate to the nature and complexity of the OTC derivative concerned and shall be adequately documented; and

4.6 reliable and verifiable valuation shall be understood as a reference to a valuation, by the Fund, corresponding to fair value which does not rely on market quotations by the counterparty and which fulfils the following criteria:

(a) the basis for the valuation is either a reliable up-to-date market value of the instrument, or, if such value is not available, a pricing model using an adequate recognised methodology;

(b) verification of the valuation is carried out by one of the following:

(i) an appropriate third party which is independent from the counterparty of the OTC-derivative, at an adequate frequency and in such a way that the Fund is able to check it;

(ii) a unit within the Fund which is independent from the department in charge of managing the assets and which is adequately equipped for such purpose.

5. Risk exposure to an OTC derivative counterparty may be reduced where the counterparty will provide the Fund with collateral. The Fund may disregard the counterparty risk on condition that the value of the collateral, valued at market price and taking into account appropriate discounts, exceeds the value of the amount exposed to risk at any given time.

6. Collateral received must at all times meet with the requirements set out in paragraphs 6 to 13 of UCITS Notice 12 (which are set out in paragraphs 26 to 33

below).

7. Collateral passed to an OTC derivative counterparty by or on behalf of a Fund must be taken into account in calculating exposure of the Fund to counterparty risk as referred to in Regulation 70(1)(c) of the Regulations. Collateral passed may be taken into account on a net basis only if the Fund is able to legally enforce netting arrangements with this counterparty.

Calculation of issuer concentration risk and counterparty exposure risk

8. A Fund using the commitment approach must ensure that its global exposure does not exceed its total Net Asset Value. The Fund may not therefore be leveraged in excess of 100 per cent of its Net Asset Value. A Fund using the VaR approach must employ back testing and stress testing and comply with other regulatory requirements regarding the use of VaR. The VaR method is detailed in the relevant Fund's risk management procedures for FDI, which are described below under "Risk Management Process and Reporting".

   Each Fund must calculate issuer concentration limits as referred to in Regulation 70 of the Regulations on the basis of the underlying exposure created through the use of FDI pursuant to the commitment approach.

9. The risk exposures to a counterparty arising from OTC FDI transactions and efficient portfolio management techniques must be combined when calculating the OTC counterparty limit as referred to in Regulation 70(1)(c) of the Regulations.

10. A Fund must calculate exposure arising from initial margin posted to, and variation margin receivable from, a broker relating to exchange-traded or OTC derivative, which is not protected by client money rules or other similar arrangements to protect the Fund against the insolvency of the broker, within the OTC derivative counterparty limit referred to in Regulation 70(1)(c) of the Regulations.

11. The calculation of issuer concentration limits as referred to in Regulation 70 of the Regulations must take account of any net exposure to a counterparty generated through a securities lending or repurchase agreement. Net exposure refers to the amount receivable by a Fund less any collateral provided by the Fund. Exposures created through the reinvestment of collateral must also be taken into account in the issuer concentration calculations.

12. When calculating exposures for the purposes of Regulation 70 of the Regulations, a Fund must establish whether its exposure is to an OTC counterparty, a broker or a clearing house.

13. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities, money market instruments or collective investment schemes when combined, where relevant, with positions resulting from direct investments, may not exceed the investment limits set out in Regulations 70 and 73 of the Regulations. When calculating issuer-concentration risk, the FDI (including embedded FDI) must be looked through in determining the resultant position exposure. This position exposure must be taken into account in the issuer concentration calculations. Issuer concentration must be calculated using the commitment approach when appropriate or the maximum potential loss as a result of default by the issuer if more conservative. It must also be calculated by all Funds, regardless of whether they use VaR for global exposure purposes. This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in Regulation 71(1) of the Regulations.

14. A transferable security or money market instrument embedding a FDI shall be understood as a reference to financial instruments which fulfil the criteria for transferable securities or money market instruments set out in UCITS Notice 9 and which contain a component which fulfils the following criteria:

(a) by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, and therefore vary in a way similar to a stand-alone derivative;

(b) its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

(c) it has a significant impact on the risk profile and pricing of the transferable security or money market instrument.

15. A transferable security or a money market instrument shall not be regarded as embedding a FDI where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component shall be deemed to be a separate financial instrument.

Cover requirements

16. A Fund must, at any given time, be capable of meeting all its payment and delivery obligations incurred by transactions involving FDI.

17. Monitoring of FDI transactions to ensure they are adequately covered must form part of the risk management process of the Fund.

18. A transaction in FDI which gives rise, or may give rise, to a future commitment on behalf of a Fund must be covered as follows:

(i) in the case of FDI which automatically, or at the discretion of the Fund, are cash settled, a Fund must hold, at all times, liquid assets which are sufficient to cover the exposure; and

(ii) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by a Fund. Alternatively a Fund may cover the exposure with sufficient liquid assets where:

(A) the underlying assets consists of highly liquid fixed income securities; and/or

(B) the Fund considers that the exposure can be adequately covered without the need to hold the underlying assets, the specific FDI are addressed in the risk management process, which is described below, and details are provided in the Prospectus.

Risk management process and reporting

19. A Fund must provide the Central Bank with details of its proposed risk management process vis-à-vis its FDI activity. The initial filing is required to include information in relation to:

-permitted types of FDI, including embedded derivatives in transferable securities

and money market instruments;

- details of the underlying risks;

- relevant quantitative limits and how these will be monitored and enforced; and

- methods for estimating risks.

Material amendments to the initial filing must be notified to the Central Bank in advance. The Central Bank may object to the amendments notified to it and amendments and/or associated activities objected to by the Central Bank may not be made.

20. The Company must submit a report to the Central Bank on its FDI positions on an annual basis. The report, which must include information which reflects a true and fair view of the types of FDI used by the Funds, the underlying risks, the quantitative units and the methods used to estimate those risks, must be submitted with the annual report of the Company. The Company must, at the request of the Central Bank, provide this report at any time.

Techniques and instruments, including repurchase agreements, reverse repurchase agreements and securities lending, for the purposes of efficient portfolio management

21. A Fund may employ techniques and instruments relating to transferable securities and money market instruments subject to the Regulations and to conditions imposed by the Central Bank. The use of these techniques and instruments should be in line with the best interests of the Fund.

22. Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management shall be understood as a reference to techniques and instruments which fulfil the following criteria:

    22.1 they are economically appropriate in that they are realised in a cost-effective way;

    22.2 they are entered into for one or more of the following specific aims:

        (a) reduction of risk;

        (b) reduction of cost;

        (c) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in Notice UCITS 9;

    22.3 their risks are adequately captured by the risk management process of the Fund, and

    22.4 they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

23. FDI used for efficient portfolio management, in accordance with paragraph 21, must also comply with the provisions of Notice UCITS 10 and Guidance Note 3/03.

Repurchase agreements, reverse repurchase agreements and securities lending

24. Repurchase/reverse repurchase agreements and securities lending ("efficient portfolio management techniques") may only be effected in accordance with normal market practice.

25. All assets received by a Fund in the context of efficient portfolio management techniques should be considered as collateral and should comply with the criteria set down in paragraph 26 below.

26. Collateral must at all times meet with the following criteria:

    (a) **liquidity**: collateral received other than cash should be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations;

    (b) **valuation**: collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

    (c) **issuer credit quality**: collateral received should be of high quality;

    (d) **correlation**: collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;

    (e) **diversification (asset concentration)**: collateral received should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20 per cent of the Fund's Net Asset Value. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20 per cent limit of exposure to a single issuer; and

    (f) **immediately available**: collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

27. Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process of the Fund.

28. Collateral received on a title transfer basis should be held by the Custodian. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral.

29. Non-cash collateral cannot be sold, pledged or re-invested.

30. Cash collateral may not be invested other than in the following:

    (a) deposits with relevant institutions;

    (b) high-quality government bonds;

    (c) reverse repurchase agreements provided the transactions are with credit

institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis; or

(d) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

31. In accordance with paragraph 2(iv) of UCITS Notice 12 (which is set out at paragraph 22.4 above), invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

32. A Fund receiving collateral for at least 30 per cent of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

(a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;

(b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;

(c) reporting frequency and limit/loss tolerance threshold/s; and

(d) mitigation actions to reduce loss including haircut policy and gap risk protection.

33. A Fund should have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, a Fund should take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with paragraph 32. This policy should be documented and should justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

34. The counterparty to a repurchase/reverse repurchase agreement or securities lending agreement must have a minimum credit rating of A-2 or equivalent, or must be deemed by the Fund to have an implied rating of A-2 or equivalent. Alternatively, an unrated counterparty will be acceptable where the Fund is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A-2 or equivalent.

35. A Fund should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

36. A Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the Fund.

37. A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

38. Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 of the Regulations respectively.

39. A Fund should disclose in the prospectus the policy regarding direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the Fund. These costs and fees should not include hidden revenue. The Fund should disclose the identity of the entity(ies) to which the direct and indirect costs and fees are paid and indicate if these are related parties to the management company or the trustee.

40. All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, should be returned to the Fund.