

## **OFFERING SUPPLEMENT**

(hereinafter referred to as the “Offering Supplement”)

**6 September 2019**

in respect of the offer of Investor Shares in the

# **ARIA REAL ASSET INCOME FUND**

(the “Sub-Fund”)

a Sub-Fund of

**ARIA SICAV P.L.C.**

(the “Company”)

a self-managed open-ended collective investment scheme organized as a multi-fund public limited liability company with variable share capital registered under the Laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the Laws of Malta). The Company qualifies as a self-managed ‘Maltese UCITS’ in terms of the Investment Services Act (Marketing of UCITS) Regulations 2011.

**Absolute Return Investment Advisers (ARIA) Limited**

(the “Investment Manager”)

**Sparkasse Bank Malta plc**

(the “Custodian”)

**SGGG Fexserv Fund Services (Malta) Ltd.**

(the “Administrator”)

This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the latest version of the Prospectus of the Company and any addendum hereto as applicable from time to time. Save as disclosed in this Offering Supplement, there has, as at the date hereof, been no significant change and no significant new matter has arisen since publication of the Prospectus. The Investment Manager has also published a Key Investor Information Document (the “KIID”) in respect of the Sub-Fund.

**THE COMPANY (INCLUDING EACH OF ITS SUB-FUNDS) IS LICENSED AS A COLLECTIVE INVESTMENT SCHEME BY THE MALTA FINANCIAL SERVICES AUTHORITY (“MFSA”) UNDER THE INVESTMENT SERVICES ACT (CAP. 370, LAWS OF MALTA) AND QUALIFIES AS A ‘MALTESE UCITS’ IN TERMS OF THE INVESTMENT SERVICES ACT (MARKETING OF UCITS) REGULATIONS, 2011 (S.L. 370.18 LAWS OF MALTA). AUTHORISATION OF THE COMPANY AND ITS SUB-FUNDS BY THE MFSA DOES NOT CONSTITUTE A WARRANTY BY THE MFSA AS TO THE PERFORMANCE OF THE COMPANY AND ITS SUB-FUNDS AND THE MFSA SHALL NOT BE LIABLE FOR THE PERFORMANCE OR DEFAULT OF THE COMPANY AND ITS SUB-FUNDS.**

## IMPORTANT INFORMATION

BEFORE PURCHASING ANY INVESTOR SHARES IN THE SUB-FUND DESCRIBED IN THIS OFFERING SUPPLEMENT, YOU SHOULD MAKE SURE THAT YOU FULLY UNDERSTAND THE NATURE OF THIS INVESTMENT, THE RISKS ASSOCIATED WITH IT AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE NOT CERTAIN ABOUT THE CONTENTS OF THIS OFFERING SUPPLEMENT, YOU SHOULD SEEK THE ADVICE OF A SUITABLY QUALIFIED ADVISOR. YOU SHOULD ALSO REFER TO THE LATEST VERSION OF THE PROSPECTUS WHICH ACCOMPANIES THIS OFFERING SUPPLEMENT AND WHICH DESCRIBES THE COMPANY AND PROVIDES GENERAL INFORMATION ABOUT OFFERS OF INVESTOR SHARES IN THE COMPANY. YOU SHOULD NOT TAKE ANY ACTION IN CONNECTION WITH THIS OFFER OF INVESTOR SHARES UNLESS YOU HAVE RECEIVED A COPY OF THE PROSPECTUS.

### **Suitability of Investment**

Before investing in the Sub-Fund, you should inform yourself how you could be affected by: (a) any possible tax consequences; (b) any legal and regulatory requirements; (c) any applicable foreign exchange restrictions or exchange control requirements; (d) any governmental or other consents or formalities that you might require or otherwise encounter under the laws of your country of citizenship, residence or domicile and which might affect your acquisition, holding or disposal of Investor Shares or receipt by you of income from such Investor Shares.

The value of the Investor Shares will fluctuate, and there is no guarantee that you will make a profit, or that you will not make a loss, on your investment. Refer also to the Section of the Prospectus entitled "Risk Factors". The Risk Factors outlined in the Prospectus are sufficiently exhaustive to also cater for any specific risks which may apply for an investment in the Sub-Fund.

**An investment in the Investor Shares by you is best undertaken after you are satisfied, possibly after obtaining advice from a qualified professional advisor, that you have properly assessed the merits and risks associated with the investment and that your financial resources are adequate to enable you to bear any potential losses that may arise therefrom. The contents of this Offering Supplement and of the Prospectus are not intended to contain, and should not be regarded as containing, advice relating to taxation, legal advice, investment advice or any other matter.**

### **Restrictions on Distribution outside Malta**

The offer of Investor Shares pursuant to this Offering Supplement is deemed to be an offer of securities to the public in terms of the Companies Act, however, the distribution of this Offering Supplement, the Prospectus, the KIID and the offering of Investor Shares may be restricted in other jurisdictions. This Offering Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. Persons to whose attention this Offering Supplement may come are required to inform themselves about, and to observe, such restrictions.

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## DEFINITIONS

Terms used in this Offering Supplement shall, unless otherwise defined or unless the context otherwise requires, have the same meaning as attributed to them in the Prospectus.

In this Offering Supplement, the following terms shall have the meanings set out hereunder

<b>“ARIA Investment Platform”</b>	means the wealth management platform service offered by Absolute Return Investment Advisers (ARIA) Limited to its existing clients;
<b>“Absolute Return Investment Advisers (ARIA) Limited”</b>	means the entity registered in England and Wales, authorized and regulated by the Financial Conduct Authority in the United Kingdom;
<b>“Authorised Distributor”</b>	means the entities or individuals which may be appointed by the Company to distribute Investor Shares subject to the terms of an agreement with such persons in each case;
<b>“Authorised Distribution Fee”</b>	means the distribution fee payable to the Authorised Distributor, in respect of the subscription for Shares of their clients. The Fee is paid by the relevant Sub-Fund to an Authorised Distributor and subject to a Redemption penalty on any unamortised balance;
<b>“Business Day”</b>	means a day on which banks are open for business in Malta, and excludes Saturdays, Sundays, and public holidays;
<b>“Benchmark Rate”</b>	means 1 Month GBP LIBOR +3%;for GBP denominated share classes, 1 Month EURO LIBOR +3%;for EURO denominated share classes and 1 Month USD LIBOR+3% for USD denominated share classes;
<b>“Energy REITs”</b>	An energy trust or REIT is a type of corporation that holds oil and gas mineral rights, and pays out the majority of its profits to investors. Energy trusts are exempt from corporate taxation if they distribute more than 90 percent of their earnings to their investors. As a result, these trusts pay out the majority of the profits they collect to their investors. In this way, energy trusts are similar to the better known real estate investment trusts (REITs).
<b>“Fund” or “Sub-Fund” or “Sub Fund”</b>	means the ARIA Real Asset Income Fund a sub-fund of ARIA SICAV P.L.C.;
<b>“Global Nominees”</b>	means a custodian holding the investments of clients of ARIA which are being held on a nominee basis;
<b>“Investor Shares”</b>	means Investor Shares in the Sub-Fund;
<b>“Investor/s”</b>	means a registered holder of Sub-Fund Shares;
<b>“Offering Price”</b>	means the price at which Investor Shares may be acquired during the offer period. After the offer period the price shall be equivalent

	to the NAV per share on Valuation Day;
<b>“Promoter”</b>	means the person or entity which may be appointed by the Company and/or the Investment Manager to act as Promoter for a particular Sub-Fund, as may be set out in the relative Offering Supplement;
<b>“Promoter’s Fee”</b>	means the fee which may be payable to the Promoter, if any, as may be specified in the Offering Supplement of a Sub-Fund;
<b>“Performance Period”</b>	means a Calendar Month;
<b>“Redemption Day”</b>	means the first Business Day after each Valuation Day or such additional Business Day or Business Days as the Directors may in their sole discretion determine, either in any particular case or generally;
<b>“Redemption Notice Deadline”</b>	means the cut off time by which completed Redemption Notices must be received by the office of the Administrator, which is close of business not later than 17:30 hours Malta time, two Business Days before the relevant Redemption Day;
<b>“Redemption Price”</b>	means the price at which Investor Shares will be redeemed when the Company accedes to a redemption request, which shall be equivalent to the NAV per share on the relative Valuation Day;
<b>“Redemption Penalty”</b>	means a contingent redemption fee to the benefit of a particular Sub-Fund, applied in connection to the repayment of any unamortised balance of the ‘Authorised Distribution Fee’;
<b>“Redemption Penalty Period”</b>	means the period of time over which an Authorised Distribution Fee, payable on behalf of the investor to an Authorised Distributor by the Sub Fund, is amortised over and clawed back from an investor’s subscription;
<b>“Reference currency”</b>	means the currency in which the accounts of the Sub Fund shall be prepared, being in GBP;
<b>“REITs”</b>	means a Real Estate Investment Trust which is a company that owns or finances income producing real estate. For a company to qualify as a REIT, it must meet certain regulatory guidelines. REITs often trades on major exchanges like other securities and provide investors with a <a href="#">liquid</a> stake in real estate
<b>“SEI Global Nominees”</b>	means the current custodian holding the investments of the existing clients of ARIA which are being held on a nominee basis;
<b>“Subscription Day”</b>	means the first Business Day after each Valuation Day or such additional Business Day or Business Days as the Directors may in their sole discretion determine, either in any particular case or generally;
<b>“Subscription Notice Deadline”</b>	means the cut-off time by which cleared funds and completed Subscription Applications must be received by the office of the Administrator, which is close of business not later than 17:30 hours

Malta time, two Business Days before the relevant Subscription Day;

**“Subscription Price”**

means the price at which Investor Shares in the Sub-Fund may be subscribed for on any Subscription Day; and

**“Valuation Day”**

means the last Business Day of the calendar week or such additional Business Day or Business Days as the Directors may in their sole discretion determine, either in any particular case or generally, and such additional date or dates shall for all intents and purposes be and be deemed to be a Valuation Day of the Sub-Fund.

This Offering Supplement shall, in addition, be subject to the same rules of interpretation as those set out in the Prospectus. Please see the Section of the Prospectus entitled “Definitions” for further details.

## DESCRIPTION OF THE SUB-FUND

### The Sub-Fund and Investor Shares

<b>Name of the Sub-Fund</b>	ARIA Real Asset Income Fund;
<b>Duration</b>	The duration of the Sub-Fund is indefinite;
<b>Segregation</b>	The Sub-Fund is a segregated portfolio whose assets and liabilities are to be treated as a patrimony separate from the assets and liabilities of each other as a Sub-Fund of the Company. The various Classes of Investor Shares in the Sub-Fund do not, however, constitute segregated portfolios. Please refer to the Prospectus for further details;
<b>Classes of Investor Shares</b>	<p>The Sub-Fund is comprised of 15 classes of Investor Shares:</p> <p>Class A10 –GBP, EURO, USD</p> <p>Class B10 –GBP, EURO, USD (Authorised Distribution Fee share-class)</p> <p>Class C10 – GBP, EURO, USD</p> <p>Class D10 – GBP, EURO, USD</p> <p>Class E10 – GBP, EURO, USD</p>
<b>Base Currency</b>	<p>EUR Denominated Share Classes - EUR</p> <p>USD Denominated Share Classes - USD</p> <p>GBP Denominated Share Classes - GBP;</p>
<b>Eligibility for Investment</b>	<p>The Class A10, and C10 Shares are available to all investors whilst Class B10 and E10 are only available to all investors with an appointed authorised distributor / servicing agent / adviser.</p> <p>Class D10 Shares, will be available to all investors with an appointed authorised distributor / servicing agent / adviser as well as receiving Class B10 investors who have completed their redemption penalty period. Class C10 Shares will also receive Class E10 investors who have completed their redemption penalty period. Class E10 investors, will be available to those who may still be within the redemption penalty period, but who no longer have an appointed authorised distributor or servicing agent, or whose servicing agent may be recompensed for their ongoing services by other means, in this respect, it will be the receiving class from B10 investors. Class E10 is also available to those subscribers who would prefer to employ the Authorised Distribution Fee facility, over a subscription charges offered in Class C. Please note that Class E10 is only available to subscribers via Global Nominees or the ARIA Investment Platform and not to individual subscription from individuals</p> <p>Investors should also refer to the section titled Minimum Initial Investment below.</p>

**Voting Rights**

The Class A10, B10, C10, D10, and E10 shares entitle the holder thereof to one (1) vote per share at general meetings of the Company on such matters as set out in the Prospectus, this Offering Supplement, and the Memorandum & Articles of Association;

**Dividend Policy**

The Directors may, as they from time to time think fit, and subject to the applicable laws, declare and pay such dividends in all Classes: A10; B10, C10, D10, and E10 out of the assets of the respective share class as appears to the Directors to be justified. When dividends are not paid, income will be accrued within the Net Asset Value of the respective share class of the Fund.

The dividends, if any, shall be a sum recommended by the Directors not in excess of the income received or receivable in respect of assets of the respective share class (whether in the form of dividends, interest or otherwise) during the accounting period less appropriate expenses in accordance with the Companies Act and the license conditions, nor in excess of the amount available for distribution in accordance with the applicable laws and regulations.

**Tax Status**

The Sub-Fund is classified as a non-prescribed fund. Please refer to the section entitled "Taxation" in the Prospectus for further details.

**Investment Objectives, Policy and Restrictions****Investment Objective**

The objective of ARIA Real Asset Income Fund is to provide both income and growth through a total return approach while controlling risk. The Sub-Fund will aim to achieve annual returns of 3% over 1 Month LIBOR, and to deliver an absolute return over rolling 48 month periods. In other words, at any one time the portfolio of ARIA Real Asset Income Fund will typically be constructed with reference to an investment horizon of no greater than 48 months.

ARIA Real Asset Income Fund aims to achieve its investment objective by investing primarily in a portfolio of income generating asset classes globally by pursuing the strategy detailed below. It is not proposed to concentrate investments in any one geographical region or sector.

The Investment Manager seeks to exploit those asset classes or sectors demonstrating which offer index-linked or income streams generated by assets which are seen as a hedge against inflation, across a broad universe including index linked government bonds, index linked corporate bonds, REITs, commercial property, energy REITs, currencies, commodities, infrastructure, convertibles and dividend paying equities which are sensitive to global growth.

In pursuing the Sub-Fund's investment objectives the



Investment Manager may make use of an Exchange Traded Fund in accordance with the UCITS regulations and in accordance with its risk management policy. It is not anticipated that the use of financial derivative instruments<sup>1</sup> for hedging purposes will cause the net asset value of the Sub-Fund to have high volatility or otherwise cause their existing risk profile to change.

**There is no guarantee that the investment objective of the Sub-Fund will be achieved and investment results may vary substantially over time.**

## Investment Policy

ARIA Real Asset Income Fund will be structured principally as a portfolio of diverse liquid fixed income, currency and dividend paying equities, gained via investing into Exchange Traded Funds (ETFs), individual bonds, collective investment schemes (CIS) and individual equities.

Under normal market conditions, the Investment Manager expects that the ARIA Real Asset Income Fund's long exposure will not normally exceed 100% of Net Asset Value. Accordingly, under normal market conditions the ARIA Real Asset Income Fund's net exposure to investment markets is likely to be in the range of 0% to +100% of Net Asset Value.

The Fund will be investing in some of the asset classes mentioned above through the use of ETFs. ETFs will be considered UCITS in their own right.

Transactions in derivatives may be used for the purposes of hedging and investment purposes in accordance with UCITS regulations.

Investments in collective investments scheme will typically generally be EU regulated collective investment schemes, and exposure to REITs may be via a variety of global exchanges. Both commercial property REITs listed in the UK, European, US and Asia will be considered as part of the universe, as well as Canadian and US energy REITs or trusts, which bring exposure to income streams generated from energy related assets and are characterised by high distributions. UK Property REITs will be UCITS eligible ETFs, or UK closed ended collective investment schemes. US REITs, (property and energy), will be listed closed ended collective investment schemes. The Fund may invest in certain CIS that are actively managed commodity related strategies for example. In the event that the Sub-Fund invests in Non-EU regulated collective schemes this shall be to a maximum of 10% provided such Non-EU regulated collective scheme satisfies the UCITS eligibility criteria. In the event that any investments are made in collective investment schemes with whom the Sub-Fund's Directors, Investment Committee Members or Investment Manager are associated with any

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<sup>1</sup> The Sub-Fund will be using Exchange Traded Derivatives –Equity Futures, Bond Futures; FX Forward and Currency Futures for hedging and investment purposes

subscription or redemption fee with regards to investments in such schemes shall be waived.

The fixed income universe will cover both nominal and inflation linked exposure including, US short term high yield, US investment grade, US Aggregate Bonds, US Treasury Inflation Linked bonds, US Treasuries, UK Gilts, UK investment grade corporates, European government bonds, Euro Inflation Linked Bonds, corporate and liquid high yield bonds. In addition, global emerging market bonds may feature as an exposure. There is no specific duration targeted, nor a bias towards fixed or floating rate issues.

Commodity, currency, commercial property and infrastructure exposure will be obtained via UCITS eligible Exchange Traded Funds or Exchange Traded Commodities, (ETCs), listed closed ended investment trusts or exchange traded futures.

As a result of restrictions imposed by the UCITS Directive, a UCITS Scheme cannot have a direct investment in commodities or precious metals. The UCITS Directive nevertheless allows the use of Exchange Traded Commodities in order to gain an exposure to commodities or precious metals. The Fund may therefore, from time to time, invest in Exchange Traded Commodities, provided that such Exchange Traded Commodities are UCITS eligible.

Under normal market conditions and depending on the shorting opportunities in the markets, the Investment Manager expects that the ARIA Real Asset Income Fund's short exposure will normally be less than 50% of Net Asset Value.<sup>2</sup> Under normal market conditions, the Investment Manager expects that the ARIA Real Asset Income Fund's long exposure will not exceed 150% of Net Asset Value. Accordingly, under normal market conditions the ARIA Real Asset Income Fund's net exposure to investment markets is 100% of Net Asset Value. The investment manager may, in periods of market stress conditions look to take a larger short exposure. Short exposure will be taken via exchange listed futures and contracts for difference (CFDs).

The Fund will always hold sufficient liquid assets and/or positions to cover at all times any obligations arising from derivatives, including short positions.

In addition to the above, the Fund may also invest in listed bonds/notes, the proceeds of which may be invested in a broad range of assets, including, without limitation, collective investment schemes (whether EU regulated or otherwise). While the Investment Manager will look to ensure that the Sub-Fund invests via the investment instruments

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<sup>2</sup> The Fund will be holding sufficient liquid assets to cover at all times the Sub-Fund's obligations arising from its financial derivative positions.

detailed above it reserves the right to alter the investment instruments utilised, subject to regulatory approval, in order to achieve the Sub-Fund objectives in the most effective and cost efficient manner, while always ensuring that the underlying exposure to the asset classes remains within the constraints detailed below and with all the applicable restrictions listed in the Offering Supplement and in the Offering Memorandum. For example, if open ended UCITS compliant CIS provide a more cost effective means of gaining a specific asset or market exposure, as opposed to an ETF, that CIS may be preferred. However, any such exposures will always be within the risk profile and the application restrictions as detailed in this Offering Supplement and the Prospectus/Offering Memorandum.

It is not intended that the Fund will make use of securities financing transactions, total return swaps, repurchase and reverse repurchase agreements and/or securities lending transactions.

A detailed description of the risks involved in the investments of the Sub-Fund and the impact that these risks might have on the performance of the Scheme are outlined in the Prospectus under the heading 'Risk Factors'.

Any changes to the Investment Policy of the Fund shall be undertaken in line with rules 5.52 and 5.53 of Part BII Malta based UCITS Collective Investment Schemes.

#### **Investment and Borrowing Restrictions**

In pursuing its Investment Objective and Investment Policy, the Sub-Fund will be subject to the Investment, Borrowing and Leverage Restrictions as set out in the section "Investment Objectives, Policies and Restrictions" in the Prospectus.

#### **Use of derivative instruments**

The Fund may enter into financial derivative instruments for efficient portfolio management and hedging purposes and for some limited investment purposes.

Efficient portfolio management through FDIs is specifically intended for institutional brokerages and not to parties related to the Scheme. There is no hidden revenue nor are they related to the Investment Manager. The operational costs for example, include the financing costs of certain instruments which will be deducted from the revenue of the Scheme.

#### **Method used to calculate the global exposure**

The Fund uses the absolute Value-at-Risk (VaR) approach to measure its global exposure.

#### **Leverage**

The level of leverage under normal market circumstances is expected to amount to 150% of the Net Asset Value of the Fund. Such level might be exceeded or might be subject to change in the future.

This ratio merely reflects the usage of all financial derivative instruments within the portfolio of the relevant Fund and is in

this context leverage is a measure of the aggregate derivative use and is calculated as the sum of the notional exposure of the financial derivative instruments used.

For the avoidance of doubt financial derivative instruments used to hedge a position will also form part of the calculation. Some of the instruments may actually reduce the risk within the portfolio and therefore this ratio does not necessarily indicate any increased level of risk within the Fund.

Shareholders should note that the market risk of the relevant Fund will be adequately monitored using the absolute Value-at-Risk (VaR) within the limits of relevant European and/or Maltese applicable laws and/or regulations and the Value-at-Risk (VaR) measure should be published in the audited annual report.

The absolute VaR approach calculates a Sub-Fund's VaR as a percentage of the Net Asset Value of the Sub-Fund and is measured against an absolute limit of 20% In line with the CESR's Guidelines on Risk Measurement and the calculation of Global Exposure and Counterparty Risk for UCITS.

**Approved Regulated  
Markets**

See Appendix I of the Prospectus.

**The Offering**

**Number of Investor  
Shares**

1,000,000 Class A10-USD Shares, 1,000,000 Class B10-USD Shares, 1,000,000 Class C10-USD Shares, 1,000,000 Class D10-USD Shares and 1,000,000 Class E10-USD Shares.

1,000,000 Class A10-EUR Shares, 1,000,000 Class B10-EUR Shares, 1,000,000 Class C10-EUR Shares, 1,000,000 Class D10-EUR Shares and 1,000,000 Class E10-EUR Shares.

1,000,000 Class A10-GBP Shares, 1,000,000 Class B10-GBP Shares, 1,000,000 Class C10-GBP Shares, 1,000,000 Class D10-GBP Shares and 1,000,000 Class E10-GBP Shares.

**Initial Offering Price**

\$100 per Share in Class A10-USD, Class B10-USD, Class C10-USD Class D10-USD and Class E10-USD.

€100 per Share in Class A10-EUR, Class B10-EUR, Class C10-EUR, Class D10-EUR and Class E10-EUR.

£100 per Share in Class A10-GBP, Class B10-GBP, Class C10-GBP, Class D10-GBP and Class E10-GBP.

**Initial Offering Period**

From the date of this Offering Supplement until the Closing Date;

**Closing Date**

12:00 CET on the day falling 30 calendar days after the date of this Offering Supplement or such earlier or later date as the Directors may, in their sole and absolute discretion, determine;

<b>Minimum Holding</b>	Subject to the Minimum Initial Investment in the Company, there is no Minimum Holding requirement in relation to the Sub-Fund;
<b>Minimum Initial Investment</b>	<p>The Minimum Initial Subscription per Shareholder is \$2,000,000 (US Dollars) for Class A10-USD Shares, €2,000,000 (Euro) for Class A10-EUR Shares and £2,000,000 (British Pound Sterling) for Class A10-GBP Shares.</p> <p>The Minimum Initial Subscription per Shareholder is \$250,000 (US Dollars) for Class B10-USD Shares, €250,000 (Euro) for Class B10-EUR Shares and £250,000 (British Pound Sterling) for Class B10-GBP Shares.</p> <p>The Minimum Initial Subscription per Shareholder is \$10,000 (U.S. Dollars) for Class C10-USD Shares, €10,000 (Euro) for Class C10-EUR Shares, £10,000 (British Pound Sterling) for Class C10-GBP Shares.</p> <p>The Minimum Initial Subscription per Shareholder is \$10,000 (U.S. Dollars) for Class D10-USD Shares, €10,000 (Euro) for Class D10-EUR Shares, £10,000 (British Pound Sterling) for Class D10-GBP Shares.</p> <p>The Minimum Initial Subscription per Shareholder is \$250,000 (U.S. Dollars) for Class E10-USD Shares, €250,000 (Euro) for Class E10-EUR Shares, £250,000 (British Pound Sterling) for Class E10-GBP Shares.</p> <p>All Subscriptions are subject to acceptance or rejection in the sole discretion of the Directors.</p>
<b>Minimum Additional Investment</b>	Subject to the Minimum Initial Investment in the Company, there is no Minimum Additional Investment in relation to the Sub-Fund.
<b>Publication of NAV per Share</b>	The Net Asset Value per Share will be published on pricing platform such as Bloomberg. Further details on the pricing platform can be obtained from the Administrator.
<b>Listing</b>	The Sub-Fund shall not be listed.

Further details regarding this offering of Investor Shares can be found in the Section entitled “The Offering” below.

## THE INVESTMENT COMMITTEE

The Board of Directors retains overall responsibility for the implementation of the investment objective of the Company in respect of each Sub-Fund, directing the investment management of its assets and in the management and monitoring of risk. In this regard, the Board has established and receives support from the Investment Committee.

The Investment Committee meets at least quarterly and in any case as frequent or as necessary in the light of the Sub-Fund's investment policy, with the majority of meetings physically held in Malta.

Under its terms of reference, the Investment Committee is responsible for the following matters:

- (i) to monitor and review the investment policy and performance of the Sub-Fund;
- (ii) to establish and review guidelines for investment by the Sub-Fund;
- (iii) to issue rules for stock selection and set the portfolio structure and asset allocation;
- (iv) to make policy recommendations to the Board of Directors;
- (v) to monitor the VAR approach to risk management adopted by the scheme, which monitoring activity shall be carried out by the Risk Manager and;
- (vi) to report on risk management to the Board, as advised by the Risk Manager.

The Investment Committee reports to the Board of Directors on the activities and the performance of the Sub-Fund.

The members of the Investment Committee are described below:

**Matthew Brittain**

(see details under "Directors and Officer of the Company" in the Prospectus)

**James Hindmarch**

(see details under "Directors and Officer of the Company" in the Prospectus)

**Richard Thomson Wight**

(see details under "Directors and Officer of the Company" in the Prospectus)

Matthew Brittain and James Hindmarch are not remunerated for their roles on the Investment Committee, but Richard Thomson Wight is paid an annual fee of €12,000.

**Conflicts of Interest**

Please refer to the Section entitled "Conflicts of Interest" in the Prospectus for an overview of potential conflicts of interest affecting persons involved with the Company.

## THE OFFERING

### Share Offer

This Offering Supplement is supplemental to, and must be read in conjunction with, the Prospectus issued by the Company. The Offering Supplement constitutes an offer of Investor Shares in the Sub-Fund which is initially comprised of fifteen (15) classes of Investor Shares, the Class A10, B10, C10, D10 Shares and E10 Shares.

The offering of the Investor Shares at the Initial Offering Price opens on the date of this Offering Supplement and closes 30 calendar days thereafter, subject to the right of Directors to extend or shorten this period at their discretion. The Company shall issue Investor Shares in connection with appropriately completed Subscription Applications received during the Initial Offering Period, on the Business Day following the Closing Date.

During the Offering Period, the offer will be for Investor Shares at the Offering Price applicable on the relevant Subscription Day.

### Purchase, Transfer and Exchange of Shares

Investor Shares can be purchased at the prevailing Offering Price, by submission to the Company at the office of the Administrator of the relevant and properly completed Subscription Application prior to the cut off time for receipt of applications for the relevant Share Class.

Subject to the satisfaction of the requirements set out above, Investor Shares shall be issued to successful Subscribers.

Payment should be effected by bank transfer. At the Company's discretion, payments may be accepted by other means. All payments for Investor Shares must be made in the base currency of that class of Investor Shares and be received in Cleared Funds in any event before the Subscription Notice Deadline. Any applicable bank charges will be borne by the Subscriber. If the Subscription Application or associated Cleared Funds are not received as required, then the Subscription Application may be rejected or held over until the next Subscription Day at the discretion of the Company.

In the event that an application is rejected, application monies will be returned without interest by telegraphic transfer to the remitting bank at the discretion of the Company at the risk and expense of the Subscriber.

Subject to the satisfaction of the requirements set out above, Investor Shares shall be issued to successful Subscribers on the next Dealing Day. The Administrator will generally issue written confirmation of ownership to a Shareholder within five (5) Business Days after the applicable Subscription Day.

Full details of the application and subscription process appear in the Section of the Prospectus entitled "Purchase, Exchange and Transfer of Shares". A Subscription Application and other related documentation will be provided upon request by the Administrator, the Investment Manager or by an Authorised Distributor.

### Redemption of Shares

Investors are directed to the Prospectus where the procedures relating to the Redemption of Investor Shares and the conditions applicable thereto are outlined.

Investor Shares can be redeemed at the prevailing Redemption Price, by submission to the Company at the office of the Administrator of the relevant and properly completed Redemption Notice before the Redemption Notice Deadline. Redemption requests received after the cut off time for receipt of redemption requests will be processed on the following Redemption Day.

In terms of the Memorandum and Articles, redemption requests and/or exchange requests are, once made, irrevocable. A Redemption Notice if accepted by the Company will be effective as at the applicable Redemption Day. Investor Shares shall be cancelled on the relevant Redemption Day and



redemption requests will generally be settled within ten (10) Business Day from the relevant Redemption Day.

Full details of the redemption process appear in the Section of the Prospectus entitled “Redemption of Shares”.

A Redemption Notice and other related documentation will be provided upon request by the Administrator, the Investment Manager or by an Authorised Distributor.

- Deferral of Redemption

In line with the Offering Memorandum of the Company, in the section named “Redemption of Shares”, the Directors may in their exclusive discretion limit the total amount of redemptions effected on any Redemption Day to 10% of the outstanding Investor Shares in the Sub-Fund on that day (in each case before processing request for the issue of the Investor Shares or requests for redemptions of such Investor Shares for such Redemption Day). In such circumstances the Company or its authorised agent may scale down pro rata the number of Investor Shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the foregoing limit is not exceeded, and shall carry forward the balance for redemption as at the next Redemption Day and so on to each succeeding Redemption Day until each request has been complied with in full. Requests for redemption carried forward from an earlier Redemption Day shall have priority over later requests.

### **Redemption Charges**

Shareholders should note that there is a Redemption Penalty levied on redemptions of Class “B10” and “E10” Shares which will be deducted from the redemption proceeds and calculated on the basis of the outstanding Redemption Penalty pro-rated for the percentage of the number of Shares for the Redemption in relation to the number of Shares in the original Subscription.

However, Shareholders of Class “B10” and “E10” Shares may request redemption by reference to a specific monetary amount. Where this is the case, any Redemption Penalty outstanding on those Shares will be added to the redemption amount, so that the Shareholder still receives the actual amount requested (with a correspondingly greater reduction in the number of Shares held on the Shareholder's behalf) except where the redemption request represents the Shareholder's entire shareholding, the redemption amount will be reduced accordingly.

### **Exchange of Investor Shares**

Investors are directed to the Prospectus where the procedures relating to the Transfer of Investor Shares and the conditions applicable thereto are outlined.

A holder of Investor Shares may exchange all or part of such holding (the “Original Shares”) into Investor Shares in another Sub-Fund or in a different Class of Investor Shares of the same Sub-Fund (the “New Shares”).

An irrevocable request from a Shareholder to exchange Investor Shares shall be construed as being a request for the repurchase of the stated number of Original Shares (save that the repurchase monies shall not be released to the investor) and a simultaneous request for the proceeds from such repurchase to be applied in the purchase of New Shares as may be indicated. The exchange of Investor Shares shall take place on the same Dealing Day, or as otherwise agreed with the investor, at the relevant Subscription Prices.

Irrevocable conversion instructions addressed to the Company and received at the Administrator's registered office in respect of the Sub-Fund before the cut off time for receipt of conversion instructions, if accepted by the Company, will be dealt at the Net Asset Value per Share as at the Valuation Point for the applicable Subscription Day/ Redemption Day. Requests received after this time will, unless the Company otherwise agrees, be held over until the following Subscription Day/ Redemption Day in relation to the New Shares/Original Shares. Irrevocable conversion instructions addressed to the Company and received at the Administrator's registered office on a Business Day which is not a



Subscription Day/ Redemption Day in relation to the New Shares/ Original Shares, if accepted by the Company, will be carried over to the following Subscription Day/Redemption Day and dealt at the Net Asset Value per Share as at the Valuation Point for the applicable Subscription Day/ Redemption Day.

Full details of the process for the exchange of Investor Shares appears in the Section of the Prospectus entitled “Exchange of Investor Shares”.

### **Pricing**

The calculation of the NAV of the Sub-Fund and of the NAV per Share shall be effected by the Administrator as at the close of business on every Valuation Day on the basis of the closing prices on that day and in such manner as is stated in the Prospectus under the section entitled “Net Asset Value Calculation”. The NAV per Share will be published on pricing platform such as Bloomberg. Further details on the pricing platform can be obtained from the Administrator.

## FEES, CHARGES AND EXPENSES

### Investment Management Fee

The Company will pay the Investment Manager an Investment Management Fee of:

Class A10 0.65%

Class B10 1.5%

Class C10 0.95%

Class D10 1.5%

Class E10 0.95%

The fee payable to the Investment Manager will be no more than 1.5% per annum of the Net Asset Value of the Fund (plus VAT, if any). The Investment Management Fee will accrue at every Valuation Day and shall be payable monthly in arrears.

The Investment Manager will be reimbursed for all properly incurred and approved out-of-pocket expenses.

### Performance Fee

The Investment Manager shall, in addition to the Investment Management Fee, receive from the Company in respect of the Sub-Fund a fee (the "Performance Fee") based on the performance of the Sub-Fund in respect of the NAV per Share calculated weekly as set out ("Calculation Period"), which is crystallised on a calendar month basis on the last Business Day of a calendar month, where such Business Day is a Valuation Day, or where this is not the case the next Valuation day after the last Business Day of a calendar month ("Crystallisation Date"). The Performance Fee shall be paid to the Investment Manager.

The Performance Fee shall be 20% on the net return in excess of the sub-funds benchmark rate i.e. the rise-in-value of the NAV per Share of the Sub-Fund in the Calculation Period, in excess of the sub-funds benchmark rate, calculated on a high 'water mark' basis. A Performance Fee will be accrued, subject to a high water mark, whereby performance fees are only payable if the net increase of the NAV of the Sub-Fund is superior to the previous high 'water mark'. The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value before deduction for any accrued Performance Fee. The Performance Fee will be deemed to accrue as at each Valuation Day and shall be payable monthly in arrears and normally within 14 calendar days of each Crystallisation Date.

The Performance Fee will be calculated in respect of each Calculation Period, although the first Calculation Period will be the period commencing on the Business Day immediately following the Closing Date, and ending on last Valuation Day of the first calendar week after the Fund's inception. Thereafter each Calculation Period shall commence on the Business Day immediately following the last Valuation Day of a calendar week and end on the next Valuation Day of the following calendar week.

The Company will not adopt an equalisation methodology for the calculation of the performance fee due to the Investment Manager. Shareholders may according underpay/ over pay any performance fee due to the Investment Manager when subscribing and/ or redeeming their Investor Shares.

Period	Gross Asset Value	HWM	Benchmark	Performance	Performance Fee	NAV	No. of shares in issue	Total Perf. fee
	(a)	(b)	(c)	(d) = (a) - (c)	(e) = (d) x 20%	(f) = (a) - (e)	(g)	(h) = (e) x (g)
Launch	100	100	N/A	N/A	N/A	£ 100	20,000	-
Week 1	105	100	100.05	4.95	£ 0.99	£ 104.01	20,000	£ 19,797.69
Week 2	120	100	100.10	19.90	£ 3.98	£ 116.02	20,000	£ 79,581.54 Movement of £59,783.85
Week 3	115	100	100.15	14.85	£ 2.97	£ 112.03	20,000	£ 59,395.38 Movement of (£20,186.15)
Week 4	99.00	100	100.20	-1.20	£-	£ 99.00	20,000	£ - Movement of (£59,395.38)
Week 5	104.00	100	100.05	3.95	£ 0.79	£ 103.21	20,000	£ 15,795.38
Week 6	108.00	100	100.10	7.90	£ 1.58	£ 106.42	20,000	£ 31,587.69 Movement of £15,792.31
Week 7	110.00	100	100.16	9.84	£ 1.97	£ 108.03	20,000	£ 39,372.31 Movement of £7,784.62
Week 8	124.00	100	100.22	23.78	£ 4.76	£ 119.24	20,000	£ 95,110.77 (crystallised) Movement of £55,738.46
Week 9	156.00	119.24	119.31	36.69	£ 7.34	£ 148.66	20,000	£ 146,776.33
Week 10	102.00	119.24	119.24	-17.24	£-	£ 102.00	20,000	£ Movement of (£146,776.33)

Investors should be aware that the application of a Performance Fee may incentivise the Investment Manager of the Sub-Fund to take higher risks in its investment decision. In addition, the increase in value of the NAV which is used as a basis for the calculation of performance fees, may be comprised both of realised gains as well as unrealised gains as at the end of the calculation period, and as a result, a Performance Fee may be paid on unrealised gains which may subsequently never be realised by the Sub-Fund.

### Administration Fee

The Administrator is entitled to receive a fee of **0.09% per annum**, payable pro rata quarterly in arrears on the last Business Day in each calendar quarter of each year. The fees are calculated by reference to the Net Asset Value on each Valuation Day. The Administrator is entitled to receive a minimum Administration Fee of €2,750 per month..

The Administrator will be reimbursed for all properly incurred and approved out-of-pocket expenses.

### Custody Fee

The Company will pay the Custodian, in respect of the Sub-Fund, a Custody Fee of:

- 0.15% per annum subject to a minimum annual fee of €6,000 per annum (if the Sub-Fund's size is below EUR 25million).
- 0.10% per annum subject to a minimum annual fee of €37,500 per annum (if the Sub-Fund's size is larger than 25 million but less than 50 million).
- 0.075% per annum subject to a minimum annual fee of €50,000 per annum (if the Sub-Fund's size is larger than 50 million but less than 150 million).

The custody fee shall apply to the gross assets (not NAV) held by the sub-fund on the day the custody fee is levied; i.e. the fee will be applied to the aggregate value of the assets including assets the sub-funds may hold with sub-custodians or Prime Brokers as well as deposits with 3rd party banks (as the case may be). Dates for levying fees will be end of March, June, September and December. Custody fees are exclusive of third party fees if and when levied.

The Custodian will be reimbursed for all out-of-pocket expenses, in accordance with the Custody Agreement. A sub-custody fee may be charged in respect of any appointed sub-custodian.

### Authorised Distributor Fees

Class B10 and E10 is only available to investors who have Professional Intermediaries, Advisers, Agents and who are invested via a professional custodian or execution venue, or clients of ARIA's invested via Global Nominees or the ARIA Investment Platform whose investments are held in custody through SEI Global Nominees.

Class B10 and E10 Shares will be denominated in the base currency of the respective Sub-Funds.

Class B10 and E10 Shares are not subject to an "upfront" Subscription Fee (i.e. a Subscription Fee that reduces a Shareholder's initial subscription amount to the Sub-Fund) but are subject to an Authorised Distributor Fee and a Redemption Penalty levied upon the redemption of Class B10 and E10 Shares made within their Redemption Penalty Period. The Redemption Fee is applied in connection to the repayment of any unamortised balance of the 'Authorised Distribution Fee'.

Upon the subscription for Class B10 and E10 shares from the Shareholder, the Investment Manager shall receive an Authorised Distribution Fee of up to 7.0% of the Net Asset Value attributable to the subscription. This percentage establishes a fixed monetary amount specific to each Investor which is then expensed against the Sub-Funds assets attributable to that specific Investor. This Authorised Distribution Fee shall be amortised over a maximum 84 month period (a 12 month period for each 1% of Authorised Distribution Fee levied) against the assets of the Sub-Fund attributable to the individual Shareholder. Should the investor redeem prior to the lapse of the Redemption Penalty Period, the investor will incur the redemption penalty fee which will be levied as described below in the event of a specific Investor's redemption.

The amount of the Authorised Distribution Fee is paid by the Company to the Investment Manager for the benefit of the Authorised Distributor in the calendar month following the time of subscription for Class B10 and E10 Shares.

The amortisation period is determined by the percentage of the Authorised Distributor Fee agreed between the Shareholder and the Authorised Distributor.

The Authorised Distribution Fee shall be amortised over a period of time, (a 12 month period for each 1% of Authorised Distribution Fee levied), against the assets of the Sub-Fund attributable to the Shareholder and if the investor redeems prior to a certain period of time, such investor would need to pay a Redemption Penalty, which is equal to outstanding amount not yet amortised. By way of example, a 7% Authorised Distribution Fee will mean an 84 month amortisation period or Redemption Penalty Period, and 5% would mean a 60 month amortisation period or Redemption Penalty Period. The Authorised Distribution Fee will always be calculated on the Investor's original Subscription value, and the current value of the investor's units held thereafter will not have any bearing on this calculation.

The Redemption Penalty will decline to 0% having been fully amortised over the Redemption Penalty Period.

**Example: Subscription of EUR 100,000 at first Subscription Date in February 2012 for 80,000 Shares**

Authorised Distribution Fee: 5% EUR 5,000

Redemption Penalty Period: 5 years = 60 months

Monthly amortisation = 5000 EUR / 60 = 83.34\* Euros per month

Redemption: 45,000 Shares on 15 February 2016

Amount of charge already paid by monthly amortisation (first Subscription day February 2012 – first Subscription/Redemption Day February 2016):

Redemption Penalty Period elapsed at Redemption Day: 48 months

Remaining Redemption Penalty Period: 60 months – 48 months = 12 months

Remaining charge to be deducted from redemption 12 months at 80.34\* Euros = 1000.08 EUR

The above amount of 1000.08 EUR needs to be pro-rated to reflect for the number of shares being redeemed being less than the Initial Subscription.

$1000.08 \text{ EUR} \times 45000 \text{ Shares} / 80000 \text{ Shares} = 562.55 \text{ EUR}$

The above amount of 562.55 EUR will be deducted from the proceeds relating to the redemption of 45,000 Shares as at the Redemption Date in EUR (subject to rounding).

At the end of the month following the completion of the amortisation period relating to the original Subscription, once the Authorised Distribution Fee is repaid in full to the Sub Fund, the Shareholder's remaining shareholding will be automatically converted to an alternative Share Class which does not support Authorised Distributor Fees, nor feature any redemption penalties, to ensure that the Shareholder does not continue to bear the cost of any unamortised Authorised Distribution Fee relating to Shareholdings of other Subscriptions.

Depending on when a Shareholder invests or redeems out of the Sub-Fund potential inequalities may arise. In the event that such inequalities occur, neither the Company, the Investment Manager, Administrator or Custodian shall be liable to any Shareholder for any inequalities or excess Redemption Penalty so levied.

Subscribers to Class B10 and E10 should note that the effect of the Authorised Distribution Fee will be reflected by having higher expenses attributable to the Sub-Fund's assets which will also reflect in a decreased Net Asset Value of Class B10 and E10 and those investors being charged a higher Authorised Distributor Fee shall also negatively effect the Net Asset Value.

Below please find the fee structure with the respective charges for every year lapsed.

**Table 2: Applicable fee as per share class**

	Class A10	Class B10	Class C10	Class D10	Class E10
Type of Fee					
<b>Authorised Distributor Fee</b>	0%	Up to 7% (as agreed)	0%	0%	Up to 7% (as agreed)
<b>Subscription Fee (applicable only to Share Class A10, C10 and D10)</b>	Up to 5%	0%	Up to 5%	Up to 5%	0%
<b>Early Redemption Fee (* At the Director's discretion)</b>	Up to 2%*	Nil	Up to 2%*	Up to 2%*	Nil

### Early Redemption Fee

The Sub-Fund may, within discretion of the Directors, impose an Early Redemption Fee of up to 2% on the Net Asset Value per Share, in Share Classes A10, C10, and D10, only where a redemption of Shares (in whole or in part) takes place within 12 months of the Shareholder's initial subscription. The charge shall be to the benefit of the Fund. No Early Redemption Fee is applicable for redemptions which take place after this period. There is no Early Redemption Fee for Class B10 and E10.

### Subscription Fee

The Sub-Fund for Share Classes A10, C10 and D10 only, may impose a Subscription Fee on the issue of Shares of up to 5% of the Net Asset Value per Share subscribed by each investor, to be paid out of the subscription monies at subscription and payable to the Investment Manager. The Subscription fee will only be charged to Class A10, C10 and D10 investor shares if such subscription is done through an Authorised Distributor. There is no Subscription Fee for Class B10 and E10.

The Investment Manager may pay all or part of the fees and charges it receives as a commission, retrocession, rebate or discount to financial intermediaries, Authorised Distributors or other investors. The Subscription Fee may be reduced or waived at the discretion of the Directors or Investment Manager.

### Preliminary Expenses

The Sub-Fund is responsible for paying the preliminary expenses of and incidental to, the initial offering. This includes a share of the expenses relating to the establishment of the Company in Malta as well as its own initial organisational expenses (including the negotiation and preparation of the contracts to which it is a party, the costs of printing this Offering Supplement, the fees and expenses of its professional advisers and certain marketing expenses in connection with the launch and initial promotion of the Fund, and in connection with the offering, issue and listing of the shares).

These preliminary expenses are estimated not to exceed GBP 30,000 and they will be amortised on a straight line basis over the first 60 months of the Sub-Fund's operations.

### Other Expenses

The Sub-Fund will also be subject to other fees including, its pro-rata share of the Directors and Company Secretary Fees and its Operating Expenses as set out in the Prospectus.

The Investment Manager may also be paid a Promoter's Fee, which at its absolute discretion can be paid to certain promoters for their assistance in distributing the shares of the Sub Fund. The Promoter's

Fee is paid in respect of parties appointed by the Investment Manager to provide a range of services, including but not limited to marketing, asset raising and distribution support, including the disbursement of distribution fees. The Promoter's fee shall be paid from the assets of in relation to that Sub-Fund and shall be amortised over the period of five (5) years. Any such fee paid from the assets of the Sub Fund will not exceed 0.20% of the Net Asset Value per annum on the value of each subscription.

## RISK FACTORS

Investors should refer to the section entitled “Risk Factors” in the Prospectus for information on the risks associated with making an investment in this Sub-Fund.

**It cannot be guaranteed that the applicable sector will continue to rise in the future. It is also possible that the Sub-Fund may not be able to identify sufficient high-quality investment opportunities. The value of the consumer sector may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investments may be made. Political unrest, acts of war, terrorism, internal or external tensions and any future actions of governments in any country could each affect the value of consumer goods.**

**Whilst the Investment Manager will ascertain that all the necessary measures are taken, like in all investments a risk does exist that the fund does not achieve its investment objectives.**

### Fund Specific Risk Factors

#### *ETFs*

The Sub-Fund may invest some or all of its assets in UCITS authorised according to the UCITS Directive or collective investment undertakings within the meaning of Article 50(1) of the UCITS Directive. The price and movement of an ETF designed to track an index may not track the underlying index and may result in a loss. In addition, ETFs traded on an exchange may trade at a price below their net asset value (i.e. at a discount).

The Sub-Fund may invest in ETFs which are leveraged, inverse or inverse-leveraged ETFs. ETFs that seek to provide investment results that are the inverse (or inverse-leveraged, meaning the ETF attempts to provide multiple of the inverse) of the performance of an underlying index are subject to the risk that the performance of such ETF will fall as the performance of the ETF's benchmark rises – a result that is the opposite for traditional investment funds.

In addition, the ETFs held by the Sub-Fund may utilize leverage (i.e. borrowing) to acquire their underlying portfolio investments. The use of leverage involves special risks and an ETF that utilises leverage may be more volatile than an ETF that does not because leverage tends to exaggerate any effect on the value of the portfolio securities. Because leveraged, inverse or inverse-leveraged ETFs typically seek to obtain their objective on a daily basis, holding such ETFs for longer than a day will produce the result of the ETF's return for each day compounded over the period, which usually will differ from the actual multiple (or inverse) of the return of the ETF's index for the period (particularly when the benchmark index experiences large ups and downs).

#### *Investments in REITs*

The Sub-Fund will not be investing in Real-Estate directly. The Sub-Fund will through ETFs have exposure to Real-Estate Investment Risks. The Fund may invest in equity securities issued by companies which are principally engaged in the business of real estate, and REITs in particular, will subject the strategy to risks associated with the direct ownership of real estate.

These risks include, among others, possible declines in the value of real estate; risks related to general and local economic conditions; possible lack of availability of mortgage funds; overbuilding; extended vacancies of properties; increases in competition; property taxes and transaction, operating and foreclosure expenses; changes in zoning laws; costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters and acts of terrorism; limitations on and variations in rents; and changes in interest rates.

The value of REITs will also rise and fall in response to the management skill and creditworthiness of the issuer. In particular, the value of these securities may decline when interest rates rise and will also be affected by the real estate market and by the management of the underlying properties. REITs may be



more volatile and/or more illiquid than other types of securities. A Sub-Fund and its shareholders will indirectly bear their proportionate share of expenses, including management fees, paid by each REIT in which they invest in addition to the expenses of the Sub-Fund.

#### *Risks in relation to Investing in Debt Securities*

Investing in debt securities such as bonds may be affected by credit quality considerations and changes to prevailing interest rates. The issuer of a bond or other debt security (including, but not limited to, governments and their agencies, state and provincial governmental entities, supranational bodies and companies) may default on its obligations by failing to make payments due, or repay principal and interest in a timely manner which will affect the value of debt securities held by the Sub-Fund. Debt securities are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of a Sub-Fund's investments generally declines. In a historically low interest environment, risks associated with rising interest rates are heightened. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value.

Prospective investors should note that the Sub-Fund's investments may include bonds and other debt securities that constitute subordinated obligations of such institutions. Upon the occurrence of any of the events outlined above the claims of any holder of such subordinated securities shall rank behind in priority to the claims of senior creditors of such institution. No payments will be made to the Sub-Fund in respect of any holdings of such subordinated bonds or debt securities until the claims of the senior creditors have been satisfied or provided for in full.

#### *Risks in relation to Convertible Securities*

A convertible security generally entitles the holder to receive interest paid or accrued on debt securities or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities generally have characteristics similar to both debt and equity securities. The value of convertible securities tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities. Convertible securities are usually subordinated to comparable nonconvertible securities. Convertible securities generally do not participate directly in any dividend increases or decreases of the underlying securities, although the market prices of convertible securities may be affected by any dividend changes or other changes in the underlying securities.

#### *Risks in relation to High Yield Bonds*

High Yield Bonds Investment in debt securities is subject to interest rate, sector, security and credit risks. Compared to investment grade bonds, high yield bonds are normally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default that these securities carry.

#### *Risks in relation to Equity Securities*

The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries selected for a Sub-Fund's portfolio or the securities market as a whole, such as changes in economic or political conditions. When the value of a Sub-Fund's securities goes down, your investment in the Sub-Fund decreases in value. Equity securities generally have greater price volatility than fixed income securities.

#### *Commodity Risk.*

Exposure to commodities, commodity-related securities and derivatives may subject the Fund to greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked investments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity.

### *Investment Company and Pooled Investment Vehicle Risk.*

The Fund may invest in shares of other investment companies, including closed-end funds, ETFs and other pooled investment vehicles, including those holding commodities, infrastructure, currencies or commodity futures. Shareholders bear both their proportionate share of the Fund's expenses and similar expenses of the investment company or pooled investment vehicle. ETFs and other investment companies or pooled investment vehicles that invest in commodities or currencies are subject to the risks associated with direct investments in commodities or currencies. The price and movement of an ETF, closed-end fund or pooled investment vehicle designed to track an index may not track the index and may result in a loss. In addition, closed-end funds that trade on an exchange often trade at a price below their net asset value (also known as a discount). Certain ETFs, closed-end funds or pooled investment vehicles traded on exchanges may be thinly traded and experience large spreads between the "ask" price quoted by a seller and the "bid" price offered by a buyer. There may be no active market for shares of certain closed-end funds or pooled investment vehicles (especially those not traded on exchanges) and such shares may be highly illiquid. Certain pooled investment vehicles do not have the protections applicable to other types of investments under federal securities or commodities laws and may be subject to counterparty or credit risk.

### **Risks in relation to Derivatives**

#### *Leverage component risk*

Since many derivative instruments 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 derivative instruments have the potential for unlimited loss regardless of the size of the initial investment. If there is 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, options and warrants*

A Fund may from time to time use both exchange-traded and over-the-counter futures and options as part of its investment strategy 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 unquantifiable 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 over-the-counter 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. Warrants give a Fund the right to subscribe to or purchase securities in which a Fund may invest. The underlying security may be subject to market volatility thus rendering an investment in a warrant a higher risk than an investment in an equity security.

#### *Forward exchange contract risk*

A Fund may enter into currency exchange transactions by buying currency exchange forward contracts for the purposes of hedging against currency exposure or for investment purposes. A Fund may enter into forward contracts to hedge against a change in currency exchange rates that would cause a decline in the value of the existing investments denominated or principally traded in a currency other than the Base Currency of that Fund. To do this, the Fund would enter into a forward contract to sell the currency in which the investment is denominated or principally traded in exchange for the Base Currency of the Fund. Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, at the same time they limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the forward contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change

as a consequence of market movements in the value of such securities between the date when the forward contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of a Fund cannot be assured.

### **OTHER Risks**

In emerging and less developed markets, in which the Sub-Fund may invest, the legal, judicial and regulatory infrastructure is still developing but there is much legal uncertainty both for local market participants and their overseas counterparts. Some markets may carry higher risks for investors who should therefore ensure that, before investing, they understand the risks involved and are satisfied that an investment is suitable as part of their portfolio. Investments in emerging and less developed markets should be made only by investors who are able to consider and weigh the various risks presented by such investments, and have the financial resources necessary to bear the substantial risk of loss of investment in such investments.

Countries with emerging and less developed markets include, but are not limited to (1) countries that have an emerging stock market in a developing economy as defined by the International Finance Corporation, (2) countries that have low or middle income economies according to the World Bank, and (3) countries listed by the World Bank as developing countries. The list of emerging and less developed markets is subject to continuous change; broadly they include any country or region other than the United States of America, Canada, Japan, Australia, New Zealand and Western Europe. The following statements are intended to illustrate the risks which in varying degrees are present when investing in emerging and less developed markets. Investors should note that the statements do not offer any form of advice.

#### **A. Political and Economic Risks**

Economic and/or political instability (including civil conflicts and war) could lead to legal, fiscal and regulatory changes or the reversal of legal / fiscal / regulatory / market reforms. Assets could be compulsorily re-acquired without adequate compensation. Administrative risks may result in the imposition of restrictions on the free movement of capital. A country's external debt position could lead to sudden imposition of taxes or exchange controls. High interest and inflation rates can mean that businesses have difficulty in obtaining working capital. Local management may be inexperienced in operating companies in free market conditions. A country may be heavily dependent on its commodity and natural resource exports and is therefore vulnerable to weaknesses in world prices for these products. In adverse social and political circumstances, governments may enter into policies of expropriation and nationalisation, sanctions or other measures by governments and international bodies.

#### **B. Legal Environment**

The interpretation and application of decrees and legislative acts can be often contradictory and uncertain particularly in respect of matters relating to taxation. Legislation could be imposed retrospectively or may be issued in the form of internal regulations not generally available to the public.

Judicial independence and political neutrality cannot be guaranteed. State bodies and judges may not adhere to the requirements of the law and the relevant contract. There is no certainty that investors will be compensated in full or at all for any damage incurred. Recourse through the legal system may be lengthy and protracted.

#### **C. Accounting Practices**

The accounting, auditing and financial reporting system may not be in accord with international standards. Even when reports have been brought into line with international standards, they may not always contain correct information. Obligations on companies to publish financial information may also be limited.

#### **D. Shareholder Risk**

Existing legislation may not yet be adequately developed to protect the rights of minority shareholders. There may be no concept of any fiduciary duty to shareholders on the part of management. Liability for violation of what shareholder rights there are, may be limited.

#### E. Market and Settlement Risks

The securities markets in some countries lack the liquidity, efficiency and regulatory and supervisory controls of more developed markets. Lack of liquidity may adversely affect the ease of disposal of assets. The absence of reliable pricing information in a particular security held by the Sub-Fund may make it difficult to assess reliably the market value of assets. The share register may not be properly maintained and the ownership or interest may not be (or remain) fully protected. Certain emerging markets may not afford the same level of investor protection or investor disclosure as would apply in more developed jurisdictions. Registration of securities may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities. The provision for custody of assets may be less developed than in other more mature markets and thus provides an additional level of risk for the Sub-Fund. Settlement procedures may be less developed and still be in physical as well as in dematerialised form. Investment may carry risks associated with failed or delayed settlement.

#### F. Price Movement and Performance

Factors affecting the value of securities in some markets cannot easily be determined. Investment in securities in some markets carries a high degree of risk and the value of such investments may decline or be reduced to zero.

#### G. Currency Risk

Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities cannot be guaranteed. Investors might be exposed to currency risk when investing in Share Classes that are not hedged to the investor's reference currency. Exchange rate fluctuations may also occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement obligations.

#### H. Taxation

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Fund invests or may invest in the future (in particular Russia, China and other emerging markets) is not clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. As a result, the Fund could become subject to additional taxation in such countries that is not anticipated either at the date of this Prospectus or when investments are made, valued or disposed of.

Investors should be aware that there is a Brazilian Presidential Decree in force, as amended from time to time, detailing the current IOF tax rate (Tax on Financial Operations), that applies to foreign exchange inflows and outflows. The Brazilian government may change the applicable rate at any time and without prior notification. The application of the IOF tax will reduce the Net Asset Value per share.

#### I. Execution and Counterparty Risk

In some markets there may be no secure method of delivery against payment which would minimise the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

#### J. Nomineeship / Custody

The legislative framework in some markets is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. Consequently the courts in such markets may consider that any nominee or custodian/depositary as registered holder of securities

would have full ownership thereof and that a beneficial owner may have no rights whatsoever in respect thereof.

#### K. Investment in the People's Republic of China (PRC)

The Sub-Fund will not be investing in the PRC directly. The Sub-Fund will through ETFs have exposure to the PRC Risks. Investing in the PRC is subject to the risks of investing in emerging markets (please refer above to the section entitled "Appendix IV – Investment in Emerging and Less Developed Markets) and additionally risks which are specific to the PRC market.

The economy of the PRC is in a state of transition from a planned economy to a more market oriented economy and investments may be sensitive to changes in law and regulation together with political, social or economic policy which includes possible government intervention.

In extreme circumstances, the Sub-Funds may incur losses due to limited investment capabilities, or may not be able to fully implement or pursue its investment objectives or strategy, due to local investment restrictions, illiquidity of the Chinese domestic securities market, and/or delay or disruption in execution and settlement of trades.

All Hong Kong and overseas investors in the Shanghai-Hong Kong Stock Connect will trade and settle SSE Securities in CNH (offshore RMB) only. Such Sub-Funds and Share Classes will be exposed to any fluctuation in the exchange rate between the Reference Currency of the relevant Sub-Fund and CNY (onshore RMB) or CNH (offshore RMB) in respect of such investments.

#### L. Investment in Russia

The Sub-Fund will not be investing in Russia directly. The Sub-Fund may through ETFs have exposure to Russia Risks. The relative infancy of the Russian governmental and regulatory framework may expose investors to various political (including civil conflicts and war) and economic risks. The Russian Securities Market from time to time may also suffer from a lack of market efficiency and liquidity which may cause higher price volatility and market disruptions.

Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities, and counterparty exposure. In addition, Russian securities have an increased custodial risk associated with them as such securities are, in accordance with market practice, held in custody with Russian institutions which may not have adequate insurance coverage to cover loss due to theft, destruction or default.

## GENERAL INFORMATION

### The Rights of Shareholders

The rights of Shareholders are stated in the Memorandum and Articles and in the Companies Act, and include (inter-alia) the right to receive notice of, and to attend and to vote at, meetings of the Company as summarised below.

The Investor Shares in the Sub-Fund carry the right to one (1) vote per share at meetings of the Company on the following matters (a) the variation of the rights attached to a class of shares; (b) any amendment to the investment objectives of the Sub-Fund; and (c) the nomination, appointment and, or removal of directors (other than the Director appointed by the holders of the Founder Shares). The Investor Shares entitle Shareholders to participate in the movements, both positive and negative, in the value of the assets of the Sub-Fund as well as the receipt of dividends as set out hereunder.

The holders of the Founder Shares carry the right to one (1) vote per share at general meetings of the Company and have collectively the exclusive right to nominate/appoint or remove one (1) Founder Director. The Founder Shares do not carry a right to participate in any dividends or other distributions of the Company or in the assets of the Company on a winding up (other than to the surplus, if any, that may remain after payment of all amounts due to creditors and holders of the Investor Shares).

### Share Capital and Accounts

All amounts received by the Company on the issue of Investor Shares, initially and subsequently, will be credited as share capital of the Company and will form part of the NAV of the Sub-Fund. Separate accounts are kept for the assets of the Sub-Fund.

### Benchmark Regulation

The performance fees in respect of the Sub-Fund are calculated (in part) by reference to 1 Month GBP LIBOR, 1 Month EURO LIBOR and 1 Month USD LIBOR (the “**Indices**”). The Indices are provided by ICE Benchmark Administration (the “**Administrator**”). As at the date of this Offering Supplement, the Administrator appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the “**Benchmark Regulation**”).

In line with the Benchmark Regulation, the Company has in place robust written plans setting out the actions that it would take in the event that the Indices materially change or cease to be provided. Such plans nominate alternative benchmarks that could be referenced to substitute the Indices. As at the date hereof, the Company has identified the following alternative benchmark: EONIA (the “**Alternative Index**”) and the European Money Markets Institute is the administrator responsible for providing the Alternative Index. In the event that the Company elects, as part of its written plans, to use alternative benchmarks to compute performance fees, the Offering Supplement shall be updated accordingly.

### Fractional Shares

Fractional Shares will be issued up to four (4) decimal places.

### Shares in Other Sub-Funds of the Company

The Company is constituted as a multi-fund investment company with variable share capital. As of the date of this Offering Supplement, the Company has made an offering of Investor Shares in other Sub-Funds. The Company may establish more Sub-Funds in the future.

### Dividend Policy

The Directors may, as they from time to time think fit, and subject to the applicable laws, declare and pay such dividends in respect of Classes A10, B10, C10, D10 and E10 out of the assets of the respective



share class as appears to the Directors to be justified. When dividends are not paid, income will be accrued within the Net Asset Value of the respective share class of the Fund.

The dividends, if any, shall be a sum recommended by the Directors not in excess of the income received or receivable in respect of assets of the respective share class (whether in the form of dividends, interest or otherwise) during the accounting period less appropriate expenses in accordance with the Companies Act and the license conditions, nor in excess of the amount available for distribution for each respective share class in accordance with the applicable laws and regulations.

The Directors shall calculate, at each ex div date, the net income available for distribution, adjusted to reflect the reallocation, if any, or part of the expenses against capital.

In the absence of unforeseen circumstances, subject to the availability of distributable profits and in the absence of exceptional market conditions, the Directors expect to distribute to shareholders on a quarterly basis, part or all of the net income available for distribution by the Fund. Payment will be effected by not later than the expiry of two months of each quarter.

Any undistributed income will be reflected in the Net Asset Value per share of the Fund.

Dividend payments shall be effected by the Administrator by means of a direct credit into a bank account held in the name of the investor as duly notified by the said investor in the payment instructions. In the case of a share held jointly by two or more persons, the Directors shall cause the dividend payment to be made into a bank account held in the name of any one or more of the joint investors, as duly instructed by the said investor/s, and dispatch of the dividend to the account of such investor/s shall be deemed as sufficient delivery to all and shall discharge the Company of its obligation towards the other joint investor/s. The Company shall not be responsible for any delay in transmission. Any changes to the bank account details are to be notified to Manager at the Administrator's Office by not later than the ex div dates mentioned below. If such changes are not notified by these dates or if it transpires that the bank account is not held in the name of the registered investor/s, the proceeds will be reinvested into the Fund.

Only Investors listed on the Register on the 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December, (ex div dates) in each year shall be entitled to receive dividend payments. All payments are subject in all cases to any pledge (duly constituted) of the Shares and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments by the Issuer in respect of the Shares shall be made net of any amount which the Company is compelled by law to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malta or authority thereof or therein having power to tax.

Investors may elect to reinvest the dividend payments back into the Fund subject that written notification of reinvestment instructions is, (unless prior advised), received by the Manager at the Administrator's Office by not later than the ex div dates mentioned above.

Reinvestment will normally be effected by not later than the second Dealing Day following the dividend payment date at the price prevailing on the respective Dealing Day.

### **Sub-Fund Expenses**

The Sub-Fund shall incur annual licence fee expenses of approximately EUR700 payable to the MFSA. Details of other expenses incurred by the Sub-Fund may be found in the Prospectus and in the above section on "Fees, Charges and Expenses". The Sub-Fund will not bear any costs incurred in the offering of shares in any other sub-fund of the Company.

### **Documents Available for Inspection**

Copies of the following documents shall be available for inspection at the registered office of the Company or at the offices of the Administrator (see Directory at last page hereof) during normal business hours:

- Memorandum & Articles of Association, and Certificate of Incorporation of the Company

- The latest Prospectus and Offering Supplements for all Sub-Funds
- Key Investor Information Document
- Custody Agreement
- Administration Agreement
- Investment Management Agreement
- Investment Services Act, Chapter 370 of the Laws of Malta
- The latest Annual and Half Yearly report of the Company (if available).
- Company policies (including Risk Management Policy and Remuneration Policy)



## DIRECTORY

<b>Directors of the Company</b>	Matthew Brittain
	Paul Magro
	Brendan Conlon
<b>Registered Office</b>	Alpine House, 34, Naxxar Road, San Gwann. Malta SGN9032
<b>Company Secretary</b>	SGGG Fexserv Fund Services (Malta) Limited
<b>Investment Committee</b>	Matthew Brittain
	James Hindmarch
	Richard Thomson Wight
<b>Investment Manager</b>	<b>Absolute Return Investment Advisers (ARIA) Limited</b> Ground Floor 2, Bell Court, Leapale Lane Guilford Surrey GU1 4 LY United Kingdom
<b>Custodian</b>	<b>Sparkasse Bank Malta plc</b> 101 Townsquare, Ix-Xatt ta' Qui-si-Sana, Sliema SLM3112, Malta
<b>Administrator</b>	<b>SGGG Fexserv Fund Services (Malta) Ltd.</b> Alpine House, 34, Naxxar Road, San Gwann. Malta SGN9032
<b>Auditors</b>	<b>Deloitte</b> Deloitte Place, Mriehel Bypass, Mriehel, BKR 3000 Malta
<b>Legal Advisors</b>	<b>Chetcuti Cauchi</b> 120, St Ursula Street, Valletta VLT 1236, Malta fsu@cclex.com