

The Directors of the Company whose names appear on page 4 accept responsibility for the information contained in this document. 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 and the Directors accept responsibility accordingly.

MULTI-STYLE, MULTI-MANAGER FUNDS PLC

constituted as an investment company with variable capital
incorporated under the laws of Ireland pursuant to the European Communities (Undertakings for Collective Investment
in Transferable Securities) Regulations, 2011

P R O S P E C T U S

for
an umbrella fund with segregated liability between sub-funds comprising

THE ACTIONS FRANCE FUND
THE CORE EUROZONE EQUITY FUND
THE EUROPEAN SMALL CAP FUND
THE EUROZONE AGGRESSIVE EQUITY FUND
THE GLOBAL BOND (EURO HEDGED) FUND
THE GLOBAL BOND FUND
THE GLOBAL REAL ESTATE SECURITIES FUND
THE GLOBAL STRATEGIC YIELD FUND
THE JAPAN EQUITY FUND
THE PACIFIC BASIN (EX JAPAN) EQUITY FUND
THE PAN EUROPEAN EQUITY FUND
THE U.S. EQUITY FUND

3 May 2012

Distribution of this document is not authorised unless it is accompanied by a copy of the latest annual report of the Company and, if published thereafter, the latest half-yearly report of the Company. Such reports will form part of this Prospectus.

THIS DOCUMENT IS IMPORTANT

If you are in any doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

Certain terms used in this Prospectus are defined in Schedule IV.

It should be appreciated that the value of the Shares and the income from them may go down as well as up and accordingly an investor may not get back the full amount invested. As investors may be required to pay a Sales Charge on the issue of Shares and as dilution adjustment may be charged on both the subscription and repurchase of Shares, an investment in a Fund should be considered to be a medium to long-term investment. It should be noted that as The Global Strategic Yield Fund charges fees and expenses to capital rather than income, there is an increased risk that investors in this Fund may not receive back the full amount invested when redeeming their holding.

The distribution of this Prospectus and the offering or purchase of the Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus or any accompanying application form in any such jurisdiction may treat this Prospectus or such application form as constituting an invitation to them to subscribe for Shares, nor should they in any event use any 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 does 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 any persons wishing to apply for Shares pursuant to this Prospectus 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 as to any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The Company is an umbrella fund with segregated liability between Funds and a specified collective investment undertaking as defined in Section 739B(1) of the Taxes Act.

In Japan Shares may be offered to certain qualified institutional investors ("QIIs" as defined under Japanese law and regulations) by way of a private placement exemption pursuant to Article 2, Paragraph 3, Item 2(a) of the Financial Instruments and Exchange Law of Japan (the "FIE") with a condition that the purchaser shall enter into a transfer agreement with a covenant that he shall not transfer the Shares to non-QIIs. No filing of a securities registration statement has been made pursuant to Article 4, Paragraph 1 of the FIE.

This Prospectus relates to a collective investment fund which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA"). This Prospectus is intended for distribution only to persons of a type specified in the DFSA's rules (i.e. "Qualified Investors") and must not, therefore, be delivered to, or relied on by, any other type of person. The offering is not intended for, and the Shares are not being offered, distributed, sold, transferred or delivered, directly or indirectly, to, or for the account or benefit of, any person in the Dubai International Financial Centre ("DIFC"). This Prospectus is not intended for distribution to any person in the DIFC and any such person that receives a copy of this Prospectus should not act or rely on this Prospectus and should ignore the same. The DFSA has no responsibility for reviewing or verifying any Prospectus or other documents in connection with this collective investment fund. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it. The Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Shares offered should conduct their own due diligence on the Shares. If you do not understand the contents of this document you should consult an authorised financial adviser.

THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S., AND MAY NOT BE OFFERED OR SOLD TO OR FOR THE ACCOUNT OF A U.S. PERSON. THE FUNDS ARE AVAILABLE ONLY TO INVESTORS WHO ARE NOT "U.S. PERSONS". AS DEFINED HEREIN, A U.S. PERSON INCLUDES U.S. CITIZENS, RESIDENTS AND ENTITIES. THIS PROSPECTUS MAY NOT BE DELIVERED IN THE U.S., ITS TERRITORIES OR POSSESSIONS TO ANY PROSPECTIVE INVESTOR. NO PERSON (WHETHER OR NOT A U.S. PERSON) MAY ORIGINATE A PURCHASE ORDER FOR SHARES FROM WITHIN THE U.S.

NOTWITHSTANDING THE FOREGOING, SHARES OF THE FUNDS MAY BE PLACED WITH OR RESOLD OR TRANSFERRED TO A LIMITED NUMBER OF SOPHISTICATED INSTITUTIONAL INVESTORS WHO ARE IN THE UNITED STATES OR WHO ARE U.S. PERSONS, PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT OR IN CIRCUMSTANCES WHICH DO NOT CAUSE THE FUNDS TO BE REQUIRED TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940 OR CAUSE ANY INVESTMENT ADVISER TO BECOME SUBJECT TO THE U.S. INVESTMENT ADVISERS ACT OF 1940.

Applicants will be required to declare their status as Irish Residents and/or U.S. Persons.

Shares are offered only on the basis of the information contained in the current Prospectus and, as appropriate, the latest audited annual accounts and any subsequent half-yearly 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.

Statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes therein.

This Prospectus may be translated into other languages, provided that it is a direct translation of the English version. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail, except to the extent (and only to the extent) that the law of Switzerland requires that the legal relationship between the Company and investors in Switzerland shall be governed by the German version of the Prospectus as filed with the Swiss regulator. All disputes as to the terms thereof, regardless of the language version, shall be governed by, and construed in accordance with, the law of Ireland.

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

MULTI-STYLE, MULTI-MANAGER FUNDS PLC

Board of Directors of the Company

Mr. James Firn (Chairman)
Mr. James Beveridge
Mr. William Roberts
Mr. Bryan Tiernan
Mr. Andre Bonder
Mr. Pete Gunning
Mr. Neil Jenkins
Mr. Christophe Lemarié
Mr. John McMurray
Mr. Paul McNaughton
Mr. Christophe Romero
Mr. Alan Schoenheimer
Mr. David Shubotham
Ms. Mai Khanh Vo-Tissier
Mr. Kenneth Willman

Registered Office

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Dublin 2,
Ireland.

Manager

Russell Investments Ireland Limited,
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Administrator

State Street Fund Services (Ireland) Limited,
78 Sir John Rogerson's Quay,
Dublin 2,
Ireland.

Custodian and Trustee

State Street Custodial Services (Ireland) Limited,
78 Sir John Rogerson's Quay,
Dublin 2,
Ireland.

Promoter and Equitisation Money Manager

Frank Russell Company,
1301 Second Avenue,
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U.S.A.

Distributor

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10 Regent Street,
London, SW1Y 4PE,
England.

Auditors

PricewaterhouseCoopers,
Chartered Accountants,
One Spencer Dock,
North Wall Quay,
Dublin 1,
Ireland.

Legal Advisers

Arthur Cox,
Earlsfort Centre,
Earlsfort Terrace,
Dublin 2,
Ireland.

Principal Money Manager and Adviser

Russell Investments Limited,
Rex House,
10 Regent Street,
London, SW1Y 4PE,
England.

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THE COMPANY

Introduction

The Company is an investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Companies Acts, 1963 to 2009 and the Regulations. It was incorporated on 7 May 1998 under registration number 285941 and was authorised on 8 July 1998. Clause 2 of the memorandum of association of the Company provides that the Company's sole object is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public and which operates on the principle of risk spreading.

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

The Company is organised in the form of an umbrella fund with segregated liability between sub-funds. The Articles of Association provide that the Company may offer separate Classes of Shares each representing interests in a Fund comprising a distinct and segregated portfolio of investments. This Prospectus relates to the following Funds: The Actions France Fund, The Core Eurozone Equity Fund, The European Small Cap Fund, The Eurozone Aggressive Equity Fund, The Global Bond (Euro Heged) Fund, The Global Bond Fund, The Global Real Estate Securities Fund, The Global Strategic Yield Fund, The Japan Equity Fund, The Pacific Basin (ex Japan) Equity Fund, The Pan European Equity Fund and The U.S. Equity Fund. The Company may, with the prior approval of the Central Bank, create additional Funds and may create, with prior notification to and clearance by the Central Bank, additional Classes of Shares, in which case the Company shall revise this Prospectus or issue a supplemental prospectus describing such additional Funds and/or Classes. These Classes are distinguished principally on the basis of either the Manager's fee and/or the charges to the relevant Class (see the section entitled "Fees and Expenses" for a complete list of all fees charged); the distribution policy relating to the relevant Class (see section entitled "Distribution Policy"); and/or on the basis of its Class Currency (see Schedule II for a list of the Class Currencies of each Class). The Net Asset Value per Share for one Class will differ from the other Classes, reflecting these differing fee levels or Class Currencies and in some cases due to the initial subscription price per Share differing from the Net Asset Value per Share of Classes already in issue.

Application for the revocation of the following sub-funds has been made to the Central Bank:

The Euro Cash Fund;
The Euro Fixed Income Fund; and
The U.S. Small Cap Fund.

THE FUNDS

Investment Objectives

The objective of the Funds is to invest in transferable securities in accordance with the Regulations and/or other liquid financial assets referred to in Regulation 68 of the Regulations with the aim of spreading investment risk. The transferable securities in which the Funds may invest generally must be listed, quoted, or dealt in, on a Regulated Market. A list of Regulated Markets is contained in Schedule I. The Central Bank does not issue a list of approved markets.

The following is a description of the investment objectives and policies of each Fund. There can be no assurance that a Fund will achieve its investment objective.

Profile of a typical investor

Fund	Suitable for Investors Seeking:		Over a Time Horizon of:	Level of Volatility
	Growth	Income		
The Actions France Fund	✓	✓	5 to 7 years	Moderate – high
The Core Eurozone Equity Fund	✓	-	5 to 7 years	Moderate – high
The European Small Cap Fund	✓	-	5 to 7 years	Moderate – high

The Eurozone Aggressive Equity Fund	✓	-	5 to 7 years	High
The Global Bond Fund	✓	✓	5 to 7 years	Moderate
The Global Real Estate Securities Fund	✓	✓	5 to 7 years	Moderate – high
The Global Strategic Yield Fund	-	✓	5 to 7 years	Moderate – high
The Japan Equity Fund	✓	-	5 to 7 years	Moderate - high
The Pacific Basin (ex Japan) Equity Fund	✓	-	5 to 7 years	Moderate – high
The U.S. Equity Fund	✓	-	5 to 7 years	Moderate - high

The Actions France Fund

The Actions France Fund seeks to achieve capital appreciation by investing primarily in a portfolio of equities, domiciled and listed on Regulated Markets in France. The Actions France Fund’s net assets will be predominantly invested in issuers based in France. The Fund may also invest in common stock, American depository receipts, global depository receipts, convertibles and warrants. Investments in warrants may not exceed 5 per cent. of The Actions France Fund’s net assets. The Actions France Fund may also invest in equities traded on other Regulated Markets. In addition, the Fund may invest up to 10 per cent. of its net assets in units or shares of open-ended collective investment schemes within the meaning of the Regulations. Investments in convertibles may not exceed 25 per cent. of The Actions France Fund’s Net Asset Value. The Actions France Fund may also seek to achieve its investment objective by investing in derivative instruments that have as their underlying exposure the foregoing (e.g. swaps and contracts for difference) and may implement bought (long) and short (sold) positions through the use of derivatives.

The Actions France Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section “Investment Techniques and Financial Derivative Instruments”. Futures contracts may be used to hedge against market risk or gain long or short exposure to an underlying market. Forward contracts may be used to hedge or gain long or short exposure to an increase in the value of an asset, currency, commodity or deposit. Options may be used to hedge or achieve long or short exposure to a particular market instead of using a physical security. Swaps (including swaptions) may be used to achieve profit by gaining long or short exposure to markets or securities as well as to hedge existing long positions. Forward foreign exchange transactions may be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors may be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences may be used to gain long or short exposure to equities. Credit derivatives may be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Core Eurozone Equity Fund

The Core Eurozone Equity Fund seeks to achieve capital appreciation by investing predominantly in a portfolio of equities domiciled and listed on Regulated Markets in the Member States of the EU that have adopted the Euro. At least 75 per cent. of The Core Eurozone Equity Fund’s total assets will be invested in issuers based in the EU, Norway and Iceland. The Fund may also invest in equity-related instruments including, but not limited to, American depository receipts, global depository receipts, convertibles and warrants.

Investments in warrants may not exceed 5 per cent. of The Core Eurozone Equity Fund’s net assets. The Core Eurozone Equity Fund may also invest up to a maximum of 10 per cent. of its net assets in securities traded on other Regulated Markets within the EU that have not yet adopted the Euro. The Core Eurozone Equity Fund may also invest in new issues for which application for listing on a Regulated Market in one of the foregoing countries will be sought within one year of their issue. At all times at least two-thirds of the total assets of The Core Eurozone Equity Fund (without taking into account ancillary liquid assets) will be invested in equities (excluding convertibles) of issuers domiciled in a country having adopted the Euro as its official currency or exercising the predominant part of their economic activity in such country. In addition, the Fund may invest up to 10 per cent. of its net assets in units or shares of

open-ended collective investment schemes within the meaning of the Regulations. Investments in convertibles may not exceed 25 per cent. of The Core Eurozone Equity Fund's Net Asset Value.

The Core Eurozone Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets but will not be used until the Company's financial derivative instruments risk assessment plan has been amended to describe risk management methods for credit derivatives and cleared by the Central Bank.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The European Small Cap Fund

The Directors recommend that an investment in The European Small Cap Fund should not constitute a substantial proportion of an investor's portfolio. An investment in The European Small Cap Fund may not be appropriate for all investors. Investors' attention is drawn to the risk factors set out in the section entitled "Risk Factors".

The European Small Cap Fund's investment objective is to achieve capital appreciation by investing in European equity securities, including common stock, American depository receipts, global depository receipts, convertibles and warrants, listed on the Regulated Markets in Europe. Investments in warrants shall not exceed 5 per cent. of the net assets of The European Small Cap Fund. Investments in small to medium sized companies may involve greater risk because these companies generally have a limited track record and often experience higher price volatility. The European Small Cap Fund may invest in new issues which will be listed on a Regulated Market and may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated, listed or traded in Europe but which receive the majority of their total revenue from Europe. At all times, at least two-thirds of The European Small Cap Fund's total assets (without taking into account ancillary liquid assets) will be invested in equity securities of smaller capitalised issuers domiciled in a European country or exercising the predominant part of their economic activity in a European country. For the purposes of the Fund smaller companies are companies with a lesser value than the average market capitalisation of the companies in the MSCI European Index.

The European Small Cap Fund will seek to be fully invested at all times with ancillary liquid assets kept to a minimum. The European Small Cap Fund proposes to ensure that cash and liquidity balances may be equitised by the Equitisation Manager using futures contracts or such other financial derivative instruments which are deemed appropriate by the Principal Money Manager for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VIII. As part of its equitisation programme and for purposes of efficient cash management and/or investment, The European Small Cap Fund may invest in Short-Term Instruments traded on the Regulated Markets. In addition, The European Small Cap Fund may invest up to 10 per cent. of its net assets in units or shares of open-ended collective investment schemes within the meaning of the Regulations.

For the purposes of efficient portfolio management, The European Small Cap Fund may engage in currency hedging transactions to hedge against exchange risk and will be permitted to carry out spot foreign exchange transactions, all within the limits set forth in Schedule VI. The European Small Cap Fund may engage in securities lending for efficient portfolio management purposes at the direction of the Principal Money Manager. The European Small Cap Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as laid down by the Central Bank in the Regulations and in accordance with the its investment objectives and subject to the requirements set out in the section entitled "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Eurozone Aggressive Equity Fund

The Eurozone Aggressive Equity Fund seeks to achieve capital appreciation by investing in a concentrated portfolio of equities, domiciled and listed on Regulated Markets in the Member States of the EU that have adopted the Euro. At least 75 per cent. of The

Eurozone Aggressive Equity Fund's total assets will be invested in issuers based in the EU, Norway and Iceland. The Fund may also invest in common stock, American depository receipts, global depository receipts, convertibles and warrants. Investments in warrants may not exceed 5 per cent. of The Eurozone Aggressive Equity Fund's net assets. In addition to pursuing a more concentrated portfolio, Money Managers may deviate from benchmark weightings. The Eurozone Aggressive Equity Fund may also invest up to a maximum of 10 per cent. of its net assets in securities traded on other Regulated Markets within the EU that have not yet adopted the Euro. The Eurozone Aggressive Equity Fund may also invest in new issues for which application for listing on a Regulated Market in one of the foregoing countries will be sought within one year of their issue. At all times at least two-thirds of the total assets of The Eurozone Aggressive Equity Fund (without taking into account ancillary liquid assets) will be invested in equities (excluding convertibles) of issuers domiciled in a country having adopted the Euro as its official currency or exercising the predominant part of their economic activity in such country. In addition, the Fund may invest up to 10 per cent. of its net assets in units or shares of open-ended collective investment schemes within the meaning of the Regulations. Investments in convertibles may not exceed 25 per cent. of The Eurozone Aggressive Equity Fund's Net Asset Value.

The Eurozone Aggressive Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets but will not be used until the Company's financial derivative instruments risk assessment plan has been amended to describe risk management methods for credit derivatives and cleared by the Central Bank.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Global Bond (Euro Hedged) Fund

The Global Bond (Euro Hedged) Fund's investment objective is to provide income and capital growth by investing primarily in transferable debt instruments denominated in a variety of currencies, which include but are not limited to, municipal and government bonds, agency debt (being that issued by local authorities or public international bodies of which one or more governments is a member), mortgage related debt and corporate debt that are listed, traded or dealt in on a Regulated Market in the OECD and which may have fixed or floating interest rates.

At least two-thirds of the total assets of the Fund (without taking into account ancillary liquid assets) will be invested in transferable debt instruments worldwide. The Fund will not invest more than one third of its total assets in aggregate in bank deposits, convertible bonds and bonds with warrants attached or money market instruments (including, but not limited to, T-bills, certificates of deposit, commercial paper, banker's acceptances and letters of credit, whose maturity or interest rate reset period does not exceed 397 days). Investments in convertible bonds and bonds with warrants attached may in aggregate not exceed 25 per cent. of the Fund's total assets. The Fund will not purchase equity securities but may hold them if they are acquired through a restructuring of a company's debt instruments that are already held by the Fund.

Investors should note that The Global Bond (Euro Hedged) Fund may also invest in transferable debt instruments with non-investment grade ratings or in unrated instruments which are deemed to be of comparable quality. The Fund will not invest more than 30 per cent. of its assets in non-investment grade instruments.

The Global Bond (Euro Hedged) Fund will be allowed to take positions in currencies other than Euro through the use of techniques described and within the limits set forth in Schedule VII. The Global Bond (Euro Hedged) Fund's currency exposure to Euro will range between 75 and 125 per cent. of the Fund's net assets, leveraging through investment in financial derivative instruments.

The Global Bond (Euro Hedged) Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VII as described in the section "Investment Techniques and Financial Derivative Instruments". At any time the Fund may hold a combination of derivative instruments such as futures, forward contracts, options, swaps and swaptions, forward foreign exchange contracts, caps, floors and credit derivatives, any of which may be listed or over-the-counter. The Fund may use any of the above derivatives to (i) hedge an exposure, (ii) gain a positive or negative exposure to an underlying market, asset, reference rate or index, provided that the Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Global Bond Fund

The Global Bond Fund's investment objective is to provide income and capital growth by investing primarily in transferable debt instruments denominated in a variety of currencies, which include but are not limited to, municipal and government bonds, agency debt

(being that issued by local authorities or public international bodies of which one or more governments is a member), mortgage related debt and corporate debt that are listed, traded or dealt in on a Regulated Market in the OECD and which may have fixed or floating interest rates.

At least two-thirds of the total assets of the Fund (without taking into account ancillary liquid assets) will be invested in transferable debt instruments worldwide. The Fund will not invest more than one third of its total assets in aggregate in bank deposits, convertible bonds and bonds with warrants attached or money market instruments (including, but not limited to, T-bills, certificates of deposit, commercial paper, banker's acceptances and letters of credit, whose maturity or interest rate reset period does not exceed 397 days). Investments in convertible bonds and bonds with warrants attached may in aggregate not exceed 25 per cent. of the Fund's total assets. The Fund will not purchase equity securities but may hold them if they are acquired through a restructuring of a company's debt instruments that are already held by the Fund.

Investors should note that the Global Bond Fund may also invest in transferable debt instruments with non-investment grade ratings or in unrated instruments which are deemed to be of comparable quality. The Fund will not invest more than 30 per cent. of its assets in non-investment grade instruments.

The Global Bond Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VII as described in the section "Investment Techniques and Financial Derivative Instruments". At any time the Fund may hold a combination of derivative instruments such as futures, forward contracts, options, swaps and swaptions, forward foreign exchange contracts, caps, floors and credit derivatives, any of which may be listed or over-the-counter. The Fund may use any of the above derivatives to (i) hedge an exposure, (ii) gain a positive or a negative exposure to an underlying market, asset, reference rate or index, provided that the Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Global Real Estate Securities Fund

The Global Real Estate Securities Fund aims to provide investors with exposure to a diversified portfolio of listed property securities. It seeks to generate capital appreciation and income, by investing principally (meaning not less than two-thirds of the total assets of the Fund (without taking into account ancillary liquid assets)) in equities of mid to large sized commercial and rental residential real estate property companies and/or property trusts (including, but not limited to, U.S. Real Estate Investment Trusts ("REITs"), Dutch *Fiscale Beleggingsinstelling*, Belgian *sociétés d'investissements à capital fixe en immobilière*, French *sociétés d'investissements immobilières cotées* and Australian Listed Property Trusts), which are listed in countries included on the FTSE EPRA/NAREIT Developed Real Estate Index Net TRI (the "**Index**"). The Index is a market capitalisation weighted index, adjusted for free float based on the last traded prices of shares for all eligible companies. The Index is designed to capture the performance of institutional quality REITs and real estate companies operating in North America, Europe, Asia and Australia. The country of primary listing for each company determines country and regional allocation. As of the date hereof, the countries included on the Index are as follows: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Italy, Japan, the Netherlands, New Zealand, Singapore, Spain, Sweden, Switzerland, the U.K. and the U.S. It is expected that companies listed in these countries, will invest primarily in established urban markets of North America, Europe, Asia and Australia. Investments in convertibles may not exceed 25 per cent. of The Global Real Estate Securities Fund's net assets. The Fund does not engage in market timing between the stock market and cash. Similarly, allocations to the major regions (North America, Europe, Asia and Australia) will tend to mirror that of the Index, over time. The Fund may also invest in new issues for which application for listing will be sought on a Regulated Market within one year of their issue.

Investment techniques and financial derivative instruments may be used for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Global Strategic Yield Fund

The Directors recommend that an investment in The Global Strategic Yield Fund should not constitute a substantial portion of an investor's portfolio. An investment in The Global Strategic Yield Fund may not be appropriate for all investors. Investors' attention is drawn to the risk factors set out in the section entitled "Risk Factors".

The Global Strategic Yield Fund's investment objective is to achieve consistent added value above a broad global bond index composite return resulting in superior long term performance. The Global Strategic Yield Fund will seek to achieve a significant portion of excess

returns through investing in transferable instruments with credit and sovereign risk, that are listed, traded or dealt in on a Regulated Market in the OECD, and non-OECD markets in Asia, Africa, the Middle East, Latin America and Europe and which may have fixed or floating interest rates.

In seeking to achieve its objective, The Global Strategic Yield Fund will invest at least two thirds of its total assets (without taking into account ancillary liquid assets) in high yielding/non investment grade transferable debt instruments (which are rated below BBB- by Standard & Poors or below Baa3 by Moodys or below BBB- by Fitch, or deemed to be of equivalent quality by the Money Managers). The Global Strategic Yield Fund's portfolio of investments will be selected from issuers in countries throughout the world. The Global Strategic Yield Fund may also invest in convertibles, structured products on eligible securities and preferred and common stock.

The Global Strategic Yield Fund will be allowed to take positions in currencies other than Euro through the use of techniques described and within the limits set forth in Schedule VII. The Global Strategic Yield Fund's currency exposure to Euro will range between 75 and 125 per cent. of the Fund's net assets, leveraging through investment in financial derivative instruments.

The Global Strategic Yield Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VII as described in the section "Investment Techniques and Financial Derivative Instruments". At any time the Fund may hold a combination of derivative instruments such as futures, forward contracts, options, swaps and swaptions, forward foreign exchange contracts, caps, floors and credit derivatives, any of which may be listed or over-the-counter. The Fund may use any of the above derivatives to (i) hedge an exposure, (ii) gain a positive or negative exposure to an underlying market, asset, reference rate or index, provided that the Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Japan Equity Fund

The Japan Equity Fund will seek to achieve capital appreciation by investing in Japanese equity securities, including common stock, American depository receipts, global depository receipts, convertibles and warrants quoted on a Regulated Market in Japan provided that investments in convertibles (including both preferred stock and debt) shall not exceed 25 per cent. of the net assets of The Japan Equity Fund and that investments in warrants shall not exceed 5 per cent. of the net assets of The Japan Equity Fund. The Japan Equity Fund may also invest in new issues for which application for listing on a Regulated Market in Japan will be sought. The Japan Equity Fund may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated in Japan but which receive the majority of their total revenue from Japan. At all times, at least two-thirds of The Japan Equity Fund's total assets (without taking into account ancillary liquid assets) will be invested in the foregoing instruments (excluding convertibles) of issuers domiciled in Japan or who receive the majority of their total revenue from Japan. The Japan Equity Fund will seek to maintain a wide diversification of investment and, therefore, will not be concentrating on any specific industry sectors but will pursue a policy of active stock selection and active sector allocation in the markets in which it operates.

The Japan Equity Fund will seek to be fully invested at all times with ancillary liquid assets kept to a minimum. The Japan Equity Fund proposes to ensure that cash and liquidity balances will be equitised by the Equitisation Manager using the Nikkei 225 Index and/or Tokyo Stock Price Index futures contracts or such other financial derivative instruments which are deemed appropriate by the Principal Money Manager for efficient portfolio management and/or investment purposes. The Japan Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as laid down by the Central Bank in the Regulations and in accordance with the its investment objectives and subject to the requirements set out in the section entitled "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets but will not be used until the Company's financial derivative instruments risk assessment plan has been amended to describe risk management methods for credit derivatives and cleared by the Central Bank. As part of its equitisation programme and for purposes of efficient cash management and/or investment, The Japan Equity Fund may also invest in Yen denominated Short-Term Instruments traded on a Regulated Market. In addition, The Japan Equity Fund may invest up to 10 per cent. of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 45(e) of the Regulations.

The Japan Equity Fund may engage in currency hedging transactions for the purpose of protecting against exchange risk although it is not at present intended that it will do so. The Japan Equity Fund may engage in securities lending at the direction of the Principal Money Manager for efficient portfolio management purposes within the limits set forth in Schedule VI.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Pacific Basin (ex Japan) Equity Fund

The Directors recommend that an investment in The Pacific Basin (ex Japan) Equity Fund should not constitute a substantial portion of an investor's portfolio. An investment in The Pacific Basin (ex Japan) Equity Fund may not be appropriate for all investors. Investors' attention is drawn to the risk factors set out in the section entitled "Risk Factors".

The Pacific Basin (ex Japan) Equity Fund will seek to achieve capital appreciation by investing in equity securities, including common stock, American depository receipts, global depository receipts, convertibles and warrants listed on Regulated Markets in countries in the Pacific Basin (ex Japan) region or in new issues for which application for listing on a Regulated Market in those countries will be sought. The Pacific Basin (ex Japan) Equity Fund may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated in the Pacific Basin (ex Japan) region but which receive the majority of their total revenue from the region provided that investments in convertibles (including both preferred stock and debt) shall not exceed 25 per cent. of the net assets of The Pacific Basin (ex Japan) Equity Fund and that investments in warrants shall not exceed 5 per cent. of the net assets of The Pacific Basin (ex Japan) Equity Fund. Investors' attention is drawn to the risk factors set out in the section entitled "Risk Factors". At all times, at least two-thirds of The Pacific Basin (ex Japan) Equity Fund's total assets (without taking into account ancillary liquid assets) will be invested in the foregoing instruments (excluding convertibles) of issuers domiciled in the aforementioned region. The Pacific Basin (ex Japan) Equity Fund will not be concentrating on any specific industry sectors but will pursue a policy of active stock selection and active country allocation in the market in which it operates. The Pacific Basin (ex Japan) Equity Fund will not invest in Japan. For the purposes of the Fund, the Pacific Basin (ex Japan) region comprises the following countries: Australia, Bangladesh, China, Hong Kong, India, Indonesia, Korea, Malaysia, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand and Vietnam.

The Pacific Basin (ex Japan) Equity Fund will seek to be fully invested at all times with ancillary liquid assets kept to a minimum. The Pacific Basin (ex Japan) Equity Fund proposes to ensure that cash and liquidity balances will be equitised by the Equitisation Manager using futures contracts or such other financial derivative instruments which are deemed appropriate by the Principal Money Manager for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI. As part of its equitisation programme and for purposes of efficient cash management and/or investment, The Pacific Basin (ex Japan) Equity Fund may invest in ancillary liquid assets in Hong Kong Dollar, Australian Dollar or U.S. Dollar denominated Short-Term Instruments traded on a Regulated Market. In addition, The Pacific Basin (ex Japan) Equity Fund may invest up to 10 per cent. of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 45(e) of the Regulations.

The Pacific Basin (ex Japan) Equity Fund will engage in currency hedging transactions for the purpose of hedging against exchange risk. However, The Pacific Basin (ex Japan) Equity Fund may carry out spot foreign exchange transactions to meet its investment requirements. The Pacific Basin (ex Japan) Equity Fund may engage in securities lending at the direction of the Principal Money Manager for efficient portfolio management purposes. The Pacific Basin (ex Japan) Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as laid down by the Central Bank in the Regulations and in accordance with the its investment objectives and subject to the requirements set out in the section entitled "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets but will not be used until the Company's financial derivative instruments risk assessment plan has been amended to describe risk management methods for credit derivatives and cleared by the Central Bank.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The Pan European Equity Fund

The Pan European Equity Fund will seek to achieve capital appreciation by investing principally in equity securities, including common stock, convertibles, American depository receipts, global depository receipts and warrants, listed on Regulated Markets in Europe. The Pan European Equity Fund may also invest in new issues for which application for listing on a Regulated Market Europe will be sought. The Pan European Equity Fund may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated in the region but which receive the majority of their total revenue from Europe. At all times, at least two-thirds of The Pan European Equity Fund's total assets (without taking into account ancillary liquid assets) will be invested in the equity securities (excluding convertibles) of European issuers. The Pan European Equity Fund may invest up to 5 per cent. of its net assets in securities traded on other Regulated Markets. The Pan European Equity Fund will not be concentrating on any specific industry sector but will pursue a policy of active stock selection and active country allocation on the Regulated Markets in which it operates.

The Pan European Equity Fund will seek to be fully invested at all times with ancillary liquid assets kept to a minimum. The Pan European Equity Fund proposes to ensure that cash and liquidity balances will be equitised using futures contracts or such other financial derivative instruments which are deemed appropriate by the Principal Money Manager for efficient portfolio management and/or investment purposes. The Pan European Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as laid down by the Central Bank

in the Regulations and in accordance with the its investment objectives and subject to the requirements set out in the section entitled “Investment Techniques and Financial Derivative Instruments”. Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets but will not be used until the Company’s financial derivative instruments risk assessment plan has been amended to describe risk management methods for credit derivatives and cleared by the Central Bank. As part of its equitisation programme and for the purposes of efficient cash management and/or investment, The Pan European Equity Fund may invest in Short-Term Instruments traded on the Regulated Markets. In addition, The Pan European Equity Fund may invest up to 10 per cent. of its net assets in units or shares of collective investment schemes within the meaning of Regulation 45(e) of the Regulations.

For efficient portfolio management purposes, The Pan European Equity Fund may engage in currency hedging transactions to hedge against exchange rate risk and will be permitted to carry out spot foreign exchange transactions within the limits set forth in Schedule VI. However, The Pan European Equity Fund will be permitted to carry out spot foreign exchange transactions to meet its investment requirements. The Pan European Equity Fund may engage in securities lending at the discretion of the Principal Money Manager for efficient portfolio management within the limits set forth in Schedule VI.

Investments in convertibles may not exceed 25 per cent. of The Pan European Equity Fund’s net assets. Investments in warrants may not exceed 5 per cent. of The Pan European Equity Fund’s net assets and warrants may be purchased only if it is reasonably foreseeable that the right to subscribe conferred by the warrants could be exercised without contravening the Regulations.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

The U.S. Equity Fund

The U.S. Equity Fund will seek to achieve capital appreciation by investing in U.S. equity securities, including common stock, American depository receipts, global depository receipts, convertibles and warrants listed on a Regulated Market in the U.S. provided that investments in convertibles (including both preferred stock and debt) shall not exceed 25 per cent. of the net assets of The U.S. Equity Fund and that investments in warrants shall not exceed 5 per cent. of the net assets of The U.S. Equity Fund. The U.S. Equity Fund may invest in new issues for which application for listing on a Regulated Market in the U.S. will be sought. The U.S. Equity Fund may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated, listed or traded in the U.S. but which receive the majority of their total revenue from the U.S. At all times, at least two-thirds of The U.S. Equity Fund’s total assets (without taking into account ancillary liquid assets) will be invested in the foregoing instruments (excluding convertibles) of issuers domiciled in the U.S. The U.S. Equity Fund will be highly diversified and, therefore, will not be concentrating on any specific industry sectors but will pursue a policy of active stock selection in the markets in which it operates.

The U.S. Equity Fund will seek to be fully invested at all times with ancillary liquid assets kept to a minimum. The U.S. Equity Fund proposes to ensure that cash and liquidity balances will be equitised by the Equitisation Manager using the S&P 500 Index and/or the S&P Midcaps 400 Index or such other financial derivative instruments which are deemed appropriate by the Principal Money Manager for efficient portfolio management and/or investment purposes. The U.S. Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as laid down by the Central Bank in the Regulations and in accordance with the its investment objectives and subject to the requirements set out in the section entitled “Investment Techniques and Financial Derivative Instruments”. Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Contracts for differences will be used to gain exposure to equities. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets but will not be used until the Company’s financial derivative instruments risk assessment plan has been amended to describe risk management methods for credit derivatives and cleared by the Central Bank. As part of its equitisation programme and for the purposes of efficient cash management and/or investment, The U.S. Equity Fund may also invest in U.S. Dollar denominated Short-Term Instruments traded on a Regulated Market. In addition, The U.S. Equity Fund may invest up to 10 per cent. of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 45(e) of the Regulations.

The U.S. Equity Fund may engage in securities lending at the direction of the Principal Money Manager for efficient portfolio management purposes within the limits set forth in Schedule VI.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

Adherence to Investment Objectives and/or Policies

Any change in the investment objectives and/or a material change to the investment policies of a Fund will be subject to the approval of the Shareholders of the Fund by ordinary resolution. In the event of a change in the investment objectives and policies of a Fund a reasonable notification period will be provided by the Company to the Shareholders of that Fund to enable those Shareholders to redeem their Shares prior to the implementation of such changes.

General

Unless specifically otherwise stated in a Fund's investment objectives and policies, no Fund may invest more than 10 per cent. of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68(1)(e) of the Regulations. The Manager will not charge fees or attribute costs to the Company which relate to the purchase or sale of units or shares in related schemes including all commissions that may entail transactional fees such as subscription, conversion or redemption fees and direct management, consultancy commissions and trail commissions. However, each Fund may invest its surplus cash in any one or more money market sub-funds of Russell Investment Company plc ("RIC") or Russell Investment Company III plc ("RIC III") in order to maximise the returns available on its cash. The Manager of the Company is also the manager of RIC and RIC III. The Manager may charge a management fee for the management of the Company's surplus cash invested in RIC or RIC III's sub-funds to the extent of the management fee disclosed in the RIC or RIC III prospectus.

Subject to the provisions of the Companies Acts 1963 to 2009 and the conditions from time to time laid down by the Central Bank, each Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company and the investing Fund may not charge an annual management fee in respect of that portion of its assets invested in other Funds of the Company. No subscription, conversion or redemption fees will be payable in respect of such cross investment.

For the purpose of performance enhancement and efficient portfolio management, the Funds may use forward foreign exchange contracts. Each Fund may enter into forward foreign exchange contracts to alter the currency exposure of securities held, to hedge against exchange risks, to increase exposure to a currency, to shift exposure to currency fluctuations from one currency to another. Forward foreign exchange contracts must be used within the limits set forth in Schedule VI and in accordance with the investment objective of the Funds subject to the requirements set out under the section entitled "Investment Techniques and Financial Derivative Instruments". Details of foreign exchange transaction risk are set out in the section of this document entitled "Risk Factors".

Money Managers

Each of the Funds is managed by one or more Money Managers appointed by the Principal Money Manager and in some cases the Principal Money Manager may also manage a portion of a Fund's assets directly. Information concerning the Money Managers will be provided by the Manager, free of charge, upon a Shareholder's request. Information concerning the Money Managers is also contained in the Company's latest annual and half-yearly reports. The Principal Money Manager will monitor each Fund's characteristics in detail with the Money Manager(s) at least quarterly and in some cases monthly. This review may include as appropriate a review of country allocations, country weights, capitalisation, distribution, industry sector weights, price/book levels, currency exposure, portfolio maturity, portfolio duration, sector exposure and quality exposure and other key risk measures.

Investment Restrictions

Each of the Funds' investments will be limited to investments permitted by the Regulations. If the limits in Schedule V are exceeded for reasons beyond the control of the Manager, or as a result of the exercise of subscription rights, the Manager shall ensure that the Company will adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of Shareholders. Each Fund is also subject to the relevant investment policies stated above and in the case of a conflict between such policies and the Regulations the more restrictive limitation shall apply.

Borrowings

The Company may not borrow money, grant loans or act as guarantor on behalf of third parties, except as follows:

- (i) foreign currency may be acquired 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 is denominated in the Base Currency of the Funds and equals or exceeds the value of the foreign currency loan outstanding; and
- (ii) borrowings not exceeding 10 per cent. of the total Net Asset Value of any Fund may be made on a temporary basis and the assets of the Fund may be charged as security for such borrowings.

The Company will engage in leverage to the extent permitted by Schedule VI and as described in the section "Investment Techniques and Financial Derivative Instruments". The Company may not sell any of its investments when such investments are not in the Company's ownership.

Investment Techniques and Financial Derivative Instruments

Each of the Funds may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes subject to the conditions and within the limits from time to time set forth in Schedule VI. New techniques and instruments may be developed which may be suitable for use by a Fund in the future and a Fund may employ such techniques and financial derivative instruments subject to any restrictions set forth in Schedule VI. Details of the risks associated with derivative instruments, futures and options are set out in the section entitled "Risk Factors". The Company shall supply to a Shareholder on 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 risks and yields characteristics for the main categories of investment. The Company may also enter into stocklending arrangements and repurchase agreements subject to the restrictions set forth in Schedule VI.

A list of the Regulated Markets on which the financial derivative instruments may be quoted or traded is set out in Schedule I. A description of the current conditions and limits laid down by the Central Bank in relation to financial derivative instruments is set out in Schedule VI. The following is a description of the types of financial derivative instruments that may be used by the Funds:

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

Forwards: A forward contract locks-in the price an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date, whereas an interest rate forward determines an interest rate to be paid or received on an obligation beginning at a start date sometime in the future. Forward contracts may be cash settled between the parties. These contracts cannot be transferred. The Funds' use of forward foreign exchange contracts may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, and shifting exposure to currency fluctuations from one currency to another.

Options: There are two forms of options, put and call options. Put options are contracts sold for a premium that gives one party (the buyer) the right, but not the obligation, to sell to the other party (the seller) of the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option. Options may also be cash settled. A Fund may be a seller or buyer of put and call options.

Swaps: A standard swap is an agreement between two counterparties in which the cash flows from two assets are exchanged as they are received for a fixed time period, with the terms initially set so that the present value of the swap is zero. The Funds may enter into swaps, including, but not limited to, equity swaps, swaptions, interest rate swaps or currency swaps and other derivative instruments both as independent profit opportunities and to hedge existing long positions. Swaps may extend over substantial periods of time, and typically call for the making of payments on a periodic basis. Swaptions are contracts whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (normally where future rates are set in relation to a fixed benchmark). Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party, and only the net amount, is paid by one party to the other. Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency. These agreements are used to transform the currency denomination of assets and liabilities. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

Spot foreign exchange transactions: The Funds may enter into spot foreign exchange transactions which involve the purchase of one currency with another, a fixed amount of the first currency being paid to receive a fixed amount of the second currency. "Spot" settlement means that delivery of the currency amounts normally takes place two business days in both relevant centres after the trade is executed.

Caps and floors: The Funds may enter into caps and floors which are agreements under which the seller agrees to compensate the buyer if interest rates rise above a pre-agreed strike rate on pre-agreed dates during the life of the agreement. In return the buyer pays the seller a premium up front. A floor is similar to a cap except that the seller compensates the buyer if interest rates fall below a pre-agreed strike rate on pre-agreed dates during the life of the agreement. As with a cap, the buyer pays the seller a premium up front.

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

Credit derivatives: The Funds may enter into credit derivatives to isolate and transfer the credit risk associated with a particular reference asset. Credit default swaps provide a measure of protection against defaults of debt issuers. The Funds' use of credit default swaps does not assure their use will be effective or will have the desired result. A Fund may either be the buyer or seller in a credit default swap transaction. Credit default swaps are transactions under which the parties' obligations depend on whether a credit event has occurred in relation to the reference asset. The credit events are specified in the contract and are intended to identify the occurrence of a significant deterioration in the creditworthiness of the reference asset. On settlement, credit default products may be cash settled or involve the physical delivery of an obligation of the reference entity following a default. The buyer in a credit default swap contract is obligated to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. If the Fund is a buyer and no credit event occurs the Fund's losses will be limited to the periodic stream of payments over the term of the contract. As a seller, the Funds will receive a fixed rate of income throughout the term of the contract, provided that there is no credit event. If a credit event occurs, the seller must pay the buyer the full notional value of the reference obligation.

The Principal Money Manager may determine to manage a portion of the assets of certain equity Funds directly. The Principal Money Manager will in these cases select securities based on portfolio information gathered from other Money Managers appointed to manage assets of the Fund. At all times the Principal Money Manager will manage the assets in accordance with the respective investment objective and policies of, and subject to the investment restrictions applicable to, each Fund.

Risk Factors

The following are the principal risks which may affect the Funds but the list does not purport to be exhaustive:

Investment Risks

Past performance is not necessarily a guide to the future. The price of Shares and the income from them may fall as well as rise and an investor may not recover the full amount invested. There can be no assurance that any Fund will achieve its investment objective or that a Shareholder will recover the full amount invested in a Fund. The capital return and income of each Fund are based on the capital appreciation and income on the securities it holds, less expenses incurred. Therefore, each Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income. As investors may be required to pay a Sales Charge on the issue of Shares A dilution adjustment may be charged on both subscriptions and repurchases of Shares, an investment in a Fund should be considered to be a medium to long-term investment.

Interest Rate Risk

The Funds that invest in bonds and other fixed income securities may decline in value if interest rates change. In general, the prices of debt securities rise when interest rates fall and fall when interest rates rise. Longer term obligations are usually more sensitive to interest rate changes.

Credit Risk

The Funds invest in debt instruments, such as notes and bonds. There is a possibility that the issuers of these instruments will be unable to meet interest payments or repay principal. Changes in the financial strength of an issuer may reduce the credit rating of its debt instruments and may affect their value.

Equity Risks

Prices of equities fluctuate daily dependent on market conditions. Markets can be influenced by a series of factors such as political and economic news, corporate earnings reports, demographic trends, catastrophic events and wider market expectations. It is worth noting that the value of equities can fall as well as rise and investors into equities funds may not get back the amount that was originally invested. A Fund investing in equities could potentially incur significant losses.

Default and liquidity risk of below investment grade debt securities

Below investment grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty. The market for such securities may not be liquid at all times. In a relatively illiquid market a Fund may not be able to acquire or dispose of such securities quickly and as such a Fund may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties.

Political Risks

The value of the Company's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in some of the countries in which the Company may invest. Some of these risks may apply, in particular, in the case of The Global Bond (Euro Hedged) Fund, The Global Bond Fund, The Global Strategic Yield Fund and The Pacific Basin (ex Japan) Equity Fund.

Currency Risks

The Company's investments may be acquired in a wide range of currencies. Whilst it is not the present intention of the Company to use hedging and other techniques and instruments in The Actions France Fund, The Japan Equity Fund and The U.S. Equity Fund, these Funds may from time to time do so. The Company will use hedging, cross-hedging and other techniques and instruments for efficient

portfolio management purposes in The global Bond (Euro Hedged) Fund, The Global Bond Fund and The Global Strategic Yield Fund in accordance with the requirements from time to time laid down by the Central Bank.

A Fund may issue Classes where the Class Currency is different to the Base Currency of the relevant Fund. In addition, a Fund may invest in assets that are denominated in a currency other than the Base Currency of that Fund. Accordingly, the value of a Shareholder's investment may be affected favourably or unfavourably by fluctuations in the rates of the different currencies. The Company may create hedged currency classes to hedge the resulting currency exposure back into the Class Currency of the relevant Class. In addition, the Company may hedge the currency exposure due to investing in assets denominated in a currency other than the Fund's Base Currency. In such cases the relevant Class Currency of the Share Class may be hedged so that the resulting currency exposure will not exceed 105 per cent. of the Net Asset Value of the Class provided that if this limit is exceeded the Company shall adopt as a priority objective the managing back of the leverage to within the limit taking due account of the interests of the Shareholders and provided further that the positions will be reviewed on a monthly basis and over or under hedged positions will not be carried forward. The costs and gains or losses associated with any hedging transactions for hedged class currencies will accrue solely to the hedged currency class to which they relate. Where hedged currency Classes have been created the Principal Money Manager will use instruments such as forward currency contracts to hedge the currency exposures implied by the Fund's relevant or appropriate benchmark to the Class Currency of the relevant Share Class. Whilst these hedging strategies are designed to reduce the losses to a Shareholder's investment if the Class Currency of that Class or the currencies of assets which are denominated in currencies other than the Fund's Base Currency fall against that of the Base Currency of the relevant Fund and/or the currencies of the relevant or appropriate benchmark, the use of hedging strategies may substantially limit holders of Shares in the relevant Class from benefiting if the Class Currency of that Class rises against that of the Base Currency of the relevant Fund and/or the currency in which the assets of the relevant Fund are denominated and/or the currencies of the relevant or appropriate benchmark. The same applies where the currency exposure due to holding non-Base Currency investments is carried out by a Fund.

Foreign Exchange Transaction Risk

The Funds may use foreign exchange contracts to alter the currency exposure characteristics of transferable securities they hold. Consequently there is a possibility that the performance of a Fund may be strongly influenced by movements in foreign exchange rates because the currency position held by the Fund may not correspond with the securities position.

Risks associated with deposits and money market instruments

The attention of investors in any Fund that invests a significant amount of its Net Asset Value in deposits with credit institutions and/or money market instruments, is drawn to the difference between the nature of a deposit and the nature of an investment in such a Fund because the principal invested in such a Fund, is capable of fluctuation as the Net Asset Value of the Fund fluctuates.

Liquidity and Settlement Risks

The Company will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default. Shareholders in The European Small Cap Fund, The Global Strategic Yield Fund and The Pacific Basin (ex Japan) Equity Fund should note that some of the markets in which these Funds may invest may be insufficiently liquid or highly volatile from time to time and this may result in fluctuations in the price of the Shares in these Funds. In addition, market practices in relation to the settlement of certain securities transactions and the custody of assets could provide increased risks.

Custody Risks

As the Company may invest in markets where custodial and/or settlement systems are not fully developed, the assets of a Fund which are traded in such markets and which have been entrusted to sub-custodians in circumstances where the use of sub-custodians is necessary may be exposed to risk in circumstances whereby the Custodian and Trustee will have no liability.

Counterparty Risk

The Company will take a credit risk on counterparties with which it trades.

Risks associated with Financial Derivative Instruments

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

Counterparty (credit) risk

Each Fund may enter transactions in OTC markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the Funds enter into credit default swaps and other swap arrangements and derivative techniques, they will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Funds could experience delays in liquidating the position and may incur significant losses.

Position (market) risk

There is also a possibility that ongoing derivative transactions will be terminated unexpectedly as a result of events outside the control of the Company, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

Liquidity risk

The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as

principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap.

Settlement risk

The Funds also are subject to the risk of the failure of any of the exchanges on which these instruments are traded or of their clearing houses.

Correlation risk

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Company's use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, the Company's investment objective. An adverse price movement in a derivative position may require cash payments of variation margin by the Company that might in turn require, if there is insufficient cash available in the portfolio, the sale of the Company's investments under disadvantageous conditions.

Legal risk

There are legal risks involved in using FDI's which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Expected effect of FDI transactions on the risk profile of the Company and the extent to which the Company will be leveraged through the use of FDI's

Since many FDI's have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain FDI's have the potential for unlimited loss regardless of the size of the initial investment. If there is a default by the other party to any such transaction, there will be contractual remedies; however, exercising such contractual rights may involve delays or costs which could result in the value of the total assets of the related portfolio being less than if the transaction had not been entered.

Risks associated with Futures and Options

The Funds may from time to time use both exchange-traded and over-the-counter futures and options as part of its investment policy or for hedging purposes. These instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a futures position permit a high degree of leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in un-quantifiable further loss exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in OTC derivatives may involve additional risk as there is no exchange or market on which to close out an open position. It may be impossible to liquidate an existing position, to assess or value a position or to assess the exposure to risk.

Risks associated with investment in other collective investment schemes

Each Fund may invest in one or more collective investment schemes including schemes managed by the Manager, the Principal Money Manager or their affiliates. Non-Irish domiciled collective investment schemes may not provide a level of investor protection equivalent to that provided by collective investment schemes authorised by the Central Bank. As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its *pro rata* portion of the expenses of the other collective investment scheme, including management and/or other fees. These fees would be in addition to the management fees and other expenses which a Fund bears directly in connection with its own operations.

Risks associated with REITs

The ability to trade REITs in the secondary market can be more limited than other stocks. The liquidity of REITs on the major US stock exchanges is on average less than the typical stock quoted on the S&P 500 Index.

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.

Risks associated with Performance Fees

As this is a multi-manager scheme, the investment management of each Fund will be carried out by a number of Money Managers each managing separate portfolios of assets within the relevant Fund. A performance fee is payable only on the performance of that part of the portfolio for which a Money Manager is responsible. It is therefore possible that performance fees in respect of the performance achieved by one or more of those Money Managers may be payable by the relevant Fund to one or more of the Money Managers even though the overall Net Asset Value of the relevant Fund, representing the aggregate performance of all the Money Managers, may not have increased. There is a risk that the accrual of performance fees in the relevant Fund may not be entirely equitable between different Shareholders. It is possible that, for example, a Shareholder may benefit if he or she invests and subsequently one of the Money Managers outperforms the benchmark, but whose performance is below the relevant index. In these circumstances a performance fee would not be accrued for that Money Manager until the Money Manager makes up this underperformance and exceeds the relevant index. In these circumstances the Shareholder may benefit from a period of outperformance during which the Money Manager does not

earn a performance fee and hence the relevant Fund does not accrue a performance fee in respect of that Money Manager.

It should be noted that a performance fee is based on net realised and net unrealised gains and losses as at the end of each calculation period. As such, performance fees may be paid on unrealised gains which may subsequently never be realised.

Emerging Market Risk

A portion of the assets of a Fund may be invested in emerging markets. The risks involved in emerging market investment are likely to exceed the risks of investment in more mature markets. This higher degree of risk may be associated with: the adverse effect on investment sentiment which could result from military conflict, civil commotion, nationalisation of foreign-held assets or other unfavourable political developments such as indirect expropriation through high taxation; the difficulty of obtaining an accurate view of a company's prospects where accounting standards are such that those prospects are not fairly reflected by published accounts; the difficulty of selling, or selling at a fair price, securities in which an efficient market is not made; potential difficulties in obtaining prompt settlement and the possibility that a local currency might cease to be readily convertible into any major freely-negotiable trading currency. In some emerging markets there may be foreign ownership restrictions which may restrict the ability of a Fund to secure some corporate action entitlements (including rights issues). In addition, a Fund may face significant registration, settlement and custody risks in purchasing and selling securities in emerging markets.

Stocklending Risk

A Fund may lend its portfolio securities to broker-dealers and banks in order to generate additional income for that 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. Such losses might include (a) possible declines 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 diminished levels of income and lack of access to income during this period, and (c) expenses of enforcing its rights. In accordance with the provisions set out in Schedule VI, acceptable collateral may include, but is not limited to, cash, sovereign debt, equities, certificates of deposit and gilts.

The Manager and its agents, in accordance with the requirements of the Central Bank, employ a number of controls in order to manage the risk associated with its stocklending programme. In particular, loans must be collateralised at a minimum of 100 per cent. of the market value of the loans - higher collateral amounts may be required depending on the type of collateral received and other loan characteristics, and borrowers must have a minimal credit rating of A2 or equivalent, or must be deemed by the Company to have an implied rating of A2. Alternatively, an unrated borrower will be acceptable where the Company is indemnified against losses suffered as a result of a failure by the borrower, by an entity which has and maintains a rating of A2. The Company's lending agents have also agreed to cover any collateral shortfalls in circumstances where a borrower defaults. The Manager or its agents will also monitor the creditworthiness of the borrowers. Although not a principal investment strategy, there are no limits specified in the Regulations in relation to the total amount of assets that a Fund may commit to securities lending activities.

Charging of Fees and Expenses to Capital rather than Income

The Global Strategic Yield Fund seeks to generate income in addition to capital growth and in order to increase the amount of income that can be distributed the fees and expenses of the Fund may be charged to the capital of the Fund. Shareholders should note that for this Fund there is an increased risk that on the repurchase of Shares, Shareholders may not receive back the full amount invested. In particular, as the Fund invests predominantly in debt instruments, this expense policy means that there is a greater risk of capital erosion for the Fund given the lack of potential for capital growth and the value of future returns may be diminished as a result of capital erosion. Shareholders should note that the Central Bank considers any distributions made by funds which invest predominately in debt instruments to be a form of capital reimbursement.

ADMINISTRATION OF THE FUNDS

Determination of the Net Asset Value

The Administrator shall determine the Net Asset Value per Share in each Fund on each Dealing Day in accordance with the Articles of Association and by reference to the last traded price as at close of business in the markets on which Fund investments are quoted. The Net Asset Value per Share in each Fund shall be calculated at 2.30 pm (Irish time) on the following Dealing Day. In determining the Net Asset Value per Share of a Fund the securities of a Fund which are normally listed, quoted or dealt in on a Regulated Market shall be valued at the last traded price as at the close of business on the Regulated Market which in the opinion of the Manager is the principal Regulated Market for such securities. The assets of the Fund, less its liabilities, shall be divided by the aggregated number of Shares in issue for all Classes in that Fund. The relevant management fee is then applied to each Class. Because the management fee applied differs from one Class to another the Net Asset Value per Share will differ between Classes in a Fund. Any liabilities of the Company which are not attributable to any Fund shall be allocated *pro rata* amongst all of the Funds.

In determining total assets there shall be added to the assets any interest or dividends accrued but not received and any amounts available for distribution but in respect of which no distribution has been declared and there shall be deducted from the assets all liabilities accrued.

In the case of any security which is not listed, quoted or dealt in on a Regulated Market or for which no quotation or value is available which would provide a fair valuation of, or in respect of which the price is unrepresentative, the value of such security shall be determined on the basis of the probable realisation value and shall be determined with care and good faith by, the Manager, a stockbroker or other competent person appointed by the Manager and approved for the purpose by the Custodian and Trustee.

In the case of any security which is not listed, traded or dealt in on a Regulated Market or the market price is unrepresentative or not available the value of such security shall be its probable realisation value as at the close of business which must be estimated with care and in good faith and shall be determined by a competent person appointed by the Manager approved for the purpose by the Custodian and Trustee or such value as the Manager considers in the circumstances to be fair and which value is approved by the Custodian and Trustee. Securities listed or traded on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant market may be valued taking into account the level of premium or discount at the date of the valuation. The Custodian and Trustee must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. Cash and other liquid assets will be valued at their face value with interest accrued, where applicable, to the Dealing Day.

Units or shares in collective investment schemes will be valued at the latest available net asset value or, if listed or traded on a Regulated Market, at the latest quoted traded price or a mid-quotation (or if unavailable, a bid quotation) or, if such price is unavailable or unrepresentative, the latest available net asset value as deemed relevant to the collective investment scheme.

Exchange traded derivative instruments will be valued at the relevant settlement price on the appropriate exchange for such instruments on the relevant Dealing Day. If such market price is not available such value shall be the probable realisation value estimated with care and in good faith by the Administrator or other competent person appointed by the Manager and approved for the purpose by the Custodian and Trustee. The counterparty to derivative instruments not traded on an exchange must be prepared to value the contract and to close out the transaction at the request of the Company at fair value. The Company may choose to value the over-the-counter derivatives using either the counterparty's valuation or an alternative valuation, such as a valuation calculated by the Company or by an independent pricing vendor provided that the Company or other party has adequate human and technical means to perform the valuation. The Company must value over-the-counter derivatives on a daily basis. Where the Company values over-the-counter derivatives using an alternative valuation the Company must follow international best practice and will adhere to the principles on the valuation of over-the-counter instruments established by bodies such as IOSCO and AIMA. An alternative valuation must be provided by a competent person appointed by the Directors and approved for the purpose by the Custodian and Trustee, or a valuation by any other means provided that the value is approved by the Custodian and Trustee. An alternative valuation will be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained. Where the Company values over-the-counter derivatives using the counterparty valuation the valuation must be approved or verified by a party who is approved for the purpose by the Custodian and Trustee and who is independent of the counterparty. The independent verification must be carried out at least weekly. Alternatively, forward foreign exchange contracts will be valued by reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same size and maturity could be undertaken. Any liabilities of the Company that are not attributable to any Fund shall be allocated amongst the Funds based on their respective Net Asset Values or on any other basis approved by the Custodian and Trustee having taken into account the nature of the liabilities.

Each of the Funds is made up of more than one Class of Shares as set out in Schedule II. The Net Asset Value of each Class shall be determined by calculating the amount of the Net Asset Value of the relevant Fund attributable to each Class. The amount of the Net Asset Value of a Fund attributable to a Class shall be determined by establishing the number of Shares in issue in the Class, by allocating relevant Class Expenses (as defined below) and fees to the Class and making appropriate adjustments to take account of distributions paid out of the Fund, if applicable, and apportioning the Net Asset Value of the Fund 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 management fees or charges not attributable to a particular Class may be allocated amongst the Classes based on their respective Net Asset Values or any other reasonable basis approved by the Custodian and Trustee and having taken into account the nature of the fees and charges. Class Expenses or management fees relating specifically to a Class will be charged to that Class. In the event that Classes of Shares within a Fund are issued which are priced in a currency other than the Base Currency for that Fund 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 such other expenses arising from such registration and such further expenses howsoever arising as may be disclosed in the Prospectus. In the event that a hedged Class of Shares within a Fund is issued which is priced in a currency other than the Base Currency for that Fund, currency conversion costs on subscriptions will be borne by that Class. In the event that a hedged Class of Shares within a Fund is issued which is priced in a currency other than the Base Currency for that Fund the costs and gains or losses of any hedging transactions will be borne by that Class.

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, the Manager is entitled to use other generally recognised valuation methods in order to reach a proper valuation of that specific instrument, provided that such method of valuation has been approved by the Custodian and Trustee.

Values expressed in a currency other than the Class Currency will be converted into the Class Currency at the close of business price on the Dealing Day.

Subscription Price

The initial subscription price per Share in each Class is set out in Schedule II. A dilution adjustment may be payable on subscriptions. Please refer to the section entitled "Dilution adjustment" below for further details.

The Initial Offer Period for all Classes of Shares identified in the column of Schedule II headed "Initial Offer Period Status" as "New" begins at 2 p.m. on 4 May 2012 and continues until 2 November 2012 or such other date or dates as the Directors may determine and

notify to the Central Bank. Following the Initial Offer Period all of the Classes of Shares in these Funds shall be issued at the relevant Net Asset Value per Share as determined on the Dealing Day on which they are deemed to be issued.

The Class Currency of each Class of Share in each Fund is set out in Schedule II.

Applications for Shares

Shares of any Class in the respect of any Fund may be purchased by contacting the Administrator and completing a subscription form. Applicants will be obliged to declare to the Company at the time of their initial subscription for Shares whether they are an Irish Resident and/or a U.S. Person. All applicants who are U.S. Persons will be obliged to certify that they meet certain qualifications under U.S. law. The Company reserves the right to reject any application for Shares.

The Company will not be registered under the U.S. Investment Company Act of 1940 and the Shares will not be registered under the U.S. Securities Act of 1933. Accordingly, the Shares may not be purchased by or for the account of a U.S. Person except in limited circumstances.

Shareholders are obliged to notify the Company in the event that they become Irish Residents. Shareholders are further obliged to notify the Company in the event that they become U.S. Persons, in which case they will be obliged to certify that they meet certain requirements or immediately dispose of or cause to have repurchased any Shares held by them.

Subscriptions can be made in cash or for a specified number of Shares by submitting a completed subscription form to the Administrator and by making payment to the Administrator's account specified in the application form for value not later than the fifth Dealing Day following receipt of the completed subscription form. If the completed subscription form is received by the Administrator prior to 2.00 pm (Irish time) on a Dealing Day (except as described below) the Shares will be issued on such Dealing Day at that Dealing Day's Net Asset Value per Share.

If the Administrator does not receive the subscription form by that time, Shares will be issued at the Net Asset Value per Share on the first Dealing Day thereafter on which the Administrator has received a completed subscription form by the specified time. However, the Administrator may, on an individual basis and at its sole discretion, accept properly completed subscription forms received after 2.00 pm (Irish time) but before 5.00 pm (Irish time) on a Dealing Day, if the delay was the result of exceptional circumstances such as electronic or other failure.

The applicant will pay from the subscription monies any foreign exchange costs associated with converting the subscription monies into the Class Currency of the Class of the Fund in which the applicant is investing at prevailing exchange rates. The Manager or its agent reserves the right, in its sole discretion, to require the subscriber when subscribing for Shares to indemnify the Company against any losses arising as a result of the Company's failure to receive payment as required.

Subscription applications may be received by facsimile or by electronic means in accordance with the Central Bank's requirements. Where an initial subscription application has been received by facsimile, the original subscription form must be received promptly along with any supporting documentation required to prevent money laundering. Subsequent facsimile subscription requests into a Shareholder's account may be processed without the need to submit original documentation. Amendments to a Shareholder's registration details and payment instructions will only be effected upon receipt of original documentation.

The Administrator reserves the right to reject in whole or in part any application for Shares and the Funds may be closed for applications either temporarily or permanently at the discretion of the Administrator. The Administrator also reserves the right to request further details or evidence of identity from an applicant for, or transferee of, Shares. Where an application for Shares is rejected, the subscription monies shall be returned to the applicant within fourteen days of the date of such application.

Each Shareholder must notify the Administrator in writing of any change in the information contained in the application form and furnish the Administrator with whatever additional documents relating to such change as it may request.

Measures aimed at the prevention of money laundering within the jurisdiction of the Administrator may require a detailed verification of an applicant's identity. Depending on the circumstances of each application, a detailed verification may not be required where (i) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution or (ii) the application is made through a recognised intermediary. These exceptions will only apply if the financial institution or intermediary referred to above are within a country recognised by Ireland as having equivalent anti-money laundering regulations. A non-corporate applicant may be required to produce a copy of a passport or identification card duly certified by a notary public, together with evidence of his/her address such as a utility bill or bank statement and his or her date of birth. Corporate applicants may be required to produce a certified copy of the certificate of incorporation, memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors.

The Administrator reserves the right to request such information as is necessary to verify the identity of an applicant. In the event that the Administrator requires further proof of the identity of any applicant it or its agent will contact the applicant on receipt of subscription instructions. In the event of delay or failure by the applicant to produce any information required for verification purposes the Administrator may refuse to accept the application and return all subscription monies.

The Company does not knowingly allow investments which are associated with market timing practices, as such practices may adversely affect the interest of Shareholders. Market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same collective investment scheme within a short time period, by taking advantage of time differences and/or imperfections or inefficiencies in the method of determination of the price per share or unit of the collective investment scheme. Opportunities may arise for the market timer either if the share or unit price of the collective investment scheme is calculated on the basis of stale market prices which are no longer up to date or if the collective investment scheme is already calculating the share or unit price when it is still possible to issue orders.

Market timing practices are not acceptable as they may affect the performance of the collective investment scheme through an increase of the costs and/or entail a dilution of the profit. Accordingly, the Directors may, whenever they deem it appropriate and at their sole discretion, cause the Administrator and/or the Custodian and Trustee, respectively, to implement any of the following measures: (i) request the Administrator and/or the Custodian and Trustee to reject any application for conversion and/or subscription of Shares from investors whom the former considers market timers and the Administrator and/or the Custodian and Trustee may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices; and (ii) during periods of market volatility cause the Administrator to allow for the Net Asset Value per Share to be adjusted to more accurately reflect the fair value of the Fund's investments at the point of valuation if the Fund is primarily invested in markets which are closed for business at the time the Fund is valued.

Repurchases of Shares

Shareholders may request the Company or its agent to repurchase any number of Shares held by them at the relevant Net Asset Value per Share on any Dealing Day, by delivering a completed repurchase request form to the Administrator on or before 2.00 pm (Irish time) on such Dealing Day. A dilution adjustment may be payable on repurchases of Shares. Please refer to the section entitled "Dilution Adjustment" below for further details. The Administrator, on an individual basis and at its sole discretion, may accept properly completed repurchase request forms after 2:00 pm (Irish time) on the Dealing Day but before 5.00 pm (Irish time) on the following Dealing Day if the delay was the result of exceptional circumstances such as electronic or other failure. Repurchase proceeds will be paid to Shareholders within fourteen days of the acceptance of the repurchase request and any other relevant repurchase documentation. Any currency conversion that takes place on repurchase will be carried out at prevailing exchange rates. Redemption applications may be received by facsimile or by electronic means in accordance with the Central Bank's requirements. Where a subscription application has been received by facsimile, no redemption payment may be made from the holding until the original subscription application form has been received from the Shareholder along with all documentation required by the Company, including any documents required in connection with the obligation to prevent money laundering. Redemption orders received by facsimile will only be processed where payment is made to the account of record.

The Articles of Association provide that if the Company receives a request for the repurchase of Shares in respect of 10 per cent. or more of the Net Asset Value of a Fund on any Dealing Day, the Company may elect to restrict the total number of Shares repurchased to 10 per cent. or more of the Fund's Net Asset Value, in which case, requests will be scaled down *pro rata* and the balance will be repurchased on the next Dealing Day (subject to the provisions of the Articles of Association). The Articles of Association also permit the Company, with the approval of the Custodian and Trustee and the applicant Shareholder, to satisfy any application for repurchase of Shares by the transfer of assets of the Company *in specie* to the Shareholder, provided that the nature of the assets to be transferred shall be determined by the Directors on such basis as the Directors in their sole discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders.

Dilution adjustment

The actual cost of purchasing or selling the underlying investments in a Fund may be higher or lower than the last traded price used in calculating the Net Asset Value per Share. The effects of dealing charges, commissions and dealing at prices other than the last traded price may have a materially disadvantageous effect on the Shareholders' interests in a Fund. To prevent this effect, known as 'dilution' and to protect Shareholders, the Company may charge a dilution adjustment when there are net inflows into a Fund or net outflows from a Fund so that the price of a Share in the Fund is above or below that which would have resulted from a valuation based on the last traded price. The charging of a dilution adjustment may either reduce the repurchase price or increase the subscription price of the Shares in a Fund. Where a dilution adjustment is made, it will increase the Net Asset Value per Share where the Fund receives net subscriptions and will reduce the Net Asset Value per Share where the Fund receives net repurchases. The charging of dilution adjustment on the Initial Offer Price will similarly be applied at the launch of any new Class of Shares in a Fund that is already established and will have the effect of reducing the number of Shares issued. The Initial Offer Price will be published in the official price history. Dilution adjustments may apply in the normal manner in the closing if an individual Class but will not be applied at the closure of a Fund where actual closure costs will be reflected instead across all of the Classes of Shares.

The imposition of a dilution adjustment will depend on the value of subscriptions and repurchases of Shares on any Dealing day The Company may make a dilution adjustment:

- (i) if net subscriptions or repurchases (excluding in specie transfers) exceed certain pre-determined percentage thresholds relating to a Fund's Net Asset Value (where such percentage thresholds have been pre-determined for each Fund from time to time by the Directors or a committee nominated by the Directors); or
- (ii) where a fund is on continual decline (i.e. suffering a net outflow of investments); or
- (iii) in any other case where the Manager reasonably believes that it is in the interests of the Shareholders to impose a dilution

adjustment.

The dilution adjustment for each Fund will be calculated by reference to the typical costs of dealing in the underlying investments of that Fund, including any dealing spreads, market impact commissions, fees and taxes. These costs can vary over time and as a result the amount of dilution adjustment will also vary over time. The price of each Class of Share in a Fund will be calculated separately but any dilution adjustment will affect the price of Shares of each Class in a Fund in an identical manner. When the dilution adjustment is not made and Shares are bought or sold there may be an adverse impact on the Net Asset Value of a Fund.

Any in specie subscriptions or repurchases will not be taken into account when determining whether there are any net inflows or outflows from a Fund. Shareholders subscribing or repurchasing in specie will do so at the prevailing Net Asset Value per Share, without a dilution adjustment applied. However, in the case of a Fund which may suffer stamp duty costs as a result of an in specie subscription a dilution adjustment may be applied sufficient to reflect the cost of the stamp duty charges incurred of the in specie subscription.

Dilution adjustments may be applied on any Dealing Day but the possible amount of such adjustments will be reviewed from time to time by the Manager. The details of the dilution adjustments that have been applied to subscriptions and/or repurchases can be obtained by a Shareholder on request from the Manager.

Transfer of Shares

All transfers of Shares shall be effected by transfer in writing in any usual or common form or in any other 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. 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. The registration of transfers may be suspended at such times and for such periods as the Directors from time to time may determine, provided always that such registration shall not be suspended for more than thirty 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 and a declaration from the transferee confirming whether the transferee is an Irish Resident and/or a U.S. Person. The measures aimed towards the prevention of money laundering, as referred to above under "Application for Shares", apply equally to transfers of Shares.

Certificates

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. No share certificates shall be issued in respect of Shares except at a Shareholder's request, but each Shareholder shall receive written confirmation of ownership 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 by Shareholders at the registered office of the Company. Although the Articles of Association provide that the Company may issue bearer warrants to Shareholders at the election of Shareholders, it is not the intention of the Company to offer Shareholders this facility in relation to the Funds the subject of this Prospectus.

Distribution Policy

Each of the Funds may issue Income Class Shares, Accumulation Class Shares or Roll-Up Class Shares. All Share Classes are Roll-Up Class Shares unless otherwise indicated in the name of the Share Class.

Income Class Shares are shares that distribute Net Income from time to time, subject to Directors' discretion, on the Distribution Date. The amount of any distribution on different Classes of Income Class Shares in a Fund may vary to reflect any differing charges and expenses suffered by such Share Classes. Any such distribution shall be made from Net Income. It should be noted that Net Income is calculated differently in relation to Funds which prioritise the generation of income over capital growth and in such Funds any applicable fees and expenses are charged to the capital of the Fund rather than the income of the Fund. An investor in Income Class Shares shall have the choice of investing the distribution in additional Income Class Shares or receiving payment by telegraphic transfer in the Class Currency of the Income Class Shares in which the investor is invested and the investor will indicate a preference in writing to the Manager or its agent at the time of the investor's application for Income Class Shares. It should be noted that the declaration of distributions in those Funds which charge fees (including management and performance fees) and expenses to capital rather than income could result in the erosion of capital in those Funds and that increased income will be achieved by foregoing some of the potential for future capital growth.

Any currency conversion that takes place on distributions will be done at prevailing exchange rates. Any distribution monies which have not been claimed within six years of the declaration of the distribution shall be forfeited and shall form part of the assets of the relevant Fund. The Company will be obliged and entitled to deduct an amount, as more particularly described in the section entitled "Taxation", in respect of Irish taxation from any dividend payable to an investor holding Income Class Shares of any Fund who is Irish Resident or who is not Irish Resident and has failed to make a true and correct declaration to that effect to the Administrator.

Accumulation Class Shares are shares that declare a distribution but whose Net Income is then reinvested in the capital of the relevant Fund on the Distribution Date, thereby increasing the Net Asset Value per Share for an Accumulation Class Share relative to an Income

Class Share.

Roll-Up Class Shares do not declare or distribute net income and the Net Asset Value therefore reflects Net Income.

Since (i) the Company provides arrangements for separate pooling of the subscription proceeds from the Shareholders in the Company and the profits or income out of which payments are made to the Shareholders in the Company and (ii) the Shareholders are entitled to exchange rights in one Fund for rights in another Fund, the Company is an umbrella fund for United Kingdom tax purposes. In addition, each of the Funds within the Company consists of different classes of Shares. The United Kingdom offshore funds rules therefore apply in relation to each separate Class of Shares as if each such Class of Shares formed a separate offshore fund for United Kingdom tax purposes.

As stated above, each Class of Shares comprises an offshore fund for the purposes of United Kingdom taxation and if certification as a distributing fund is not obtained in respect of a Class of Shares throughout the period during which Shares of that Class are held, gains arising on the disposal of Shares of that Class (for example, by way of transfer or redemption, including switching between Classes of Shares) will comprise income for the purposes of United Kingdom taxation. Such certification is granted retrospectively on an annual basis.

The investment and distribution policies pursued by the Company in respect of any Income Class Shares or Accumulation Class Shares are designed so as to enable those Classes of Shares to qualify as a distributing fund and it is intended to make an application for certification in respect of those Classes of Shares each year. There can, however, be no guarantee that certification will be obtained or that, once obtained, it will continue to be available for future periods of account of the Company.

Any income re-invested in relation to Income Class Shares or Accumulation Class Shares will be treated for United Kingdom taxation purposes as taxable dividends.

Certification as a distributing fund will not be sought in respect of Roll-Up Class Shares and accordingly any gain on a disposal of Shares of that Class (for example, by way of transfer or redemption, including switching between Classes of Shares) will normally constitute income for all purposes of United Kingdom taxation.

Mandatory Repurchase of Shares and Forfeiture of Distributions

A Shareholder shall notify the Administrator immediately in the event that they become a U.S. Person or hold Shares on behalf of a U.S. Person. The Company further reserves the right to repurchase any Shares on thirty days' notice if the Directors have reason to believe that the Shares are owned directly or beneficially by any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or where any person is or has acquired such Shares on behalf of or for the benefit of a U.S. Person or where any person does not supply any of the information or declarations required under the Articles of Association within 7 days of a request being sent by the Directors, or if, in the opinion of the Directors, the holding might result in the Company or Shareholders incurring any liability to taxation or suffering pecuniary or administrative disadvantages which the Company or the Shareholders might not otherwise suffer or incur.

The Articles of Association permit the Company to repurchase the Shares where, during a period of six years, no cheque in respect of any dividend on the Shares has been cashed and no acknowledgement has been received in respect of any Share certificate or other confirmation of ownership of the Shares sent to the Shareholder and the repurchase proceeds will be held in a separate interest bearing account and the Shareholder shall be entitled to claim the amount standing to his credit in such account.

Any distribution monies which have not been claimed within six years of the declaration of the distribution shall be forfeited and shall form part of the assets of the relevant Fund.

Publication of the Price of the Shares

Except where the determination of the Net Asset Value per Share has been suspended in the circumstances described below, the latest Net Asset Value per Share in each Fund shall be available at the registered office of the Administrator on each Business Day following the Dealing Day and shall be published (so far as is practicable) daily on the first Business Day after the Dealing Day on Bloomberg (www.bloomberg.com) a public website).

Temporary Suspension of Valuation and of Issues, Conversions and Repurchases of Shares

The Manager or its agent may temporarily suspend the determination of the Net Asset Value and the issue or repurchase of Shares of any Fund during:

- (i) any period (other than ordinary holiday or customary weekend closings) when any Regulated Market is closed which is the main Regulated Market for a significant part of the Fund's assets, or in which trading thereon is restricted or suspended; or
- (ii) any period when an emergency exists as a result of which disposal by the Fund of investments which constitute a substantial portion of the assets of the Fund is not practically feasible; or

- (iii) any period when for any reason the prices of any investments of the Fund cannot be reasonably, promptly or accurately ascertained by the Principal Money Manager; or
- (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 Principal Money Manager, be carried out at the normal rate of exchange; or
- (v) any period when the proceeds of any sale or repurchase of the Shares cannot be transmitted to or from the Fund's account.

Any such suspension shall be published by the Manager or its agent on Bloomberg (www.bloomberg.com, a public website) if, in the opinion of the Manager or its agent, it is likely to exceed fourteen days and shall be notified immediately to the Central Bank. Where possible, all reasonable steps will be taken to bring a period of suspension to an end as soon as possible.

Conversion of Shares

The Articles of Association permit Shareholders with the consent of the Directors to convert their Shares in any Fund to Shares in any other Fund on giving notice to the Administrator in such form as the Administrator may request. Conversion shall take place in accordance with the following formula:

$$NS = \frac{(S \times R \times F) - X}{P}$$

where:

NS	=	the number of Shares which will be issued in the new Fund;
S	=	the number of the Shares to be converted;
R	=	the repurchase price per Share;
F	=	the currency conversion factor (if any) as determined by the Manager;
P	=	the price of a Share of the new Fund after the addition of any Sales Charge; and
X	=	a handling charge (if any) not exceeding 5 per cent. of the Net Asset Value of the Shares to be converted.

If NS is not an integral number of Shares the Administrator reserves the right to issue fractional Shares in the new Fund or to return the surplus arising to the Shareholder seeking to convert the Shares. Any currency conversion that takes place on conversion will be done at prevailing exchange rates.

MANAGEMENT AND ADMINISTRATION

The Directors and Secretary

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles of Association and may exercise all the powers of the Company to borrow money, subject to the limits and conditions set forth in the Regulations and as may from time to time be laid down by the Central Bank.

The Directors are listed below with their principal occupations. The Company has delegated the day-to-day management of the Company to the Manager and, consequently, none of the Directors is an executive director. The address of the Directors is the registered office of the Company.

James Finn

Mr. Finn, American and British, is General Counsel – Global Product and Head of Product and Governance, EMEA for the Adviser. He joined Russell Investments in 1988 and manages product development and marketing as well as coordinating the legal, compliance, risk management and internal audit functions for the Principal Money Manager in Europe, Africa, the Middle East and the Caribbean. He acts as a principal liaison for the Principal Money Manager with government, regulatory and industry groups in EMEA and advises members of senior management in other regions in which the Russell Group operates on business, product and legal matters. Mr. Finn holds a law degree from Southern Methodist University, Dallas, Texas, and is a member of the Washington State, American and International Bar Associations.. He is a director of a number of collective investment schemes authorised by the Central Bank as well as of several group companies of Russell Investments.

James Beveridge

Mr. Beveridge, British, has been the finance director of the Principal Money Manager since 1993 where he is primarily responsible for financial budgeting and reporting. From 1990 to 1993 he served successively as assistant group financial and management accountant and worked as an accountant in the securities division and the projects and development group at Prudential Portfolio Managers. From 1986 to 1990 he trained as a chartered accountant with Pannell Kerr Forster (now known as "PKF"). He is a director of a number of collective investment schemes authorised by the Central Bank and is also a director of other subsidiaries within Russell Investments.

Peter Gunning

Mr. Gunning, Australian, is the Global Chief Investment Officer for Russell Investments where he directs Russell Investments' investment management, implementation and research activities worldwide. He serves on Russell Investments' board of directors and the board's investment committee, and is also a member of Russell Investments' executive committee and global leadership forum. Prior to his current role, Mr. Gunning was the Chief Investment Officer for the Asia-Pacific region. His responsibilities included the oversight of investment research in the region as well as the management of Russell Investments clients' Australian, New Zealand, Japanese and Australasian equity and fixed interest portfolios. He joined Russell Investments' Sydney office in 1996. Prior to joining Russell Investments, Mr. Gunning was with the funds management arm of the Commonwealth Bank of Australia where he held positions in risk and equity portfolio management. Earlier in his career he worked as a financial markets economist and prior to this was a fixed-interest options trader on the floor of the Sydney Futures Exchange. Mr. Gunning is a member of the Q-Group (Institute of Quantitative Research in Finance Inc.), an organisation promoting the use of and interest in quantitative techniques. He also serves on the board of directors for the North Shore Heart Research Foundation.

Paul McNaughton

Mr. McNaughton, Irish, has a considerable number of years' experience in the banking and finance and in the fund management and securities processing sectors. He spent ten years with the Irish Industrial Development Authority both in Dublin and the U.S. where he marketed Ireland as a location for multinational investment before establishing Bank of Ireland's fund administration business. Mr. McNaughton then moved to Deutsche Bank where he established its fund administration business in Ireland, which has since been acquired by State Street. Mr. McNaughton was responsible for Deutsche Bank's offshore funds business and latterly Global Head of Deutsche Bank's fund servicing business worldwide until July 2004. He is a director of a number of collective investment schemes authorised by the Central Bank.

Alan Schoenheimer

Mr. Schoenheimer, Australian, is responsible for overseeing the international offices of Russell Investments. Previously he served as chief executive with responsibility for operations in Australia, New Zealand and South East Asia for Russell Investments from 2000 to 2008. He joined Frank Russell's Sydney office in early 1991 as a senior consultant. Prior to February 2000 Mr. Schoenheimer was the head of retail at Russell's Sydney office. Mr. Schoenheimer is a member of Frank Russell's management committee. Prior to joining Frank Russell, Mr. Schoenheimer was a consultant at McKinsey & Company. Mr. Schoenheimer holds a first class honours bachelor of engineering degree from the University of Queensland and a master of business administration from the University of New South Wales. Before gaining his masters he practised chemical engineering in a number of locations worldwide. He is a director of a number of collective investment schemes authorised by the Central Bank.

David Shubotham

Mr. Shubotham, Irish, was a main board director of J. & E. Davy (an Irish stockbroking firm) from 1975 until 2002. Following graduate training with Aer Lingus, he joined J. & E. Davy in 1973. Mr. Shubotham became a partner of J. & E. Davy in 1977 with responsibility for the bond desk. In 1991 he became chief executive of Davy International, a company operating in Dublin's International Financial Services Centre. He retired in 2001. He qualified as an accountant in 1971 having graduated with a Bachelor of Commerce degree from University College Dublin in 1970 and became a member of the Society of Investment Analysts in 1975. Mr. Shubotham has served on various state committees in Ireland including the Committee for the Development of Science and Technology Strategy and the Committee for the Development of Bio Strategy. He has served as chairman of the boards of directors of the National Stud of Ireland and the National Digital Park, a joint venture with the Irish Industrial Development Authority. He was chairman of the board of directors of the Hugh Lane Municipal Gallery, Dublin for 6 years. He is a director of a number of collective investment schemes authorised by the Central Bank as well as collective investment schemes established in Jersey and the Cayman Islands.

Kenneth Willman

Mr. Willman, American and British, is Chief Legal Officer and Secretary of Russell Investments. He joined Frank Russell in August 2008. As Chief Legal Officer he is responsible for the legal, compliance, internal audit, corporate records, government and community relations and risk management functions. He is also a member of Russell's executive committee and global leadership forum. Prior to joining Russell, Mr. Willman was at Goldman Sachs from 1992 where he held a variety of roles including most recently General Counsel of Asia from 2004 to 2008. From 1987 to 1992 he was an associate at Sullivan & Cromwell's New York and Tokyo offices. Mr. Willman holds a J.D. degree from the University of Pennsylvania, a B.A. in Politics and Government and a B.S. in Economics from the University of Puget Sound. He is a member of Washington State and New York Bar Associations and is currently a member of the Board of Trustees at the University of Puget Sound as well as the board of directors of Covenant House of New York and Seattle Opera. He is a director of a number of collective investment schemes authorised by the Central Bank.

Neil Jenkins

Mr. Jenkins, British, is Managing Director, Investments of the Distributor which he joined in October 2006. Mr. Jenkins was educated at Keble College, Oxford, where he received first class honours in Modern Languages (German and Russian). In 1985 Mr. Jenkins joined Morgan Grenfell in London where he worked in export project finance in Eastern Europe. From 1988 to 1990 he was Morgan Grenfell's representative based in Moscow. From 1990 to 2000 Mr. Jenkins worked in various investment roles at Morgan Grenfell (Deutsche) Asset Management Investment Services and also spent five years assigned to Morgan Grenfell Capital Management in the U.S. Mr. Jenkins was Managing Director of AXA Multi Manager, a subsidiary of AXA Investment Managers, from January 2001 until June 2003, after which he joined Rothschild Private Management Limited as Executive Director and Head of Multi-Manager Investment, a position he held until October 2006 when he joined the Distributor. He is a director of other collective investment schemes authorised by the Central Bank.

Andre Bonder

Mr. Bonder is head of the diversified and fund of fund management at Société Générale Gestion a position he has held since September 2011. He started his career in September 1994 in Vernet Valor (which became CCF CAPITAL MANAGEMENT), where he worked as an accountant in mutual fund investment on the futures markets team. From April 1996 to March 1998 Mr. Bonder worked in CCF CAPITAL MANAGEMENT. In March 2000 Mr. Bonder worked at HSBC Asset Management as a fixed-income portfolio manager. In July 2002 he joined Société Générale Asset Management, where he worked as a fixed income portfolio manager where he was in charge of managing institutional bond portfolios, convertible portfolios and guaranteed bond portfolios. In June 2010, Mr. Bonder joined the diversified management team in Amundi. Amundi is a sister company of Société Générale Gestion where the fundamental management activities of Société Générale Asset Management were allocated as a result of the merger of the asset management activities of Crédit Agricole SA and Société Générale. Mr. Bonder holds a Masters of Science degree in Economics and a "DESS" of Finance from the Panthéon-Assas University, Paris. He is also a former student of the Prytanée National Militaire de La Flèche.

Christophe Lemarié

Mr. Lemarié, French, is Deputy Chief Executive Officer of Société Générale Gestion, an Amundi subsidiary dedicated to Société Générale network clients and a portfolio management company. Prior to his appointment as Deputy CEO in January 2010, Mr. Lemarié was Head of Equity and Global Balanced portfolio management teams for Credit Agricole Asset Management (renamed Amundi as of January 2010) from June 2006 to December 2009. Prior to this Mr. Lemarié worked in various roles at Credit Lyonnais Americas, New York and Credit Lyonnais Asset Management and Credit Agricole Asset Management. He attended École Polytechnique (French engineering school) between 1990 and 1993 and Telecom-Paris Tech (ENST) engineering school between 1993 and 1995.

John McMurray

Mr. McMurray, American, is chief risk officer for Russell Investments. He leads the Russell's global risk management function which provides strategic direction on and assessment of Russell's risk exposures including investment, credit and operational risks. Mr. McMurray joined Russell in 2010. Mr. McMurray has more than 25 years of risk and investment management experience with large commercial and government sponsored institutions with assets under management exceeding one trillion U.S. dollars. His experience spans multiple asset classes across several market cycles. Mr. McMurray's risk management experience encompasses consumer, commercial and counterparty market and credit exposures for securities, options, whole loans, derivatives, guarantees and insurance. Prior to joining Russell, Mr. McMurray worked for the Federal Home Loan Bank of Seattle where he led that institution's risk management activities as chief risk officer. Before that, Mr. McMurray was with JPMorgan Chase. Mr. McMurray has been a featured research presenter at Federal Reserve and American Securitization Forum conferences, where he introduced techniques to quantify risk characteristics and expressed early warnings about the mortgage and real estate markets.

Christophe Romero

Mr. Romero, French, has been an analyst in the Multi-Management Team of Amundi since 2006. He was also a portfolio manager between 2008 and 2010. He joined Amundi (formerly Credit Agricole Asset Management and Credit Lyonnais Asset Management) in 2002 as a project manager for the Private Banking activity. From 1998 to 2002, Mr. Romero was internal consultant for Credit Agricole Suisse SA in Switzerland. He is qualified as an engineer from École Centrale de Lyon. He holds a masters in Actuarial and Financial Sciences from the Institut des Sciences Actuarielles et Financières in Lyon. Mr. Romero is a CFA Charterholder.

Mai Khanh Vo-Tissier

Ms. Vo Tissier, French, has been head of Amundi's Multi-Management team since July 2010. Prior to this from June 2001 to June 2010 she worked as an analyst/portfolio manager in the Multi-Management team and from January 1999 to May 2001 as a portfolio manager in the Global Balanced and Asset Allocation team at Amundi. Ms. Vo Tissier has also worked as a Quantitative Research Manager at Sinopia, a portfolio management company, between September 2006 and December 1998. She qualified as an engineer from École Centrale Lyon. She also holds a post-graduate degree in particles physics from the University of Paris VII, a post-graduate degree in statistics and random models in Finance from the University of Paris VII, and a PhD in particles physics. She is a CFA Charterholder. She holds a post-graduate degree in Gas & Plasma physics from the University of Paris XI, a post-graduate degree in Particles Physics from the University of Paris XI, and a post-graduate degree in Statistics and random models in Finance from the University of Paris VII. She holds a PhD in particle physics. She is a CFA Charterholder.

William Roberts

Mr. Roberts, British (and Irish resident), qualified as a solicitor in Scotland in 1983, as a solicitor of the Supreme Court in Hong Kong in 1985, as a barrister and an attorney at law in Bermuda in 1988 and as an attorney at law in the Cayman Islands in 1990. He worked for several law firms in Scotland, Hong Kong, London and Bermuda between 1982 and 1990. During the period from 1990 to 1999 he was a member of W.S. Walker & Company in the Cayman Islands where he became a partner in 1994. Mr. Roberts has experience in international financial services law. He was a director of a number of companies established in Bermuda and was a director of the Cayman Islands Stock Exchange between 1996 to 1999. He is also a director of a number of collective investment schemes authorised by the Central Bank.

Bryan Tiernan

Mr. Tiernan is Irish. He is also Deputy Manager of Barep Asset Management (Ireland) Limited and SGAM (Ireland) Limited, both part of the Société Générale Group. Mr. Tiernan began his career with Société Générale Asset Management in 2001 as company accountant of SGAM (Ireland) Limited and the Manager. In 2004, Mr. Tiernan became financial controller of both entities. Mr. Tiernan holds a degree of Bachelor of Business Studies from Dublin City University and is a member of the Association of Chartered Certified Accountants. He is also a director of other subsidiaries within the Amundi Group and which are authorised by the Central Bank.

The Company Secretary is Bradwell Limited.

None of the Directors has entered into a service contract with the Company. Mr. Tiernan, as the Manager's deputy managing director, is the sole executive of the Company. 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 has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may not vote in respect of any contract in which he has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise provided that he is not the holder of 5 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 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 relating to a debt obligation of the Company for which the Director has assumed responsibility in whole or in part. None of the Directors is a Shareholder in the Company.

The Promoter

Frank Russell Company of Seattle, Washington is the promoter of the Company. Frank Russell Company has assets under management of approximately US\$140 billion and over 2,000 staff in nine principal offices in Seattle, New York, London, Toronto, Sydney, Tokyo, Paris, Singapore and Auckland. Founded in 1936, it was acquired in 1999 by The Northwestern Mutual Life Insurance Company, a leading direct provider of individual life insurance in the U.S. Since 2007 it has used the business name Russell Investments.

The Manager

The Manager was incorporated in Ireland as a limited liability company on 25 February 1994 as Frank Russell Investments (Ireland) Limited, and is a wholly-owned subsidiary of Frank Russell, which in turn is a subsidiary of The Northwestern Mutual Life Insurance Company. The Manager changed its name to Russell Investments Ireland Limited in August 2005. The Manager has an authorised share capital of U.S.\$1,000,000 divided into 1,000,000 Shares of U.S.\$1 each of which 141,552 have been issued fully paid. The Manager is engaged in the business of providing investment management and administrative services to collective investment undertakings. The directors and secretary of the Manager are the same as the Directors and Secretary of the Company. The Manager is also the manager of a number of other collective investment schemes.

Investment Approach

The Manager's investment management approach is based on the belief that the history of the capital markets shows that no one particular asset class provides consistent and/or above-average total return results, either on an absolute or relative basis, over extended periods of time. There are, for example, periods of time when equity securities outperform fixed income securities and *vice versa*.

The Manager also believes that there are periods of time when securities with particular characteristics (i.e. investment styles) outperform securities with different characteristics. For example, there are periods of time when equity securities with growth characteristics outperform equities with income characteristics, and *vice versa*. Whilst these performance cycles tend to repeat themselves, they do so with no regularity.

Money Managers generally can be categorised on the basis of investment styles. By this is meant that the consistent application of an investment approach generally is reflective of an investment style. It is, therefore, possible to diversify across investment styles by hiring one or more Money Managers for each investment style.

The blending of asset classes and investment styles on a complementary basis can obtain more consistent returns over longer time periods with a reduction of risk (volatility), although a particular asset class or investment style or particular fund may not achieve above-average performance at any given point in the market. This blending of asset classes and investment styles is referred to as multi-style, multi-manager diversification.

The Manager implements multi-style, multi-manager diversification in managing the Funds' investments. It has appointed the Principal Money Manager to implement multi-style, multi-manager diversification both initially and on an ongoing basis.

The Management Agreement provides that the Manager shall administer the Company in accordance with the Regulations, the Articles of Association and the provisions of this Prospectus. The Management Agreement shall continue in force until terminated by either party on ninety days' notice in writing to the other party, provided that the Manager shall continue in office until a successor manager or administrator is appointed. The Company may at any time terminate the Management Agreement in the event of the appointment of an examiner or receiver to the Manager or on the happening of a like event or if the tax certificate issued to the Manager under Section 446 of the Taxes Act is revoked or the Manager receives notice from the Minister for Finance that he intends to revoke the tax certificate or if the Manager commits a material breach of the Management Agreement that it cannot remedy within one hundred and twenty days of written notice by the Company to the Manager. The Company may also terminate the Management Agreement if the Central Bank determines that the Manager is no longer permitted to act as manager or investment adviser to the Company.

The Manager shall not be liable for any loss suffered by the Company or its agents in connection with the performance of the Manager's obligations under the Management Agreement, except loss resulting from negligence, wilful misfeasance or bad faith on the part of the Manager in the performance of, or from reckless disregard by the Manager of, its obligations and duties under the Management Agreement. The Company shall indemnify the Manager in respect of all liabilities, damages, costs, claims and expenses incurred by the Manager, its servants or agents in the performance of its obligation and duties under the Management Agreement and against all taxes on profits or gains of the Company which may be assessed upon or become payable by the Manager or its servants or agents to the extent permitted by law, provided that such indemnity shall not be given where the Manager, its servants or agents, is or are guilty of any negligence or wilful default.

The Management Agreement allows the Manager to delegate its investment management, administration, investment advisory and distribution functions to other parties subject to the prior approval of the Central Bank. The Manager has delegated its investment management responsibility to the Principal Money Manager. The Manager has delegated to the Administrator responsibility for the calculation of the Net Asset Value of the Company and of the Shares and the administration of issues, transfers, conversions and repurchases of Shares in the Company. The Manager has appointed the Adviser to advise it on the investments of the Company and the Distributors to distribute the Shares.

The Administrator

The Manager has appointed State Street Fund Services (Ireland) Limited to act as administrator of the Company pursuant to the Administration Agreement. The Administrator is responsible for performing the day to day administration of the Company and for providing fund accounting for the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share, and for providing registration, transfer agency and related services to the Company.

The Administrator was incorporated in Ireland on 23 March 1992 and is ultimately owned by State Street Corporation. The authorised share capital of the Administrator is Stg£5,000,000 with an issued and paid up share capital of Stg£350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street is headquartered in Boston, Massachusetts, U.S.A., and trades on the New York Stock Exchange under the symbol "STT".

The Administration Agreement shall continue in force until terminated by the Company on giving the Administrator 90 days' prior written notice or by the Administrator giving 180 days' prior written notice or such other period as may be agreed between the parties in writing. The Administration Agreement may be terminated forthwith by either party giving notice in writing to the other party if at any time; (i) the party notified shall go into liquidation or receivership or an examiner shall be appointed pursuant to the Companies (Amendment) Act, 1990 (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party) or be unable to pay its debts as they fall due, (ii) the party notified shall commit any material breach of the provisions of the Administration Agreement and if such breach is capable of remedy, shall not have remedied that within 30 days after the service of written notice requiring it to be remedied.

The Administration Agreement provides that the Administrator shall exercise its power and discretion under the Administration Agreement using its reasonable endeavours and applying the level of skill and expertise that can be reasonably expected of a professional Administrator for hire. The Administrator shall not be liable for any loss of any nature whatsoever suffered by the Manager, the Company or the Shareholders in connection with the performance of its obligations under the Administration Agreement, except where that loss results directly from negligence, bad faith, fraud, wilful default or recklessness on the part of the Administrator. The Administrator shall not be liable for any indirect, special or consequential loss howsoever arising.

The Manager shall indemnify and hold harmless the Administrator out of the assets of the Company on its own behalf and on behalf of its permitted delegates, employees and agents against all actions, proceedings and claims and against all reasonable costs, demands and expenses (including reasonable legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Administrator, its permitted delegates, employees or agents in the performance of its obligations and duties under the Administration Agreement and against all taxes on profits or gains of the Company which may be assessed or become payable by the Administrator, its permitted delegates, employees or agents provided that such indemnity shall not be given where the Administrator, its delegates, employees or agents, is or are guilty of negligence, recklessness, wilful default, fraud or bad faith.

The Principal Money Manager and Adviser

The Principal Money Manager was incorporated in England and Wales on 30 December 1986 and is a wholly-owned subsidiary of Frank Russell, which is in turn a wholly-owned subsidiary of The Northwestern Mutual Life Insurance Company.

The Principal Money Manager shall (i) appoint the Money Managers, (ii) negotiate and execute the Money Manager Agreements (iii) monitor the Money Managers' performance and revise investment guidelines as it deems appropriate in order to achieve the investment objective of the Funds, (iv) determine the allocation of the each Fund's assets among the Money Managers of that Fund, (v) co-ordinate the investment activities of the Money Managers of each Fund, (vi) equitise uninvested cash balances and (vii) exercise discretion over the assets of a Fund in certain circumstances.

The Principal Money Manager Agreement shall continue in force until terminated by either of the parties thereto on ninety days' notice in writing to the other party, provided that either party may terminate the agreement on the appointment of any liquidator, examiner or receiver to the other party or on the happening of a like event or in the event that the other party is no longer permitted to perform its obligations under applicable law or if the other party commits a material breach of the Principal Money Manager Agreement which (if capable of remedy) cannot be remedied within thirty days of written notice. The Principal Money Manager Agreement shall terminate forthwith on the termination of the Management Agreement.

The Principal Money Manager shall be liable to the Manager for any liability, loss, damage, cost or claim suffered by the Manager in connection with the Principal Money Manager's performance of its duties thereunder if incurred as a result of the Principal Money Manager's wilful default, bad faith, negligence, fraud or reckless disregard of its duties and functions and the Manager shall indemnify the Principal Money Manager against all liabilities, damages, costs and claims incurred by the Principal Money Manager, its shareholders, officers, directors and agents in the performance of its functions and duties provided that such indemnity shall not be given where the Principal Money Manager or its shareholders, officers, directors and agents are guilty of any wilful default, bad faith, negligence, fraud or reckless disregard of its duties and functions.

The Principal Money Manager also acts as the Adviser to the Company. The Advisory Agreement shall continue in force until terminated by either party on 90 days' notice in writing to the other party, provided that the Manager may at any time terminate the appointment of the Adviser in the event of the appointment of any examiner or receiver to the Adviser or on the happening of a like event or in the event that the Adviser is no longer permitted to perform its functions and duties under applicable law or is in breach of its obligations under the Advisory Agreement. The Advisory Agreement provides that, save in the case of fraud, wilful misfeasance, bad faith, negligence or reckless disregard of its functions and duties, the Adviser shall not be liable to the Manager or the Company or the Shareholders of the Company for any error of judgment or loss suffered by any of them in connection with the performance by the Adviser of its functions and duties thereunder and the Manager shall indemnify the Adviser, out of the Company's assets against all liabilities, damages, costs, claims and expenses incurred by the Adviser, its directors, officers or agents in the performance of its functions and duties and against all taxes on profits or gains of the Company which may be assessed upon or become payable by the Adviser, its directors, officers or agents to the extent permitted by law and the Articles of Association, provided that such indemnity shall not be given where the Adviser, its directors, officers or agents are guilty of any negligence, bad faith, fraud, wilful misfeasance or reckless disregard of its or their duties.

The Custodian and Trustee

The Company has appointed State Street Custodial Services (Ireland) Limited to act as custodian and trustee of all the assets of the Company pursuant to the Custodian and Trusteeship Agreement.

The Custodian and Trustee is a private limited company incorporated in Ireland and has its registered office at 78 Sir John Rogerson's Quay, Dublin 2. The principal activity of the Custodian and Trustee is to act as custodian and trustee of the assets of collective investment schemes. The Custodian and Trustee is ultimately owned by State Street Corporation. The Custodian and Trustee was incorporated to provide trustee and custodial services to collective investment schemes. As at 30 June 2010, the Custodian and Trustee had funds under custody in excess of U.S.\$248 billion. The Custodian and Trustee is regulated by the Central Bank.

The Custodian and Trustee 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 and Trustee 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 and Trustee 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 its obligations. The Company shall indemnify and hold harmless the Custodian and Trustee against all actions, proceedings, claims, costs, demands and expenses (including legal and professional expenses) which may be brought against, suffered or incurred by the Custodian and Trustee in the performance of its duties under the Custodian and Trusteeship Agreement save where any such actions, proceedings, claims, costs, demands or expenses arise as a result of its unjustifiable failure to perform its obligations or its improper performance of its obligations.

The Custodian and Trusteeship Agreement between the Company and the Custodian and Trustee shall continue in force until terminated without the payment of any penalty by the Company giving 90 days' prior written notice and the Custodian and Trustee or giving 180 days' prior written notice to the Company or such other period as may be agreed between the parties in writing. Either party may terminate the Custodian and Trusteeship Agreement without the payment of any penalty if at any time (i) the other party shall be unable to pay its debts as they fall due or go into liquidation or receivership or an examiner shall be appointed pursuant to the Companies (Amendment) Act 1990 or be unable to pay its debts as they fall due (ii) the other party shall commit any material breach of the provisions of the agreement and if capable of remedy, shall not have remedied that breach within 30 days after the service of written notice requiring it to be remedied, (iii) or certain representations, warranties, or covenants or undertakings contained in the agreement cease to be true or accurate in any material respect.

The Distributor

The Distributor is the Principal Money Manager. The Distributor provides distribution services to the Manager in accordance with the terms of the Distribution Agreement. The Distribution Agreement shall continue in force until terminated by either party to it on thirty days' written notice to the other party.

The Distribution Agreement provides that the Distributor will indemnify and hold harmless the Manager for any loss, liability, claim, damage or expenses resulting from any failure on the Distributor's part to comply with any provisions of the Distribution Agreement, this Prospectus or any applicable laws and regulations. The agreement further provides that the Distributor will indemnify and hold harmless the Manager for any loss suffered by the Manager as a consequence of the Distributor's failure to submit the payment for Shares in a timely fashion to the Custodian and Trustee following the placement of a purchase order by the Distributor.

The Manager will indemnify and hold harmless the Distributor from and against any loss, liability, claim, damage or expenses to which the Distributor may become subject as a result of incorrect or misleading representations contained in this Prospectus or in any other document which has been prepared in connection with the placement of the Shares of the Company and which has been delivered to the Distributor by the Manager or which has been approved by the Manager.

The Distributor is required to provide each investor with a copy of this Prospectus as well as the relevant Simplified Prospectus (and any similar supplement, addendum or information note as may be required under applicable local law) prior to the subscription by the investor in any Fund.

Furthermore, the Distributor is required to comply with procedures aimed at preventing money laundering as described in the paragraph "Application for Shares".

Paying Agents

Local paying agents and representatives may be appointed to facilitate the authorisation or registration of the Company and/or the marketing of any of its Shares in various jurisdictions. In addition, local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary entity rather than directly to/from the Administrator or 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 Administrator or the Custodian for the account of a Fund and (b) redemption monies payable by such intermediate entity to the relevant investor.

FEES AND EXPENSES

General

The Company shall pay all of its expenses, other than those expressly assumed by the Manager. These expenses may include the costs of (i) establishing, maintaining and registering the Company and the Funds and the Shares with any governmental or regulatory authority or with any Regulated Market or exchange and the fees or any paying agent and/or local representatives at normal commercial rates; (ii) management or custodial and related services; (iii) preparation, printing, translation and posting of prospectuses, sales literature, reports to Shareholders, the Central Bank and governmental agencies; (iv) taxes, commissions and brokerage fees; (v) auditing, tax and legal fees; (vi) insurance premia and other operating expenses including the disbursements of the Custodian and Trustee and the Manager and of any of their agents; and (vii) the Directors' reasonable fees and out-of-pocket expenses.

All expenses relating to the establishment of the Funds have been paid.

To the extent that expenses are allocable to a specific Class of a Fund, that Class shall bear such expenses. The costs and gains/losses of any hedging transaction will be attributable to that Class.

The Articles of Association provide that the Directors shall be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors. The Directors' annual remuneration for the forthcoming year will be disclosed in the Prospectus. The Directors' annual remuneration will not exceed EUR 40,000 for the calendar year ending 31 December 2012. In addition to such fees the Directors shall be entitled to be reimbursed out of the assets of the Company for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any meetings in connection with the business of the Company. None of the Directors affiliated to Frank Russell, Amundi, the Manager, the Principal Money Manager, the Adviser, the Administrator or the Custodian and Trustee will receive a Director's fee.

Fees and Expenses

The following fees and expenses will be borne by the Company (expressed as a maximum annual percentage of average daily Net Asset Value *per annum*, except as otherwise noted) which fees shall accrue daily and be paid monthly in arrears. Please note that the maximum management fee for a Class of Shares in a Fund is 2.50 or 3.00 per cent. *per annum* of the Net Asset Value depending on the time at which the Share Class was launched, excluding any performance fee to be paid to the Manager as described below. As at the date of this Prospectus all Share Classes, other than Class R-H Accumulation of The Global Real Estate Securities Fund, are subject to a maximum management fee of 2.50 per cent. *per annum* of the Net Asset Value. Any increase in a management fee set out below will be subject to prior approval of the Shareholders of the relevant Fund or Share Class. In addition to the Share Classes listed below, other Share Classes may be established that may be subject to higher, lower or no fees. Information in relation to the fees applicable to other Share Classes within each Fund will be contained in a revised prospectus or a supplemental prospectus.

The Actions France Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.00 per cent.	up to 0.20 per cent.
Class Darwin Actions France	2.25 per cent.	

The Core Eurozone Equity Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A Euro	1.60 per cent.	up to 0.20 per cent.
Class B Euro	1.00 per cent.	
Class DC-SH	1.00 per cent.	

The European Small Cap Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.90 per cent.	up to 0.20 per cent.
Class B	1.30 per cent.	
Class D	1.55 per cent.	
Class E	1.70 per cent.	
Class F	2.10 per cent.	
Class I	1.20 per cent.	
Class P	2.25 per cent.	
Class TDA	0.72 per cent.	
Class TDA Income	0.72 per cent.	
Class TDB	0.92 per cent.	
Class TDB Income	0.92 per cent.	
Class TDC	0.62 per cent.	
Class TDC Income	0.62 per cent.	
Class TYA	0.72 per cent.	
Class TYA Income	0.72 per cent.	
Class TYB	0.92 per cent.	
Class TYB Income	0.92 per cent.	
Class TYC	0.62 per cent.	
Class TYC Income	0.62 per cent.	

The Global Bond (Euro Hedged) Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.50 per cent.	up to 0.20 per cent.
Class B	0.90 per cent.	
Class D	1.15 per cent.	
Class DH-B	0.90 per cent.	
Class E	1.30 per cent.	
Class F	1.70 per cent.	
Class MZ Income	0.40 per cent.	
Class S	0.32 per cent.	

The Eurozone Aggressive Equity Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A Retail Euro	1.90 per cent.	up to 0.20 per cent.
Class A Retail Euro Income	1.90 per cent.	
Class A Retail SH	1.90 per cent.	
Class A Retail SH Income	1.90 per cent.	
Class A Retail USDH	1.90 per cent.	
Class A Retail USDH Income	1.90 per cent.	
Class A Retail YH	1.90 per cent.	

The Eurozone Aggressive Equity Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A Retail YH Income	1.90 per cent.	
Class B Institutional Euro	1.30 per cent.	
Class B Institutional Euro Income	1.30 per cent.	
Class B Institutional SH	1.30 per cent.	
Class B Institutional SH Income	1.30 per cent.	
Class B Institutional USDH	1.30 per cent.	
Class B Institutional USDH Income	1.30 per cent.	
Class B Institutional YH	1.30 per cent.	
Class B Institutional YH Income	1.30 per cent.	
Class DC-SH	0.80 per cent.	
Class TDA	0.74 per cent.	
Class TDA Income	0.74 per cent.	
Class TDB	0.94 per cent.	
Class TDB Income	0.94 per cent.	
Class TDC	0.64 per cent.	
Class TDC Income	0.64 per cent.	
Class TYA	0.74 per cent.	
Class TYA Income	0.74 per cent.	
Class TYB	0.94 per cent.	
Class TYB Income	0.94 per cent.	
Class TYC	0.64 per cent.	
Class TYC Income	0.64 per cent.	

The Global Bond Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.50 per cent.	up to 0.20 per cent.
Class B	0.90 per cent.	
Class D	1.15 per cent.	
Class DH-B	0.90 per cent.	
Class E	1.30 per cent.	
Class EH-B	0.90 per cent.	
Class EH-MZ Income	0.40 per cent.	
Class F	1.70 per cent.	
Class G	1.50 per cent.	
Class H	1.70 per cent.	
Class MZ Income	0.40 per cent.	
Class S	0.32 per cent.	

The Global Real Estate Securities Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.50 per cent.	up to 0.20 per cent.
Class B	0.90 per cent.	
Class B Income	0.90 per cent.	
Class C	1.50 per cent.	
Class C Income	1.50 per cent.	
Class DH-A	1.55 per cent.	
Class DH-B	0.95 per cent.	
Class DH-B Income	0.95 per cent.	
Class EH-A	1.55 per cent.	
Class EH-A Income	1.55 per cent.	
Class EMG Immo International	2.10 per cent.	
Class H	2.00 per cent.	
Class I	0.90 per cent.	
Class I Income	0.90 per cent.	
Class NZDH-B Accumulation	0.90 per cent.	

Class P Income	1.50 per cent.
Class R-H Accumulation	2.55 per cent.
Class SH-A Income	1.55 per cent.
Class SH-B	0.95 per cent.
Class SH-B Income	0.95 per cent.
Class T	2.30 per cent.
Class T Income	2.30 per cent.

The Global Strategic Yield Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.60 per cent.	Up to 0.20 per cent.
Class AUDH-B Accumulation	1.00 per cent.	
Class B	1.00 per cent.	
Class D	1.00 per cent.	
Class DH-B	1.50 per cent.	
Class E	1.40 per cent.	
Class F	1.80 per cent.	
Class G	1.60 per cent.	
Class H	1.80 per cent.	
Class M	1.00 per cent.	
Class SH-B Accumulation	1.00 per cent.	
Class TDA	0.53 per cent.	
Class TDA Income	0.53 per cent.	
Class TDB	0.73 per cent.	
Class TDB Income	0.73 per cent.	
Class TYA	0.53 per cent.	
Class TYA Income	0.53 per cent.	
Class TYB	0.73 per cent.	
Class TYB Income	0.73 per cent.	
Class TYHA	0.53 per cent.	
Class TYHA Income	0.53 per cent.	
Class TYHB	0.73 per cent.	
Class TYHB Income	0.73 per cent.	
Class U Accumulation	2.00 per cent.	
Class U Income	2.00 per cent.	

The Japan Equity Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.60 per cent.	Up to 0.20 per cent.
Class B	1.00 per cent.	
Class C	1.60 per cent.	
Class D	1.25 per cent.	
Class E	1.80 per cent.	
Class EH-B	1.05 per cent.	
Class F	2.00 per cent.	
Class G	1.80 per cent.	
Class H	2.00 per cent.	
Class S	0.48 per cent.	

The Pacific Basin (ex Japan) Equity Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	2.10 per cent.	Up to 0.30 per cent.
Class B	1.50 per cent.	
Class C	2.10 per cent.	
Class D	1.75 per cent.	
Class E	1.90 per cent.	

Class F	2.30 per cent.
Class G	1.90 per cent.
Class H	2.30 per cent.
Class I	1.40 per cent.
Class MZ Income	0.40 per cent.

The Pan European Equity Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. Of NAV per Fund
Class A	1.60 per cent.	Up to 0.20 per cent.
Class B	1.00 per cent.	
Class E	1.80 per cent.	
Class F	2.00 per cent.	
Class MZ Income	0.40 per cent.	
Class S	0.48 per cent.	

The U.S. Equity Fund	Management Fee as per cent. of NAV per Class	Aggregate of Administration, Custodian and Trusteeship Fees as per cent. of NAV per Fund
Class A	1.60 per cent.	Up to 0.20 per cent.
Class B	1.00 per cent.	
Class C	1.60 per cent.	
Class D	1.25 per cent.	
Class E	1.80 per cent.	
Class F	2.00 per cent.	
Class G	1.80 per cent.	
Class H	2.00 per cent.	
Class I	1.00 per cent.	
Class S	0.41 per cent.	

Performance Fees

Each Fund may also pay the Manager a performance fee (the “**Performance Fee**”) on an annual basis (the “**Performance Period**”) that is equal to the sum of Performance Fees to be paid to the Fund’s Money Managers as described more fully below. A Performance Fee in respect of any Fund may be payable at any time from 1 October 2008 except in respect of The Actions France Fund, The Core Eurozone Equity Fund (where there is an existing right to charge a Performance Fee).

Any Performance Fee paid to the Manager shall be paid in its entirety to the Principal Money Manager, which in turn shall pay the entire Performance Fee to those Money Managers for the relevant Fund that are entitled to a Performance Fee.

A Performance Fee is payable to a Money Manager only with respect to the value added for that part of a Fund (the “**Portfolio**”) for which that Money Manager is responsible from the time the Principal Money Manager appoints that Money Manager to manage the Portfolio until such time, if ever, that the Money Manager ceases to manage the Portfolio (the “**Term of Appointment**”). The starting value used for Performance Fee calculations will be the value of the relevant Portfolio as of the date of the introduction of the Performance Fee. The value added is measured as the value in money weighted terms above the Money Manager’s performance benchmark or an agreed performance benchmark plus a hurdle rate during a Performance Period. (The performance benchmark is an index that is agreed by the Principal Money Manager and the Money Manager from time to time provided that at all times the index is relevant to the investment policy of the Fund). In no event will a Money Manager be paid a performance fee for any Performance Period in which the value added by the Money Manager to the Portfolio is negative. Any negative performance must be clawed back before the Money Manager can accrue a Performance Fee for future value added.

The Performance Fee will be calculated and accrued daily during the Term of Appointment and for each Performance Period. Where a Money Manager is entitled to receive a Performance Fee in a Performance Period, all or part of that Performance Fee, depending upon the arrangements with that Money Manager, will be paid to the Money Manager for that Performance Period. Any unpaid amounts will be carried over into following years and will be available to offset negative value added to the Portfolio. Upon the termination of a Money Manager’s appointment, any Performance Fees owed will be paid in full. In no event will a Performance Fee calculated and accrued in respect of a Portfolio exceed 20 per cent. Of the value added during a Performance Period.

The calculation of any Performance Fee must be verified by the Custodian and Trustee.

Because a Performance Fee is calculated and may be payable to a Money Manager with respect to each Portfolio within a Fund, it is

possible that a Fund could pay a Performance Fee (as the sum of any Performance Fees paid to Money Managers in respect of a Performance Period) to the Manager when the overall value added to such Fund is negative. This would occur where, for example, during a Performance Period one Money Manager adds value in respect of its Portfolio but the other Money Managers add negative value with respect to their respective Portfolios.

Miscellaneous

The Company will pay fees for the paying and information services provided by the local paying agents and representatives at normal commercial rates.

The Manager shall discharge from its management fee all fees and out-of-pocket expenses payable to the Adviser, the Distributor and the Principal Money Manager. The Principal Money Manager shall discharge all fees payable to the Money Managers from its own fee. The Company shall pay the fees of the Administrator and the Custodian and Trustee and out-of-pocket expenses properly incurred by them. The Company shall reimburse the Custodian and Trustee for reasonable fees paid to any sub-custodian. The Manager may at any time waive all or part of its fees or reimburse all or part of each Fund's expenses, provided that any such waiver may be discontinued by the Manager at any time at its discretion. The Manager will not be reimbursed by the Funds for its out-of-pocket expenses. There are no redemption charges payable on a redemption of Shares in the Fund.

Charging fees and expenses to capital

In respect of The Global Strategic Yield Fund, Shareholders should note that all of the management fees, performance fees, administration and custody fees, operational expenses and borrowing expenses of this Fund will be charged to the capital of the Fund. Thus, there is an increased risk that on repurchase of the Shares, Shareholders may not receive back the full amount invested. These fees and expenses are charged against the capital of the Fund in order to increase the amount of income that can be distributed by that Fund. It should be noted that the distribution of income in a Fund which charges fees and expenses to capital may result in the erosion of capital, thus some of the potential for future capital growth will be lost as a consequence of seeking to increase the amount of income that can be distributed by the Fund.

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 and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect.

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 and any transfer of Shares between spouses or former spouses on the occasion of judicial separation and/or divorce; 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% 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% 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;
- (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 a 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 where the Shareholder is a company, at the rate of 25%, and where the Shareholder is not a company, at the rate of 30%, and, where payments are made less frequently, where the Shareholder is a company, at the rate of 25%, and where the Shareholder

is not a company, at the rate of 33%.

Tax will also be deducted by the Company and remitted to the Revenue Commissioners from any gain arising on an encashment, repurchase, redemption or other disposal of Shares by such a Shareholder where the Shareholder is a company, at the rate of 25%, and where the Shareholder is not a company, at the rate of 33%. 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.

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% 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 where the Shareholder is a company, at the rate of 25%, and where the Shareholder is not a company, at the rate of 33%. 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% 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%, and where the Shareholder is not a company, at the rate of 33%. 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 distributions (where payments are made annually or at more frequent intervals) 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% 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.

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, redemption, cancellation or transfer 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 41 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%) on the income and gains together with a surcharge, penalties and interest.

The 30% and 33% rates of tax outlined above apply, as well as the lower 25% rate in the case of corporate Shareholders, in respect of chargeable events occurring on or after 1 January 2012 and reflect the proposals contained in the Finance Bill 2012 to amend the rates. It is expected that these revised rates will be enacted in the Finance Act 2012, with effect from 1 January 2012.

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) 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, for periods up to 31 December 2008; an individual is deemed to be present if the individual is in the country at the end of the day (midnight). Since 1 January 2009, an individual is deemed to be present if he/she is present in the country at any time during the day. Therefore, for tax years from 1 January 2009 on, any day during which the individual is present in Ireland counts in ascertaining the total number of days spent in Ireland for residence purposes. 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.

Disposal of Shares and Irish Capital Acquisitions Tax

(a) **Persons Domiciled or Ordinarily Resident in Ireland**

The disposal of Shares by means of a gift or inheritance made by a disponent 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.

(b) **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.

GENERAL

Conflicts of Interest

The Directors, the Manager, the Administrator, the Principal Money Manager, the Custodian and Trustee, the Adviser and the Money Managers may from time to time act as directors, manager, principal money manager custodian and trustee, registrar, administrator or investment adviser or dealer respectively in relation to, or be otherwise involved in, other funds which have similar investment objectives to those of the Funds. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Funds. Each will at all times have regard in such event to its obligations to the Company and will ensure that such conflicts are resolved fairly. In addition, any of the foregoing may deal, as principal or agent, with the Funds provided that all such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis and transactions must be in the best interests of Shareholders. For example, each Fund may effect portfolio transactions with or through subsidiaries of Frank Russell or Société Générale. The Money Managers may be requested by the Principal Money Manager to direct a target percentage of portfolio transactions to subsidiaries of Frank Russell or Société Générale. The subsidiaries of Frank Russell or Société Générale will refund to the Fund effecting such transactions up to 70 per cent. of the commission paid, after reimbursement for research services. Each Money Manager may effect portfolio transactions with an affiliated party, provided that the aggregate of such transactions does not exceed 25 per cent. of the total portfolio transactions of the Fund. Each of the Money Managers may enter into transactions on a soft commission basis, i.e., utilise the services and expertise of brokers in return for the execution of trades through such brokers, provided that the broker or counterparty to the arrangement has agreed to provide best execution, the benefits provided under the arrangement assist in the provision of investment services to the relevant Fund and there is adequate disclosure of such arrangements in the Fund's Prospectus and periodic reports. In addition, a Director may from time to time be a director, shareholder, officer, employee or consultant of brokerage firms with or through whom portfolio transactions for the Funds are effected.

Dealings will be deemed to have been effected on normal commercial terms negotiated at arm's length if (1) a certified valuation of a transaction by a person approved by the Custodian and Trustee as independent and competent is obtained; or (2) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or (3), where (1) and (2) are not practical, the transaction is executed on terms which the Custodian and Trustee, or the Directors in the case of a transaction involving the Custodian and Trustee, is satisfied are normal commercial terms negotiated at arm's length. In all cases a transaction must be in the best interests of Shareholders. In respect of the valuation of unlisted investments and the difficulty in obtaining a valuation from other sources, such competent professional may be related to the Principal Money Manager or a Money Manager.

The Manager has adopted a policy designed to ensure that in all transactions a reasonable effort is made to avoid conflicts of interest and, when they cannot be avoided, such conflicts are managed so that the Funds and their Shareholders are fairly treated.

The Manager has adopted a policy designed to ensure that Money Managers act in a Fund's best interests when executing decisions to

deal and placing orders to deal on behalf of the Fund in the context of managing the Fund's portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, research services provided by the broker to the Adviser or Money Manager, or any other consideration relevant to the execution of the order. Information about the Manager's execution policy and any material change to the policy are available to Shareholders at no charge upon request.

The Manager 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.

The Share Capital

The share capital of the Company shall at all times equal its Net Asset Value. All but two of the Subscriber Shares have been repurchased by the Company. 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 Company may issue up to five hundred billion Shares at the Net Asset Value per Share on such terms and in such Classes as the directors may think fit.

The proceeds from the issue of Shares (excluding the initial share capital) shall be applied in the books of the Company to the relevant Class of each Fund and shall be used in the acquisition on behalf of the relevant Fund of transferable securities and ancillary liquid assets.

The Directors are authorised from time to time to re-designate any existing Class of Shares and merge such Class or Classes of Shares provided that Shareholders in such Class or Classes of Shares are first notified by the Company and given the opportunity to have the Shares repurchased. In the event that the Directors transfer any asset to and from any Fund they shall advise Shareholders of any such transfer in the next succeeding annual or half-yearly report to Shareholders.

Each of the Shares entitles the holder to participate equally on a *pro rata* basis in the profits and dividends of the Fund attributable to such Shares and 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 of that Class represented or present and voting at a general meeting duly convened in accordance with the Articles of Association. The quorum for any general meeting convened to consider any alteration to the Class rights of the Shares shall be such number of Shareholders whose holdings comprise one-third of the Shares.

The Articles of Association of the Company empower the Directors to issue fractional Shares in the Company. Fractional Shares shall not carry any voting rights at general meetings of the Company or of any Fund and the Net Asset Value of any fractional Share shall be the Net Asset Value per Share adjusted in proportion to the fraction.

The Funds and Segregation of Liability

The Company is an umbrella fund with segregated liability between sub-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.

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

- (a) 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;
- (b) 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;
- (c) 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
- (d) 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 which 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 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 and Trustee, 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.

Meetings and Votes of Shareholders

All general meetings of the Company shall be held in Ireland. In each year the Company shall hold a general meeting as its annual general meeting. Twenty-one days' notice (excluding the day of mailing 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. Two shareholders present in person or by proxy shall constitute a quorum, save in the case of a meeting of any one Class of Shares where the quorum shall be at least two Shareholders who hold at least one-third of the Shares of the relevant Class. An ordinary resolution is a resolution passed by a simple majority 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 majority at a meeting of Shareholders on a show of hands on the basis of one vote per person unless a poll is requested by Shareholders holding 10 per cent. or more of the Shares in number or by value or unless the chairman of the meeting requests a poll.

Each Share gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll. All Shares of each Class have equal voting rights, except that in matters affecting only a particular Class, only Shares of that Class shall be entitled to vote.

Reports

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

Annual accounts shall be made up to 30 September in each year. The next audited annual accounts shall be made up to 30 September 2012 and the next unaudited half-yearly reports shall be made up to 31 March 2012. The audited annual accounts and unaudited half-yearly reports incorporating financial statements and other reports shall be sent via electronic communication subject to Shareholder consent or posted to each Shareholder at his registered address free of charge and will be made available for inspection at the registered office of the Company.

Termination of the Funds

All of the Shares may be repurchased by the Company in the following circumstances:

- (i) if 75 per cent. of the holders of the Shares in the Company or of a Fund voting at a general meeting of the Company, of which not more than six and not less than four weeks' notice has been given, approve the repurchase of the Shares in the Company or the Fund, as appropriate;
- (ii) at any time determined by the Directors, the Company may repurchase all of the Shares of the Company or a Fund or a Class, as applicable, provided that not less than twenty-one days' written notice has been given to the holders of the Shares of the Company, Fund or Class as appropriate; and
- (iii) on 31 December 2005 or on any fifth year thereafter, provided that notice of not less than four and not more than six weeks has been given to the holders of the Shares.

Where a repurchase of Shares would result in the number of Shareholders falling below seven 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 and Trustee.

If all of the Shares are to be repurchased and it is proposed to transfer all or part of the assets of the Company to another company, the Company, with the sanction of a special resolution of Shareholders, may exchange the assets of the Company for shares or similar interests in the transferee company for distribution among Shareholders.

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 assets available for distribution among the Shareholders shall then be applied in the following priority:

- (i) firstly, in the payment to the Shareholders of each class of each Fund of a sum in the Class Currency in which that class is denominated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange reasonably determined by the liquidator) to the Net Asset Value of the shares of such class held by such holders respectively as at the date of commencement of the winding up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of shares, there are insufficient assets available in the relevant Fund to enable such payment to be made, recourse shall be had to the assets of the Company not comprised within any of the Funds;
- (ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the amount paid thereon (plus any interest accrued) out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under paragraph (i) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;
- (iii) thirdly, in the payment to the Shareholders of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of shares held; and
- (iv) fourthly, in the payment to the Shareholders of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the value of each Fund and within each Fund to the value of each class and in proportion to the Net Asset Value per share.

With the approval of Shareholders in general meeting 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 or the 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.

Miscellaneous

- (i) The Company has not been involved in any litigation or arbitration since its incorporation and no litigation or claim is known to the Company to be pending or threatened against the Company or any Fund.

- (ii) There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.
- (iii) Each of the Directors is a director of the Manager. Mr. Beveridge, Mr. Firm, Mr. Gunning, Mr. Jenkins, Mr. McMurray and Mr. Willman are employees of Frank Russell or subsidiary companies of Frank Russell and each of Mr. Bonder, Mr. Lemarié, Mr. Romero and Ms. Vo-Tissier are employees of Amundi or affiliated companies of Amundi. Mr. Tiernan is an employee of Lyxor Asset Management which is a subsidiary of Société Générale which is a minority indirect shareholder of Amundi. Save as disclosed herein, none of the Directors is interested in any contract or arrangement subsisting at the date hereof which is significant in relation to the business of the Company.
- (iv) At the date of this document, neither the Directors nor any connected person have any interest in the share capital of the Company or any options in respect of such capital.
- (v) No share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option.
- (vi) Save as disclosed in this Prospectus, no commissions, discounts, brokerage or other special terms have been granted by the Company in relation to Shares issued by the Company.
- (vii) The Company has the power to appoint distributors and paying agents.

Material Contracts

The Company's material contracts are set out in Schedule III.

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 at the offices of the Manager:

- (i) the Articles of Association;
- (ii) the material contracts referred to in Schedule III; and
- (iii) a copy of the Regulations and the notices issued by the Central Bank under the Regulations.

Copies of the Articles of Association may be obtained by applicants from the Manager on payment of a fee of U.S.\$15 to the Manager. Copies of the latest financial reports of the Company may be obtained, free of charge, upon request at the registered office of the Company or at the office of the Manager.

SCHEDULE I

The Regulated Markets

With the exception of permitted investments in unlisted securities the investments of any Fund will be restricted to the following stock exchanges and markets in the Regulated Markets as follows:

- any stock exchange in the European Union and the EEA and any stock exchange in the U.S., Australia, Canada, Japan, New Zealand or Switzerland which is a stock exchange within the meaning of the law of the country concerned relating to stock exchanges;
- the market conducted by listed money market institutions as described in the Financial Services Authority publication “The regulation of the wholesale cash and OTC derivative markets: The Grey Paper” (as amended from time to time);
- AIM, the Alternative Investment Market in the U.K. regulated and operated by the London Stock Exchange;
- the market organised by the International and Capital Market Association which was created on 1 July 2005 following the merger of the International Primary Market Association with the International Securities Markets Association;
- NASDAQ in the U.S.; KOSDAQ in South Korea, SESDAQ in Singapore, TAISAQ/Gretai Market in Taiwan, RASDAQ in Romania;
- the market in U.S. government securities which is conducted by primary dealers regulated by the Federal Reserve Bank of New York and the U.S. Securities and Exchange Commission;
- the over-the-counter market in the United States conducted by primary and second dealers regulated by the U.S. Securities and Exchange Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
- the French market for Titres de Créance Négociable (over-the-counter market in negotiable debt instruments);
- the market in Irish government bonds conducted by primary dealers recognised by the National Treasury Management Agency of Ireland;
- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- the over-the-counter market in Canadian government bonds regulated by the Investment Dealers Association of Canada;
- and the following stock exchanges and markets:

Argentina:	Buenos Aires Stock Exchange (MVBA), Cordoba Stock Exchange, Mendoza Stock Exchange, Rosario Stock Exchange, La Plata Stock Exchange
Bahrain:	Bahrain Stock Exchange
Bangladesh:	Chittangong Stock Exchange, Dhaka Stock Exchange
Botswana:	Botswana Share Market
Brazil:	Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe – Alagoas, Bolsa de Valores de Extremo, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange,
Chile:	Santiago Stock Exchange, Valparaiso Stock Exchange
China:	Hong Kong Stock Exchange, Shenzhen Stock Exchange (SZSE), Shanghai Stock Exchange (SSE)
Colombia:	Bogota Stock Exchange, Medellin Stock Exchange
Costa Rica:	Bolsa Nacional de Valores
Croatia:	Zagreb Stock Exchange
Ecuador:	Quito Stock Exchange, Guayaquil Stock Exchange, Stock Exchange of Cuenca
Egypt:	Cairo and Alexandria Stock Exchange
Ghana:	Ghana Stock Exchange
India:	Ahmedabab Stock Exchange, Cochin Stock Exchange, Magadh Stock Exchange, Mumbai Stock Exchange, Calcutta Stock Exchange, Delhi Stock Exchange Association, Bangalore Stock Exchange, Gauhati Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Madras Stock Exchange, Pune Stock Exchange, Uttar Pradesh Stock Exchange Association, the National Stock Exchange of India
Indonesia:	Jakarta Stock Exchange, Surabaya Stock Exchange
Israel:	Tel Aviv Stock Exchange

Ivory Coast:	Abidjan Stock Exchange
Jamaica:	Jamaica Stock Exchange
Jordan:	Amman Stock Exchange
Kazakhstan:	Kazakhstan Stock Exchange
Kenya:	Nairobi Stock Exchange
Kyrgystan:	Bishkek Stock Exchange
Lebanon:	Beirut Stock Exchange
Macedonia:	Macedonian Stock Exchange
Malaysia:	Kuala Lumpur Stock Exchange
Malawi:	Malawi Stock Exchange
Mauritius:	Stock Exchange of Mauritius
Mexico:	Bolsa Mexicana de Valores
Morocco:	Morocco Stock Exchange
Nigeria:	Lagos Stock Exchange, Kaduna Stock Exchange, Port Harcourt Stock Exchange
Oman:	Muscat Securities Market
Pakistan:	Karachi Stock Exchange, Lahore Stock Exchange
Palestine:	Palestine Stock Exchange
Panama:	Panama Stock Exchange
Peru:	Lima Stock Exchange
The Philippines:	the Philippines Stock Exchange, Makati Stock Exchange
Puerto Rico:	San Juan Stock Exchange
Quatar:	Doha Stock Exchange
Russia:	RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange)
Serbia:	Belgrade Stock Exchange
Singapore:	SGX Mainboard, SGX Catalist
South Africa:	Johannesburg Stock Exchange
South Korea:	Korea Stock Exchange
Sri Lanka:	Colombo Stock Exchange
Swaziland:	Swaziland Stock Exchange
Taiwan:	Taiwan Stock Exchange
Thailand:	The Stock Exchange of Thailand
Trinidad & Tobago:	The Trinidad & Tobago Stock Exchange
Tunisia:	Tunis Stock Exchange
Turkey:	Istanbul Stock Exchange
Uganda:	Uganda Securities Exchange
Ukraine:	Ukrainian Stock Exchange
Uruguay:	Montevideo Stock Exchange
Venezuela:	Caracas Stock Exchange, Maracaibo Stock Exchange
Zambia:	Lusaka Stock Exchange

and for financial derivative instruments (“FDI”) investments and derivative markets in the European Economic Area and the following exchanges and markets:

- (A) the market organised by the International Capital Markets Association; the over-the-counter market in the U.S. conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation; the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan; the over-the-counter market in Canadian government bonds regulated by the Investment Dealers Association of Canada; and
- (B) American Stock Exchange, Australian Stock Exchange, Bolsa Mexicana de Valores, Chicago Board of Trade, Chicago Board Options Exchange, Chicago Mercantile Exchange, Hong Kong Stock Exchange, Kansas City Board of Trade, Korea Stock Exchange, MEFF Rent Fiji, MEFF Renta Variable, Montreal Stock Exchange, New York Futures Exchange, New York Mercantile Exchange, New York Stock Exchange, New Zealand Futures and Options Exchange, Osaka Securities Exchange, Pacific Stock Exchange, Philadelphia Board of Trade, Philadelphia Stock Exchange, Singapore Stock Exchange, South Africa Futures Exchange (SAFEX), Sydney Futures Exchange, The National Association of Securities Dealers Automated Quotations System (NASDAQ); Tokyo Stock Exchange; Toronto Stock Exchange.

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

* NASDAQ Europe is a recently formed market and the general level of liquidity may not compare favorably to that found on more established exchanges.

SCHEDULE II

Characteristics of the Classes of Shares by Fund

The distribution status of each share Class is Roll-Up unless otherwise indicated in the name of the Class.

The Actions France Fund – Fund Base Currency – EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class Darwin Actions France	EUR	No	EUR1,000	New

The Core Eurozone Equity Fund – Fund Base Currency – EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A Euro	EUR	No	EUR1,000	New
Class DC-SH	GBP	Yes	GBP1,000	New

The European Small Cap Fund – Fund Base Currency – EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	EUR	No	-	Existing
Class B	EUR	No	-	Existing
Class D	EUR	No	EUR1,000	New
Class E	EUR	No	EUR1,000	New
Class F	EUR	No	EUR1,000	New
Class I	EUR	No	EUR1,000	New
Class P	EUR	No	-	Existing
Class TDA	EUR	No	EUR1,000	New
Class TDA Income	EUR	No	EUR1,000	New
Class TDB	EUR	No	EUR1,000	New
Class TDB Income	EUR	No	EUR1,000	New
Class TDC	EUR	No	EUR1,000	New
Class TDC Income	EUR	No	EUR1,000	New
Class TYA	JP¥	No	-	Existing
Class TYA Income	JP¥	No	JP¥10,000	New
Class TYB	JP¥	No	JP¥10,000	New
Class TYB Income	JP¥	No	JP¥10,000	New
Class TYC	JP¥	No	JP¥10,000	New
Class TYC Income	JP¥	No	JP¥10,000	New

The Eurozone Aggressive Equity Fund – Fund Base Currency – EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A Retail Euro	EUR	No	-	Existing

The Eurozone Aggressive Equity Fund – Fund Base Currency – EUR				
Class A Retail Euro Income	EUR	No	EUR1,000	New
Class A Retail SH	EUR	Yes	EUR1,000	New
Class A Retail SH Income	EUR	Yes	EUR1,000	New
Class A Retail USDH	EUR	Yes	EUR1,000	New
Class A Retail USDH Income	EUR	Yes	EUR1,000	New
Class A Retail YH Retail YH	EUR	Yes	EUR1,000	New
Class A Retail YH Income	EUR	Yes	EUR1,000	New
Class B Institutional Euro	EUR	No	-	Existing
Class B Institutional Euro Income	EUR	No	EUR1,000	New
Class B Institutional SH	EUR	No	EUR1,000	New
Class B Institutional SH Income	EUR	Yes	EUR1,000	New
Class B Institutional USDH	EUR	Yes	EUR1,000	New
Class B Institutional USDH Income	EUR	Yes	EUR1,000	New
Class B Institutional YH	EUR	Yes	EUR1,000	New
Class B Institutional YH Income	JP¥	Yes	JP¥10,000	New
Class DC-SH	Stg£	Yes	Stg£100	New
Class TDA	EUR	No	EUR1,000	New
Class TDA Income	EUR	No	EUR1,000	New
Class TDB	EUR	No	EUR1,000	New
Class TDB Income	EUR	No	EUR1,000	New
Class TDC	EUR	No	EUR1,000	New
Class TDC Income	EUR	No	EUR1,000	New
Class TYA	JP¥	No	JP¥10,000	New
Class TYA Income	JP¥	No	JP¥10,000	New
Class TYB	JP¥	No	JP¥10,000	New
Class TYB Income	JP¥	No	JP¥10,000	New
Class TYC	JP¥	No	JP¥10,000	New
Class TYC Income	JP¥	No	JP¥10,000	New

The Global Bond (Euro Hedged) Fund – Fund Base Currency – EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	EUR	No	-	Existing
Class B	EUR	No	-	Existing
Class D	EUR	No	EUR1,000	New

The Global Bond (Euro Hedged) Fund – Fund Base Currency – EUR				
Class DH-B	U.S.\$	Yes	-	Existing
Class E	EUR	No	EUR1,000	New
Class F	EUR	No	EUR1,000	New
Class MZ Income	EUR	No	-	Existing
Class S	EUR	No	EUR100	New

The Global Bond Fund – Fund Base Currency - EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	EUR	No	-	Existing
Class B	EUR	No	-	Existing
Class D	EUR	No	EUR1,000	New
Class DH-B	U.S.\$	Yes	-	Existing
Class E	EUR	No	EUR1,000	New
Class EH-B	EUR	Yes	-	Existing
Class F	EUR	No	EUR1,000	New
Class G	U.S.\$	No	U.S.\$1,000	New
Class H	U.S.\$	No	U.S.\$1,000	New
Class MZ Income	EUR	No	EUR10	New
Class S	EUR	No	EUR100	New

The Global Real Estate Securities Fund – Fund Base Currency – USD				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	U.S \$	No	-	Existing
Class B	U.S \$	No	-	Existing
Class B Income	U.S \$	No	U.S \$1,000	New
Class C Income	EUR	No	EUR1,000	New
Class C	EUR	No	EUR1,000	New
Class DH-A	U.S \$	Yes	U.S \$1,000	New
Class DH-B Income	U.S \$	Yes	U.S \$1,000	New
Class DH-B	U.S \$	Yes	U.S \$1,000	New
Class EH-A	EUR	Yes	-	Existing
Class EH-A Income	EUR	Yes	EUR1,000	New
Class EMG Immo International	EUR	No	EUR1,000	New
Class H	U.S \$	No	-	Existing
Class I	Stg£	No	Stg£100	New
Class I Income	Stg£	No	Stg£100	New
Class NZDH-B Accumulation	NZD	Yes	-	Existing
Class P Income	EUR	No	EUR1,000	New
Class R-H Accumulation	EUR	Yes	-	Existing
Class SH-A Income	Stg£	Yes	Stg£1,000	New
Class SH-B Income	Stg£	Yes	Stg£1,000	New

The Global Real Estate Securities Fund – Fund Base Currency – USD				
Class SH-B	Stg£	Yes	-	Existing
Class T	U.S \$	No	-	Existing
Class T Income	U.S \$	No	U.S \$100	New

The Global Strategic Yield Fund – Fund Base Currency – EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	EUR	No	-	Existing
Class AUDH-B Accumulation	AUD	Yes	-	Existing
Class B	EUR	No	-	Existing
Class D	EUR	No	EUR1,000	New
Class DH-B	U.S.\$	Yes	-	Existing
Class E	EUR	No	EUR1,000	New
Class F	EUR	No	EUR1,000	New
Class G	U.S.\$	No	U.S.\$1,000	New
Class H	U.S.\$	No	U.S.\$1,000	New
Class M	EUR	No	EUR1,000	New
Class SH-B Accumulation	GBP	Yes	-	Existing
Class TDA	EUR	No	EUR1,000	New
Class TDA Income	EUR	No	EUR1,000	New
Class TDB	EUR	No	EUR1,000	New
Class TDB Income	EUR	No	EUR1,000	New
Class TYA	JP¥	No	JP¥10,000	New
Class TYA Income	JP¥	No	JP¥10,000	New
Class TYB	JP¥	No	JP¥10,000	New
Class TYB Income	JP¥	No	JP¥10,000	New
Class TYHA	JP¥	Yes	JP¥10,000	New
Class TYHA Income	JP¥	Yes	JP¥10,000	New
Class TYHB	JP¥	Yes	JP¥10,000	New
Class TYHB Income	JP¥	Yes	JP¥10,000	New
Class U Accumulation	EUR	No	-	Existing
Class U Income	EUR	No	EUR1,000	New

The Japan Equity Fund – Fund Base Currency – JPY				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	JP¥	No	-	Existing
Class B	JP¥	No	-	Existing
Class C	EUR	No	-	Existing
Class D	JP¥	No	JP¥130,000	New
Class E	EUR	No	EUR1,000	New
Class EH-B	EUR	Yes	-	Existing
Class F	EUR	No	EUR1,000	New
Class G	JP¥	No	JP¥130,000	New

Class H	JP¥	No	JP¥130,000	New
Class S	EUR	No	EUR100	New

The Pacific Basin (ex Japan) Equity Fund – Fund Base Currency – USD				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	U.S.\$	No	-	Existing
Class B	U.S.\$	No	-	Existing
Class C	EUR	No	-	Existing
Class D	U.S.\$	No	U.S.\$1,000	New
Class E	EUR	No	EUR1,000	New
Class F	EUR	No	EUR1,000	New
Class G	U.S.\$	No	U.S.\$1,000	New
Class H	U.S.\$	No	U.S.\$1,000	New
Class I	EUR	No	EUR1,000	New
Class MZ Income	EUR	No	-	Existing

The Pan European Equity Fund – Fund Base Currency - EUR				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	EUR	No	-	Existing
Class B	EUR	No	-	Existing
Class E	EUR	No	EUR1,000	New
Class F	EUR	No	EUR1,000	New
Class MZ Income	EUR	No	-	Existing
Class S	EUR	No	EUR100	New

The U.S. Equity Fund – Fund Base Currency – USD				
Share Class	Class Currency	Hedged Currency Class	Initial Offer Price	Initial Offer Period Status
Class A	U.S.\$	No	-	Existing
Class B	U.S.\$	No	-	Existing
Class C	EUR	No	-	Existing
Class D	U.S.\$	No	U.S.\$1,000	New
Class E	EUR	No	EUR1,000	New
Class F	EUR	No	EUR1,000	New
Class G	U.S.\$	No	U.S.\$1,000	New
Class H	U.S.\$	No	U.S.\$1,000	New
Class I	EUR	No	EUR1,000	New
Class S	EUR	No	EUR100	New

SCHEDULE III

Material Contracts

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

- The Management Agreement dated 2 May 2012 between the Company and the Manager, pursuant to which the latter was appointed manager and investment adviser in relation to the Funds.
- The Principal Money Manager Agreement dated 2 May 2012 between the Manager and Russell Investments Limited pursuant to which the latter was appointed principal money manager to the Manager.
- The Advisory Agreement dated 1 November 2007 as amended by side letter dated 2 May 2012 between the Manager and Russell Investments Limited pursuant to which the latter was appointed by the Manager as adviser to the Company.
- The Administration Agreement dated 2 May 2012 between the Company, the Manager and State Street Fund Services (Ireland) Limited.
- The Custodian and Trusteeship Agreement dated 1 April 2008 between the Company and the Custodian and Trustee.
- The Distribution Agreement dated 1 November 2007 as amended by side letter dated 2 May 2012 between the Manager and Russell Investments Limited pursuant to which Russell Investments Limited was appointed by the Manager as the distributor of the Company.

SCHEDULE IV

Definitions

In this Prospectus the following words and phrases have the meanings set forth below:

“ Accumulation Class Shares ”	means Shares of a Class of a Fund that declare a distribution but whose net income is then reinvested in the capital of the relevant Fund on the Distribution Date;
“ Administration Agreement ”	means the agreement made on 2 May 2012 between the Company, the Manager and the Administrator;
“ Administrator ”	means State Street Fund Services (Ireland) Limited or any successor administrator appointed by the Company;
“ Adviser ”	means Russell Investments Limited;
“ Advisory Agreement ”	means the agreement made on 1 November 2007 as amended by side letter dated 2 May 2012 between the Manager and the Adviser;
“ AIMA ”	means the Alternative Investment Management Association;
“ Articles of Association ”	means the Memorandum and Articles of Association of the Company;
“ Base Currency ”	means in respect of any Fund, the currency set out for that Fund in Schedule II;
“ Business Day ”	means a day (excluding Saturday and Sunday) on which Irish retail banks are open for business, provided that the Directors from time to time may designate as a Business Day a day on which Irish retail banks are not open for business as aforesaid.;
“ Central Bank ”	means the Central Bank of Ireland and any successor regulatory authority with responsibility for the authorisation and supervision of the Company;
“ Class ”	means any class of Shares in the Company;
“ Class Currency ”	means in respect of any Class of Shares, the currency in which Shares are issued;
“ Company ”	means Multi-Style, Multi-Manager Funds p.l.c., formerly known as SG/Russell Funds p.l.c., an open-ended investment company with variable capital, incorporated in Ireland and organised as an umbrella fund with segregated liability between sub-funds;
“ Custodian and Trusteeship Agreement ”	means the agreement made on 1 April 2008 between the Company and the Custodian and Trustee;
“ Custodian and Trustee ”	means State Street Custodial Services (Ireland) Limited or any successor custodian appointed by the Company;
“ Dealing Day ”	means any Business Day or Business Days as the Directors may from time to time determine, provided that there shall be at least two Dealing Days in each month and that, unless otherwise determined and notified to the Central Bank, every Business Day following the Initial Offer Period for each Class of Shares of each Fund shall be a Dealing Day;
“ Directors ”	means the directors of the Company for the time being and any duly constituted committee thereof;
“ Distribution Agreement ”	means the agreement made on 1 November 2007 as amended by side letter dated 2 May 2012 between the Manager and the Distributor;
“ Distribution Date ”	means for any Class of Shares of a Fund a date on which income distributions for the Fund are to be made, such date not to be later than four months from the Company’s year end;
“ Distributor ”	means RIL;
“ EEA ”	means the European Economic Area;

“Equitisation Manager”	means Frank Russell;
“EU”	means the European Union;
“Euro”, “EUR”, or “€”	means euro, the unit of the European single currency;
“Frank Russell”	means Frank Russell Company, the ultimate holding company of the Principal Money Manager;
“FTSE EPRA/NAREIT Developed Real Estate Index Net TRI”	means a market capitalisation weighted index of companies the majority of whose earnings or the entirety of whose assets are engaged in relevant real estate activities, based on the last trade prices where the market capitalisation of each constituent is adjusted for free float and designed to track the performance of listed real estate companies and REITs worldwide;
“Fund” or “Funds”	means any fund or funds, from time to time established with the prior approval of the Central Bank by the Company, each of which shall comprise of one or more Classes of Shares in the Company;
“GBP”, “Stg£” or “Sterling”	means pounds sterling, the lawful currency of the U.K.;
“Income Class Shares”	means Shares of a Class of a Fund that distribute net income from time to time, subject to Directors’ discretion;
“Initial Offer Period”	means in the case of any Fund, the period during which Shares are first offered for subscription as indicated in the section entitled “Subscription Price” in respect any Class identified as “new”;
“IOSCO”	means the International Organisation of Securities Commissions;
“Irish Resident”	means any person resident in Ireland or ordinarily resident in Ireland other than an Exempt Irish Resident (as defined in the Taxation section of the Prospectus);
“Management Agreement”	means the agreement made on 2 May 2012 between the Company and the Manager;
“Manager”	means Russell Investments Ireland Limited;
“Member State”	means a member state of the EU;
“Money Manager”	means the person or persons from time to time appointed by the Principal Money Manager to act as a money manager of any of the Funds;
“Money Manager Agreement”	means an agreement made between the Principal Money Manager and a Money Manager;
“Moody’s”	means Moody’s Investors Service, Inc., the rating agency;
“MSCI European Index”	means a broad index of equity securities issued by European companies. The MSCI European Index tracks approximately 600 securities in 15 European countries and aims to capture 60 per cent. of underlying market capitalisation. It is a subset index derived from the parent Morgan Stanley Capital International, and shares the liquidity emphasis of the parent index. The index construction consists in selecting stocks with good liquidity and free float and in minimising cross-ownership;
“NZD”	means New Zealand dollars, the lawful currency of New Zealand;
“Net Asset Value” or “NAV”	means the net asset value of the Company or of a Class or of a Fund calculated as described herein;
“Net Asset Value per Share”	means the Net Asset Value of each Class of a Fund divided by the number of Shares issued in respect of such Class;

“Net Income”	<p>in relation to The Global Strategic Yield Fund (which charges fees and expenses to capital rather than income): all interest, dividends and other amounts deemed by the Manager to be in the nature of income;</p> <p>in relation to all other Funds: all interest, dividends and other amounts deemed by the Manager to be in the nature of income less the relevant estimated Fund expenses applicable to that dividend period;</p>
“Principal Money Manager”	means RIL;
“Principal Money Manager Agreement”	means the Principal Money Manager Agreement dated 2 May 2012 between the Manager and the Principal Money Manager;
“RIL”	means Russell Investments Limited;
“Regulated Market”	means any stock exchange or regulated market listed in Schedule I hereto;
“Regulations”	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, or any amendment thereto for the time being in force or any amendment thereto for the time being in force;
“Relevant Institution”	means (i) a credit institution authorised in the EEA; (ii) a credit institution authorised within a signatory state, other than a Member State of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Canada, Japan, Switzerland and the U.S.); or (iii) a credit institution authorised in Australia, Guernsey, the Isle of Man, Jersey or New Zealand;
“Roll-Up Class Shares”	means Shares of a Class of a Fund that do not declare or distribute net income and whose Net Asset Value reflects net income;
“Russell Investments”	means Frank Russell and any affiliate of Frank Russell being any company or other legal entity in which Frank Russell owns more than 50 per cent. of the outstanding voting shares, and includes the Manager, the Principal Money Manager and the Distributor;
“Sales Charge”	means a subscription charge of up to 5 per cent. of an amount invested to be paid to a Distributor and/or any of its agents;
“SFr” or “CHF”	means Swiss francs, the lawful currency of Switzerland;
“Share” or “Shares”	means a share or shares in the capital of the Company;
“Shareholder”	means a holder of Shares in the Company;
“Short-Term Instruments”	means a short-term debt instrument with a maturity of less than one year and includes certificates of deposit, bankers’ acceptances, commercial paper, Treasury bills, agency discount paper, French government Treasury bills and government bonds with a remaining term of 12 months or less, and investment grade debt instruments with remaining maturities of 12 months or less. The duration of floating rate instruments will be recognised as the duration of the reset period. Unless otherwise specified in a Fund’s investment objective, all short-term instruments acquired by a Fund must carry a short-term rating or a minimum issuer’s rating of A1/P1 by S&P or Moody’s. A short-term instrument that is not rated by either of these rating agencies is permissible if the security is deemed by the relevant Money Manager to be of equivalent credit quality to the minimum credit constraint;
“S&P”	means Standard & Poor’s Corporation, the rating agency;
“S&P Midcaps 400 Index”	means the index which is designed to represent the performance of the medium capitalisation sector of the U.S. equity market and which consists of 400 stocks with market capitalisations of between U.S.\$300 million and U.S.\$5.2 billion in general although exceptions are made to accommodate industrial and geographic diversification;
“S&P 500 Index”	means the market-value weighted index which covers 500 stocks that are traded on the New York Stock Exchange, American Stock Exchange and the NASDAQ National Market System. Four major industry groupings - industrial, utility, transportation and financial companies of the U.S. markets - are included in the index. It represents approximately 74 per cent. of the value of the investable U.S. equity market and the average market capitalisation of companies

	within the index was U.S.\$11.5 billion;
“Stg£” or “GBP”	means pounds sterling, the lawful currency of the United Kingdom;
“Subscriber Shares”	means the initial share capital of 30,000 shares of no par value subscribed for IR£30,000;
“Taxes Act”	means the Taxes Consolidation Act, 1997 including any amendments thereto or re-enactments thereof for the time being in force;
“Tokyo Stock Price Index” or “TOPIX”	means a capitalisation weighted index of all the companies listed on the First Section of the Tokyo Stock Exchange. The index is supplemented by subindices of 33 industry sectors and developed with a base index value of 100 as of 4 January 1968. The index calculation excludes temporary issues and preferred stocks;
“UCITS”	means an undertaking for collective investment in transferable securities established pursuant to the Regulations;
“U.K.”	means the United Kingdom of Great Britain and Northern Ireland;
“U.S.”	means 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. Dollars”, “USD” or “U.S.\$”	means the lawful currency of the U.S.;
“U.S. Person”	means, unless otherwise determined by the Directors, (i) a citizen or resident of the U.S.; (ii) a corporation, partnership, or other entity organised in or under the laws of the U.S. or any state; (iii) an estate or trust the executor, administrator or trustee of which is a U.S. person as defined above, the income or beneficiaries of which are subject to U.S. federal income tax; and (iv) certain accounts held by a dealer or other fiduciary where the person exercising discretion over the account is a U.S. Person. U.S. Person shall not include corporations, partnerships or other entities which are organised or incorporated under the laws of any non U.S. jurisdiction that are controlled, directly or indirectly, by a U.S. Person as described above, unless such corporation, partnership or other entity was formed by such U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933; and
“Yen”, “JPY” or “JP¥”	means Japanese yen, the lawful currency of Japan.

SCHEDULE V

Investment Restrictions

1	Permitted Investments
1.1	Investments of a UCITS are confined to: 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 which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
1.3	money market instruments, as defined in the UCITS Notices, other than those dealt 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% 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% 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 a UCITS in certain U.S. securities known as Rule 144A securities provided that: <ul style="list-style-type: none"> - 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% 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% is less than 40%.
2.4	Subject to the prior approval of the Central Bank , the limit of 10% (in 2.3) is raised to 25% in the case of bonds issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests in more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.
2.5	The limit of 10% (in 2.3) is raised to 35% 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% referred to in 2.3.
2.7	A UCITS may not invest more than 20% of net assets in deposits made with the same credit institution. <p>Deposits with any one credit institution, other than</p> <ul style="list-style-type: none"> · 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% of net assets. <p>This limit may be raised to 20% in the case of deposits made with the trustee/custodian.</p>

<p>2.8</p> <p>2.9</p> <p>2.10</p> <p>2.11</p> <p>2.12</p>	<p>The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.</p> <p>This limit is raised to 10% 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.</p> <p>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% of net assets:</p> <ul style="list-style-type: none"> - investments in transferable securities or money market instruments; - deposits; and/or - risk exposures arising from OTC derivatives transactions. <p>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% of net assets.</p> <p>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% of net assets may be applied to investment in transferable securities and money market instruments within the same group.</p> <p>A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member State or public international body of which one or more Member States are members.</p> <p>The individual issuers must be listed in the prospectus and may be drawn from the following list:</p> <p>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.</p> <p>A UCITS must hold securities from at least six different issues, with securities from any one issue not exceeding 30% of net assets.</p>
<p>3</p>	<p>Investment in Collective Investment Schemes (“CIS”)</p>
<p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p>	<p>A UCITS may not invest more than 20% of net assets in any one CIS.</p> <p>Investment in non-UCITS may not, in aggregate, exceed 30% of net assets.</p> <p>The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.</p> <p>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 investment by the UCITS in the units of such other CIS.</p> <p>Where a commission (including a rebated commission) is received by the UCITS manager/investment manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the UCITS.</p>
<p>4</p>	<p>Index Tracking UCITS</p>
<p>4.1</p> <p>4.2</p>	<p>A UCITS may invest up to 20% 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.</p> <p>The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.</p>

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 that would enable it to exercise significant influence over the management of an issuing body.
5.2	<p>A UCITS may acquire no more than:</p> <ul style="list-style-type: none"> (i) 10% of the non-voting shares of any single issuing body; (ii) 10% of the debt securities of any single issuing body; (iii) 25% of the units of any single CIS; (iv) 10% of the money market instruments of any single issuing body. <p>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.</p>
5.3	<p>5.1 and 5.2 above shall not be applicable to:</p> <ul style="list-style-type: none"> (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; or (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 unit holders.
5.7	<p>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:</p> <ul style="list-style-type: none"> - transferable securities; - money market instruments*; - units of CIS; or - financial derivative instruments.
5.8	A UCITS may hold ancillary liquid assets.

* Any short selling of money market instruments by UCITS is prohibited

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 over-the-counter (OTC) provided that: -The counterparties to over-the-counter transactions (OTCs) 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.

SCHEDULE VI

Investment Techniques and Financial Derivative Instruments

Financial Derivative Instruments

Permitted FDI

1. A UCITS may invest in FDI provided that:

- (i) the relevant reference items or indices, consist of one or more of the following ¹:
 - instruments referred to in paragraph 1 (i) - (vi) of Notice UCITS 9 including financial instruments having one or several characteristics of those assets;
 - financial indices;
 - interest rates;
 - foreign exchange rates;
 - currencies; and
- (ii) the FDI do not expose the UCITS to risks which it could not otherwise assume (e.g. gain exposure to an instrument/issuer/currency to which the UCITS cannot have a direct exposure);
- (iii) the FDI do not cause the UCITS to diverge from its investment objectives; and
- (iv) the reference in 1(i) above to financial indices shall be understood as a reference to indices which fulfil the following criteria and the provisions of 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), its composition is at least diversified in accordance with Regulation 71;
 - (iii) where the index is composed of assets other than those referred to in Regulation 68(1), it is diversified in a way which is equivalent to that provided for in Regulation 71;
 - (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)

¹ FDI on commodities are excluded.

or (c) above, those FDI shall, where they comply with the criteria set out in Regulation 68(1)(g), be regarded as financial derivatives on a combination of the assets referred to in Regulation 68(1)(g)(i), excluding financial indices.

2. Credit Derivatives

Credit derivatives are permitted where:

- (i) they allow the transfer of the credit risk of an asset as referred to in paragraph 1(i) above, independently from the other risks associated with that asset;
- (ii) 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 68(2);
- (iii) they comply with the criteria for OTC derivatives set out in paragraph 4 below;
- (iv) their risks are adequately captured by the risk management process of the UCITS, and by its internal control mechanisms in the case of risks of asymmetry of information between the UCITS 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 UCITS must undertake the risk assessment with the highest care when the counterparty to the FDI is a related party of the UCITS or the credit risk issuer.

3. FDI must be dealt in on a Regulated Market. 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 UCITS may invest in FDI dealt in over-the-counter, “**OTC derivatives**” provided that:

- (i) the counterparty is a credit institution listed in sub-paragraphs 1.4 (i), (ii) or (iii) of Notice UCITS 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;
- (ii) In the case of a counterparty which is not a credit institution, the counterparty has a minimum credit rating of A2 or equivalent, or is deemed by the UCITS to have an implied rating of A2. Alternatively, an unrated counterparty will be acceptable where the UCITS 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 A2 or equivalent;
- (iii) risk exposure to the counterparty does not exceed the limits set out in Regulation 70(1)(c). The Fund shall calculate the counterparty exposure using the positive mark-to-market value of the OTC derivative contract with that counterparty. The UCITS may net its derivatives positions with the same counterparty, provided that the UCITS 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 UCITS may have to that counterparty;
- (iv) the UCITS is satisfied that (a) the counterparty will value the OTC derivative with reasonable accuracy and on a reliable basis at least daily; (b) the OTC derivative can be sold, liquidated or closed by an offsetting transaction at fair value, at any time at the UCITS’ initiative;
- (v) the UCITS 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
- (vi) Reliable and verifiable valuation shall be understood as a reference to a valuation, by the

UCITS, corresponding to fair value which does not rely only 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 a 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 UCITS is able to check it;
 - (ii) a unit within the UCITS 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 UCITS with collateral. The UCITS may disregard the counterparty risk in circumstances where 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.

Collateral received must at all times meet with the following criteria:

- (i) **Liquidity:** Collateral must be sufficiently liquid in order that it can be sold quickly at a robust price that is close to its pre-sale valuation.
- (ii) **Valuation:** Collateral must be capable of being valued on at least a daily basis and must be marked to market daily;
- (iii) **Issuer credit quality:** Where the collateral issuer is not rated A1 or equivalent, conservative haircuts must be applied.
- (iv) **Safekeeping:** Collateral must be transferred to the trustee, or its agent;
- (v) **Enforceable:** Collateral must be immediately available to the UCITS, without recourse to the counterparty, in the event of a default by that entity;
- (vi) **Cash collateral** must only be invested in risk-free assets;
- (vii) **Non-cash collateral:**
 - cannot be sold, pledged or re-invested;
 - must be held at the credit risk of the counterparty;
 - must be issued by an entity independent of the counterparty; and
 - must be diversified to avoid concentration risk in one issue, sector or country.

Collateral passed to an OTC derivative counterparty by or on behalf of a UCITS must be taken into account in calculating exposure of the UCITS 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 UCITS is able to legally enforce netting arrangements with this counterparty.

Calculation of issuer concentration risk and counterparty exposure risk

Each UCITS 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. The calculation of exposure arising from OTC derivative transactions must include any exposure to OTC derivative counterparty risk. A UCITS must calculate exposure arising from initial margin posted to and variation margin receivable from a broker relating to exchange-

traded or OTC derivatives, which is not protected by client money rules or other similar arrangements to protect the UCITS against the insolvency of the broker, and that exposure cannot exceed the OTC counterparty limit referred to in Regulation 70(1)(c) of the Regulations.

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 stocklending or repurchase agreement. Net exposure refers to the amount receivable by a UCITS less any collateral provided by the UCITS. Exposures created through the reinvestment of collateral must also be taken into account in the issuer concentration calculations. When calculating exposures for the purposes of Regulation 70 of the Regulations, a UCITS must establish whether its exposure is to an OTC counterparty, a broker or a clearing house.

6. 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. 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 UCITS, 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.
7. 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 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;
 - (c) it has a significant impact on the risk profile and pricing of the transferable security or money market instrument.
8. 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

9. A UCITS must ensure that its global exposure (as prescribed in the Central Bank Notices) relating to FDI does not exceed its total net asset value. A UCITS may not therefore be leveraged, including any short positions, in excess of 100 per cent. of net asset value. To the extent permitted under the relevant rules, the UCITS may take account of netting and hedging arrangements when calculating global exposure. The commitment approach is detailed in the UCITS risk management procedures for FDI, which are described below under "Risk Management Process and Reporting".

A UCITS 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 UCITS' risk management procedures for FDI, which are described below under "Risk Management Process and Reporting".

A UCITS must, at any given time, be capable of meeting all its payment and delivery obligations incurred by transactions involving FDI. Monitoring of FDI transactions to ensure they are adequately covered must form part of the risk management process of the UCITS.

10. A transaction in FDI which gives rise, or may give rise, to a future commitment on behalf of a UCITS must be covered as follows:
- (i) in the case of FDI which automatically, or at the discretion of the UCITS, are cash settled a UCITS must hold, at all times, liquid assets which are sufficient to cover the exposure.
 - (ii) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by a UCITS. Alternatively a UCITS may cover the exposure with sufficient liquid assets where:
 - the underlying assets consists of highly liquid fixed income securities; and/or
 - the UCITS 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 in paragraph 11 below, and details are provided in the Prospectus.

Risk management process and reporting

11. (i) A UCITS must employ a risk management process to accurately monitor, measure and manage the risks attached to FDI positions and their contribution to the overall risk profile of the portfolio.
- (ii) A UCITS must provide the Central Bank with details of its proposed Risk Management Process in respect of 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;
 - Methods for estimating risks.
- (ii) 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.
12. The Company must submit a report to the Central Bank on its FDI positions on an annual basis. The report, which must contain information which reflects a true and fair value of the types of FDI used by the UCITS, the underlying risks, the quantitative limits and the methods used to estimate those risks, must be submitted with the annual report of the UCITS. The Company must, at the request of the Central Bank, provide this report at any time.

13. Repurchase Agreements, Reverse Repurchase Agreements and Stocklending Agreements

- I** Repurchase/reverse repurchase agreements, (“**repo contracts**”) and stock lending may only be effected in accordance with normal market practice.
- II** Collateral obtained under a repo contract or stock lending arrangement must at all times meet the following criteria:
- (i) **Liquidity:** Collateral must be sufficiently liquid in order that it can be sold quickly at a robust price that is close to its pre-sale valuation;
 - (ii) **Valuation:** Collateral must be capable of being valued on at least a daily basis and must be marked to market daily; and
 - (iii) **Issuer credit quality:** Where the collateral issuer is not rated A1 or equivalent, conservative haircuts must be applied.
- III** Until the expiry of the repo contract or stock lending transactions, collateral obtained under such contracts or transactions:
- (i) must equal or exceed, in value, at all times the value of the amount invested or securities loaned;
 - (ii) must be transferred to the trustee, or its agent; and
 - (iii) must be immediately available to the UCITS, without recourse to the counterparty, in the event of a

default by that entity.

Paragraph (iii) is not applicable in the event that a UCITS uses tri-party collateral management services of International Central Securities Depositories or relevant institutions which are generally recognised as specialists in this type of transaction. The trustee must be a named participant to the collateral arrangements.

IV Non-cash collateral:

- (i) cannot be sold, pledged or reinvested;
- (ii) must be held at the risk of the counterparty;
- (iii) must be issued by an entity independent of the counterparty; and
- (iv) must be diversified to avoid concentration in one issue, sector or country.

V Cash collateral:

Cash may not be invested other than in the following:

- (i) deposits with Relevant Institutions;
- (ii) government or other public securities;
- (iii) certificates of deposit issued by Relevant Institutions;
- (iv) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions;
- (v) repurchase agreements, provided collateral received falls under categories (a) – (d) and (f) of this paragraph;
- (vi) daily dealing money market funds which have and maintain a rating of AAA or equivalent. If investment is made in a linked fund, as described in UCITS Notice 9 issued by the Central Bank, no subscription, conversion or redemption charge can be made by the underlying money market fund.

In accordance with the requirement that efficient portfolio management techniques cannot result in a change to the UCITS declared investment objective or add substantial supplementary risks, invested cash collateral held at the risk of the UCITS, other than cash collateral invested in government or other public securities or money market funds, must be invested in a diversified manner. A UCITS must be satisfied, at all times, that any investment of cash collateral will enable it to meet with its repayment obligations.

Invested cash collateral may not be placed on deposit with, or invested in securities issued by, the counterparty or a related entity.

VI Notwithstanding the provisions of paragraph III above, a UCITS may enter into stock lending programmes organised by generally recognised International Central Securities Depositories Systems provided that the programme is subject to a guarantee from the system operator.

Without prejudice to the requirements above, a UCITS may be permitted to undertake repo transactions pursuant to which additional leverage is generated through the re-investment of collateral. In this case the repo transaction must be taken into consideration for the determination of global exposure as required by paragraph 21 of UCITS 10. Any global exposure generated must be added to the global exposure created through the use of FDI and, for UCITS using the commitment approach to measure global exposure the total of these must not be greater than 100 per cent. of the Net Asset Value of the UCITS. Where collateral is re-invested in financial assets that provide a return in excess of the risk-free return, the UCITS must include, in the calculation of global exposure: (1) the amount received if cash collateral is held; and (2) the market value of the instrument concerned if non-cash collateral is held.

VII The counterparty to a repo contract or stock lending arrangement must have a minimum credit rating of A2 or equivalent, or must be deemed by the UCITS to have an implied rating of A2. Alternatively, an unrated counterparty will be acceptable where the UCITS 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 A2 or equivalent.

VIII A UCITS must have the right to terminate the stock lending arrangement at any time and demand the return of any or all of the securities loaned. The agreement must provide that, once such notice is given, the borrower is obligated to redeliver the securities within 5 business days or other period as normal market practice dictates.

IX Repo contracts, stock borrowing or stock lending do not constitute borrowing or lending for the purposes of

Regulation 103 and Regulation 111 respectively.