New Capital Global Convertible Bond Fund
Supplement 21 dated 2 December, 2019 to the Prospectus dated 19 August, 2019 for
New Capital UCITS Fund plc

This Supplement contains specific information in relation to New Capital Global Convertible Bond Fund (the "Sub-Fund"), a sub-fund of New Capital UCITS Fund plc (the "Company"), an open-ended umbrella investment company with segregated liability between sub-funds, authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended.

This Supplement forms part of and should be read together with and in the context of the Prospectus of the Company dated 19 August, 2019 (the "Prospectus") and in conjunction with the general description of

- **the Company and its management and administration;**
- **its general management and fund charges;**
- **its risk factors; and**
- **its investment restrictions**

which is contained in the Prospectus which is available from the Administrator. To the extent of any inconsistency between the terms of this Supplement and the Prospectus, this Supplement shall prevail with respect to the Sub-Fund.

Although the Sub-Fund may invest substantially in cash deposits and/or money market instruments in the circumstances detailed in the "Investment Policy" section below, Shares in the Sub-Fund are not deposits and are different in nature to a deposit in that the investment is not guaranteed and the value of the investment is capable of fluctuation. Investment in the Sub-Fund involves certain investment risks, including the possible loss of principal.

The Sub-Fund may invest in financial derivative instruments for investment and/or efficient portfolio management purposes. In relation to the leverage effect of investing in financial derivative instruments, see "Investment Policy" and "Techniques and Instruments" below.

Shareholders should note that the Fund may invest significantly in below investment grade securities, including high yield bonds, and in emerging markets and accordingly an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

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

1. Definitions

"Base Currency"	means US Dollar.
"Business Day"	means any day on which banks are generally open for business in Dublin or such other days as the Directors may, with the approval of the Depositary, determine.
"Convertible Bond"	means a bond which may be converted into or exchanged for a specified amount of common stock within a period at a specified price or formula.
"**Contingent Convertible Bond**"	means a hybrid debt security which may convert into equity or have its principal written down on the happening of certain trigger events linked to regulatory capital thresholds or where the issuer's regulatory authority makes a determination that the issuer is non-viable.
"Index"	means Thomson Reuters Convertible Global Focused Indices Hedged (USD) Index
"Investment Manager"	EFG Asset Management (UK) Limited.
"Minimum Dealing"	means the amount specified in the table set out in section 8 of this Supplement, being the minimum amount in which subsequent applications for subscription or requests for redemption may be made.
"Minimum Holding"	the minimum number of Shares required to be held by Shareholders having such value as may from time to time be specified by the Directors and set out in the table set out in section 8 of this Supplement.
"Minimum Subscription"	means the amount specified in the table set out in section 8 of this Supplement, being the minimum amount which must be initially subscribed by an investor.
"Redemption Day" and **"Subscription Day"**	every Business Day other than any Business Day where the Administrator may have difficulties in obtaining reliable prices such as any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of a Sub-Fund are

quoted is closed and a day falling within a period of suspension. A calendar setting out all of the Redemption Days and Subscription Days of the Fund shall be available on www.newcapitalfunds.com and shall be updated on an annual basis. Any alterations to the Redemption Days and Subscription Days will be notified to Shareholders in advance.

"Redemption Deadline" and **"Subscription Deadline"** 10:00 hours (Irish time), on the relevant Redemption Day/ Subscription Day or such other times as the Company may determine and notify the Shareholders in advance.

"Sub-Investment Manager" means EFG Asset Management (Switzerland) SA as further detailed in section 12 of this Supplement.

"Valuation Day" means each Subscription Day and Redemption Day.

"Valuation Point" means 23:00 hours (Irish time) on the relevant Valuation Day.

2. Investment Objective

The investment objective of the Sub-Fund is to seek long term appreciation through capital growth.

3. Investment Policy

In seeking to achieve the Sub-Fund's investment objective, the Sub-Fund will gain exposure to a portfolio of global securities, in both developed and developing markets, that are diversified by both region and sector, primarily listed or traded on Recognised Markets worldwide. The Sub-Fund may invest in the following asset classes:

<u>Convertible Bonds</u>

The Sub-Fund will invest at least two thirds of its Net Asset Value in the following equity-linked securities:

- bonds exchangeable into shares; and/or
- bonds redeemable in shares; and/or
- bonds with subscription warrants; and/or
- bonds indexed on shares; and/or
- Convertible Bonds including Convertible Bonds that have time restrictions as to when they can be converted; and/or
- securities which may be considered as shares under local law (mandatory convertibles, preferred convertibles, mandatory convertibles preferred shares, mandatory convertibles preferred stocks, mandatory exchangeable bonds, convertible perpetual preferred stock)

The above securities in which the Sub-Fund invests may be of any investment rating or non-rated, and may include emerging countries, up to a maximum of 50% of the Net Asset Value of the Sub-Fund. They may be fixed or floating and the issuers may be governments or corporations.

These securities are deemed to embed a derivative and therefore will be taken into account in calculating the Sub-Fund's global exposure and leverage arising from the use of derivatives.

The Sub-Fund will not invest in Contingent Convertible Bonds.

Investment in other collective investment schemes

The Sub-Fund may also invest in open-ended and closed–ended collective investment schemes (including exchange traded funds or "ETFs") provided such investments are eligible for investment by UCITS and give exposure to investments in which the Sub-Fund may invest directly in accordance with the above investment policy. Investment in open-ended collective investment schemes shall not exceed in aggregate 10% of the Net Asset Value of the Sub-Fund. Unlike open-ended collective investment schemes, investment in closed ended collective investment schemes will only be made where such investment constitutes transferable securities for UCITS purposes. Investments in closed ended collective investment schemes will be limited to 10% of the Net Asset Value of the Sub-Fund.

Investment in money market instruments

Pending investment of the proceeds of a subscription for Shares or where market or other factors so warrant (including inter alia circumstances in order to provide cover for any derivative exposure arising from derivative hedging transactions and in any extraordinary market circumstances which in the opinion of the Investment Manager would be likely to have a significant detrimental effect on the performance of the Sub-Fund), the Sub-Fund's assets may, subject to the investment restrictions set out in Appendix III of the Prospectus, be invested in money market instruments including but not limited to certificates of deposit, floating rate notes or commercial paper listed or traded on Recognised Markets in major financial markets rated A1 or better by Standard & Poor's or P1 or better by Moody's or an equivalent credit rating as determined by the Investment Manager and cash deposits denominated in such currency or currencies as the Directors may determine having consulted with the Investment Manager.

Financial Derivative Instruments

The Sub-Fund may use the following derivatives (which may be exchange traded or over the counter derivatives) for investment and/or efficient portfolio management purposes in addition to any other financial derivative instruments that may be used for efficient portfolio management purposes as detailed in this Supplement (including the expected effect of the use of such instruments) under the section titled "Techniques and Instruments".

Options:

The Sub-Fund may write and purchase call and put options, the underlying of which may be currencies, investments or indices comprising investments, where such investments are consistent with the investment policy of the Sub-Fund. The buyer of an option has the right but not the obligation to buy or sell an investment. This results in a different risk reward profile from buying or selling the asset itself, which may at times be considered more desirable. Index options enable investors to gain exposure to a large number of investments with one trading decision. Put options may be purchased to protect the value of the Sub-Fund or a portion of the Sub-Fund from an expected sharp downside move in a particular market, currency or in a single investment position. Put options may also be written to generate premium for the Sub-Fund. Call options may be purchased to gain exposure to an index or single investment position or be sold (covered sale only) to add income from premium.

The Sub-Fund will not synthetically short positions through the use of derivatives for investment purposes.

No more than 5% of the Net Asset Value of the Sub-Fund may be invested in securities traded on Russian markets. With respect to securities listed or traded in Russia, the Company will invest in securities listed or traded on the Moscow Exchange.

Investment Strategy

The Sub-Fund will be actively managed in reference to the Index and will focus on the best investment opportunities from the global universe of equity linked securities as set out in detail above. The Investment Manager takes an approach that is based on fundamental and discretionary management of the asset allocation of the Sub-Fund and on a selection of investments in accordance with the investment policy.

The investment process comprises a bottom-up review of the investable universe so as to

1. Limit the risks meaning liquidity risk and credit risk are addressed, to restrict the investment scope of the Sub-Fund;

2. This restricted universe would then be assessed to achieve a technical profile for each instrument (by comparing the cost of holding an instrument against the convexity opportunity, that is the opportunity for upside potential to be greater than the downside risk);

3. Review the valuation of underlying equities and assess potential growth opportunities in the value of such securities; and

4. Consolidation of the individual data and construction of the portfolio.

A top-down review will lead to adjustments so that the portfolio is in accordance with the Investment Manager's expectations. This review will address regional and sectorial exposures for investment weights as well as equity sensitivities. It will also ensure that consolidated positions offer the desired risk reward profile. The three main pillars for this purpose are equity sensitivity (delta), convexity as detailed above (gamma) and the cost of holding over a time horizon (theta).

Index

The Sub-Fund will be actively managed in reference to the Index in that such Index will be used for performance comparison purposes. As such the Sub-Fund does not seek to replicate the Index, but instead may differ from the Index to achieve its objective. The investment manager is not constrained by the Index in the selection of investments and may use its discretion to invest in companies or sectors not included in the Index to take advantage of specific investment opportunities.

The Index is an international convertible bonds index. The performance of the Index is based on the stripped coupons of the convertible bonds which make up the Index.

4. Profile of Typical Investor

The Sub-Fund is suitable for investors seeking capital growth over a medium term with a medium level of volatility linked to investments in listed shares. In this way, the investor should have experience in financial products, an investment horizon of at least 3 years and be able to accept losses.

5. Investment and Borrowing Restrictions

A non-exhaustive list of the investment and borrowing restrictions applying to the Sub-Fund are set out in Appendix III to the Prospectus.

6. Techniques and Instruments

The Sub-Fund may enter into FDI for efficient portfolio management purposes (subject to the conditions and within the limits laid down by the Central Bank of Ireland as outlined in Appendix I of the Prospectus entitled "Techniques And Instruments For The Purpose Of Efficient Portfolio Management" and subject to the restrictions and limitations set out in the Regulations and the CBI UCITS Regulations, some of which are summarised in Appendix III of the Prospectus).

Such derivative instruments will be those FDI as detailed above under the section entitled 'Investment Policy'. In addition to the derivative instruments listed above, the Fund may also utilise forward foreign currency exchange contracts, futures contracts, options, warrants and/or swap contracts.

For the avoidance of doubt the Sub-Fund does not intend to enter into securities financing transactions as defined under Regulation (EU) 2015/2365 such as repurchase agreements, reverse repurchase agreements and stocklending agreements etc. for the purposes of efficient portfolio management. Further, the Sub-Fund does not intend to enter into derivative contracts as defined under EMIR, in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty, such as total return swaps etc.

Any currency hedging intended at Class level is detailed below in section 8 of this Supplement. Please refer to the section of the Prospectus entitled "Use of Derivatives and Techniques and Instruments" for further information.

The Sub-Fund may employ derivative instruments for protection against exchange risks in accordance with the conditions and limits set down by the Central Bank of Ireland as outlined in Appendix I of the Prospectus.

Where currency hedging strategies are not employed by the Investment Manager, the performance of the Sub-Fund may be strongly influenced by movements in FX rates because currency positions held by the Sub-Fund may not correspond with securities positions held.

The Sub-Fund will ensure that any leverage generated by the use of financial derivative instruments and the securities referred to under the sub-heading "Convertible Bonds" described above in the Investment policy section (where they embed a financial derivative instrument) will be measured using the Commitment Approach and will not exceed the Net Asset Value of the Sub-Fund i.e. will not exceed 100% of the Net Asset Value of the Sub-Fund.

7. Distribution Policy

The Directors intend to automatically reinvest all earnings, dividends and other distributions of whatever kind as well as realised capital gains arising from the Sub-Fund pursuant to the investment objective and policies of the Sub-Fund for the benefit of Shareholders in the Sub-Fund. Accordingly, the Directors do not intend to make distributions out of the Sub-Fund otherwise than on termination of the Sub-Fund.

8. Share Classes

Shares shall be issued to investors as Shares of a Class in this Sub-Fund. The Directors may, whether on the establishment of this Sub-Fund or from time to time, create more than one Class of Shares in this Sub-Fund in accordance with the requirements of the Central Bank of Ireland. The Directors may in their absolute discretion differentiate between Classes of Shares, without limitation, as to currency of denomination of a particular Class, dividend policy, hedging strategies if any applied to the designated currency of a particular Class, fees and expenses or the Minimum Subscription or Minimum Holding applicable.

All Classes designated in a currency that is not the Base Currency are hedged classes (i.e. their exposure to the Base Currency is hedged) except where indicated in the name of the relevant Class by use of the description "Unhedged".

The Classes available in this Sub-Fund and their respective ISIN, designated currency, Minimum Subscription, Minimum Dealing, Minimum Holding, management fee and Distributor's fee are as follows:

Share Class	ISIN	Designated Currency	Minimum Subscription	Minimum Dealing	Minimum Holding	Management Fee as % of NAV	Distributor's Fee
USD I Acc	IE00BK9WPH86	US Dollar	$1,000,000	$1,000,000	$1,000,000	0.65%	0.00%
USD O Acc	IE00BK9WPZ68	US Dollar	$10,000	$1,000	$5,000	1.50%	0.00%
USD D Acc	IE00BK9WPJ01	US Dollar	$1,000	$100	$5,000	1.50%	0.75%
USD A Acc	IE00BL0KXP20	US Dollar	$1,000	$1,000	$5,000	1.60%	0.00%
USD N Acc	IE00BL0KXQ37	US Dollar	$1,000	$1,000	$5,000	1.60%	1.10%
USD X Acc	IE00BK9WPK16	US Dollar	$5,000,000	$10,000	$10,000	0.00%	0.00%
CHF I Acc	IE00BL0KXT67	Swiss Franc	CHF 1,000,000	CHF 1,000,000	CHF 1,000,000	0.65%	0.00%
CHF O Acc	IE00BL0KXV89	Swiss Franc	CHF 10,000	CHF1,000	CHF5,000	1.50%	0.00%
EUR I Acc	IE00BK9WPL23	Euro	€ 1,000,000	€ 1,000,000	€ 1,000,000	0.65%	0.00%
EUR O Acc	IE00BK9WPM30	Euro	€ 10,000	€ 1,000	€ 5,000	1.50%	0.00%
EUR D Acc	IE00BK9WPN47	Euro	€ 1,000	€ 100	€ 5,000	1.50%	0.75%
GBP Acc	IE00BK9WQ089	Pounds Sterling	£10,000	£1,000	£5,000	0.65%	0.00%

During the initial offer period of each Class, from 9.00 a.m. (Irish time) on the first Business day subsequent to the date of issue of this Supplement to 5.00 p.m. (Irish time) on 1 June, 2020 (the "Closing Date") inclusive, shares will be offered at an initial price of CHF 100, EUR 100, GBP 100, and USD 100, respectively. The initial offer period of each Class may be shortened or extended by the Directors. The Central Bank of Ireland will be notified in advance of any such extension if subscriptions for Shares have been received and otherwise on a yearly basis.

Shares in the Classes with the designation X shall only be available to employees of the Investment Manager and investors who have entered into a discretionary investment management agreement with the Investment Manager and/or members of the EFG group.

9. Issue of Shares

The procedures for applying for Shares are set out in the Prospectus under the section titled "The Company" – "Issue of Shares".

Settlement proceeds for Shares subscribed subsequent to the initial offer period by individual investors should be transmitted by telegraphic transfer to be received in cleared funds in such bank account, (details of which are set out in the application form for the Sub-Fund) by 10:00 hours (Irish time) on the relevant Subscription Day.

In the case of non-individual investors approved by the Manager, settlement proceeds for Shares subscribed subsequent to the initial offer period should be transmitted by telegraphic transfer to be received in cleared funds in such bank account (details of which are set out in the application form for the Sub-Fund) within three Business Days of the relevant Subscription Day.

10. Repurchase of Shares

The procedures for repurchase of Shares are set out in the Prospectus.

Redemption fees will not be levied in relation to the Sub-Fund.

11. Conversion of Shares

Conversion charges will not be levied on the conversion of Shares in any Class to Shares in another Class.

12. Sub-Investment Manager

The Investment Manager has appointed EFG Asset Management (Switzerland) SA (the "Sub-Investment Manager") having its registered office at 24 Quai du Seujet, P.O. Box 2391, 1211, Geneva 2, Switzerland as sub-investment manager in relation to the Sub-Fund pursuant to a sub-investment management agreement dated 8 August 2017 between the Company, the Investment Manager and the Sub-Investment Manager (the "Sub-Investment Management Agreement").

The Sub-Investment Manager has an asset management licence and is subject to supervision by FINMA in Switzerland. The Sub-Investment Manager is engaged in the business of managing collective investment schemes and discretionary portfolios for professional and institutional clients.

13. Fees and Expenses

The Sub-Fund and each Class shall bear its attributable portion of (i) the fees payable by the Company to the Directors and (ii) establishment and operating expenses of the Company. A summary of such fees and expenses is set out in the Prospectus under the heading "Fees and Expenses". The Sub-Fund shall also bear the following fees and expenses:

Management Fees

The management fees that will be borne by each Class in the Sub-Fund are detailed in the table set out in Section 8 of this Supplement. The management fees shall be accrued at each Valuation Point and are payable monthly in arrears. The Manager is entitled to increase such fees up to a maximum of 3% of the Net Asset Value of the relevant Class. At least two week's written notice of any such proposed increase in the management fee will be given to Shareholders of the relevant Class.

The Manager shall be responsible for discharging, from the management fees payable to it, the fees of the Investment Manager. Unless otherwise determined by the Manager, the fees of any Paying Agent will be discharged out of the assets of the Sub-Fund.

The Manager is entitled to be reimbursed any expenses properly incurred by it or its delegates on behalf of the Sub-Fund. Such expenses shall include, but shall not be limited to, expenses incurred for legal, auditing and consulting services, expenses incurred in the supply of information to Shareholders and expenses properly incurred by the Investment Manager, the Distributor, any Paying Agent and by the Manager in carrying out their duties.

Administrator's Fees

The Company shall pay to the Administrator out of the assets of the Sub-Fund an annual administration fee, accrued at each Valuation Point and payable monthly in arrears, not exceeding 0.09% of the Net Asset Value of the Sub-Fund (plus VAT, if any), subject to a minimum fee of $1,500 per month.

The Administrator shall also be entitled to receive a fee out of the assets of the Sub-Fund in respect of investor trading activity which shall be charged on a "per transaction" basis and which shall be at normal commercial rates.

The Administrator shall also be entitled to be repaid out of the assets of the Sub-Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Sub-Fund. The fees and expenses of the Administrator are accrued at each Valuation Point and are payable monthly in arrears.

Depositary's Fees

The Depositary shall be entitled to receive from the Company an annual fee in relation to the Sub-Fund of 0.02% of the Net Asset Value of the Sub-Fund plus value added tax, if any, thereon subject to a minimum fee of $1,000 per month. The Depositary shall also be entitled to an annual fee in respect of oversight services which will be charged at a rate of $3,000.

Fees payable to the Depositary shall be calculated and accrued as at each Valuation Point and shall be payable monthly in arrears.

The Depositary shall also be entitled to be reimbursed for all agreed transaction fees and out of pocket expenses properly incurred by it in the performance of its duties. The Depositary will also charge third party transaction fees and sub-custodian fees and charges at normal commercial rates.

Investment Manager's Fee

The Manager shall, out of its fee payable to it by the Sub-Fund, pay the Investment Manager by way of remuneration for its services under the Investment Management Agreement such as agreed between the parties. In addition, the Sub-Fund shall reimburse the Investment Manager out of the assets of the Sub-Fund, all reasonable and properly vouched out-of-pocket expenses incurred by it in performing its duties thereunder together with any value added tax.

Sub-Investment Manager's Fee

The Investment Manager shall, out of the fee payable to it by the Manager, pay the Sub-Investment Manager by way of remuneration for its services under the Sub-Investment Management Agreement such annual fee as agreed between the parties. In addition, the Investment Manager shall arrange for the Sub-Investment Manager to be reimbursed out of the assets of the Sub-Fund in respect of all reasonable and properly vouched out-of-pocket expenses incurred by it in performing its duties thereunder together with any value added tax.

Distributor's Fees

The Distributor shall be entitled to receive from the Company an annual fee in respect of all Classes containing the denotation "D" or "N" in their name. The Distributor's fees that will be attributable to each Class in the Sub-Fund are detailed in the table set out in Section 8 of this Supplement.

The Distributor's fee will accrue at each Valuation Point and is payable monthly in arrears. It shall be subject to the imposition of value added tax ("VAT") if required. The Distributor shall also be entitled to be reimbursed out of the assets of the Sub-Fund for all reasonable and properly vouched out-of-pocket expenses incurred.

Initial Expenses

All fees and expenses incurred in relation to the establishment of the Sub-Fund and the creation and initial offer of the Shares will be borne by the Sub-Fund and such fees and expenses are estimated to be approximately Euro 15,000 exclusive of VAT (if any) and will be amortised over the first three accounting periods of the Company subsequent to the approval of the Sub-Fund by the Central Bank.

14. Risk Factors

This section should be read in conjunction with the section headed "Risk Factors" in the main body of the Prospectus in particular the "Emerging Markets Risk" and "Investing in Fixed Income Securities" risk disclosures in the "Risk Factors" section.

Risks Related to the securities referred to under the sub-heading "Convertible Bonds" in the "Investment Policy" section

The prices of these securities are subject to several influences:

Interest-rate risk

Due to its composition, the Sub-Fund may be subject to interest rate risk. This risk results from the fact that in general debt securities and bonds fall in price when interest rates rise. The investor in bonds or other fixed income securities may suffer negative performances following fluctuations in the level of interest rates.

Equity risk

The Sub-Fund may be subject to a maximum 70% direct or indirect exposure to the equity market, because of the inherent nature of convertibles and the investment process. A fall in the equity markets can cause a fall in the Net Asset Value of the Sub-Fund.

Credit risk

Credit risk is the potential risk of decline in the credit rating of the issuer which will have a negative impact on the price of the security and therefore on the Net Asset Value of the Sub-Fund. Credit risk also results when the issuer of a bond is not able to repay the loan and to make interest payments on the dates provided for in the contract.

Volatility risk

Given an investment strategy consisting mainly of investments in these types of securities, the Net Asset Value of the Sub-Fund is liable to vary with changes in the value of the conversion option (i.e. the possibility of converting the bond into a share). These risks result in the fact that the performance of the Sub-Fund does not depend solely on the market trends. It is therefore possible that the value of the assets may fall at a time when the stock markets are rising.

Liquidity risk

In case of a significant increase in risk aversion, or due to troubled markets, the bid-ask spread may widen significantly. This widening may result in a more marked fall in the Net Asset Value of the Sub-Fund, mainly when the Sub-Fund must deal with redemptions. This risk may affect Convertible Bonds and similar securities which are mainly traded in over-the-counter markets.

Risk associated with investment in high yield securities

There is a credit risk which applies to securities labelled “speculative” which present a higher probability of default than those of “investment grade”. They offer higher levels of yield in compensation, but may, in the case of a downgrade in the rating, reduce significantly the Net Asset Value of the Sub-Fund.

Specific Risks associated with investment in Russian Securities

Although investment in Russian securities does not constitute the principal investment focus of the Sub-Fund, the Sub-Fund may invest a portion of its assets in securities of issuers located in Russia. Investments in securities of Russian issuers may involve a particularly high degree of risk and special considerations not typically associated with investing in more developed markets, many of which stem from Russia’s continuing political and economic instability and the slow-paced development of its market economy. Investments in Russian securities should be considered highly speculative. Such risks and special considerations include: (a) delays in settling portfolio transactions and the risk of loss arising out of Russia’s system of share registration and custody; (b) pervasiveness of corruption, insider trading, and crime in the Russian economic system; (c) difficulties associated in obtaining accurate market valuations of many Russian securities, based partly on the limited amount of publicly available information; (d) the general financial condition of Russian companies, which may involve particularly large amounts of inter-company debt; (e) the risk that the Russian tax system will not be reformed to prevent inconsistent, retroactive and/or exorbitant taxation or, in the alternative, the risk that a reformed tax system may result in the inconsistent and unpredictable enforcement of the new tax laws (f) the risk that the government of Russia or other executive or legislative bodies may decide not to continue to support the economic reform programs implemented since the dissolution of the Soviet Union (g) the lack of corporate governance provisions applying in Russia generally, and (h) the lack of any rules or regulations relating to investor protection.

Russian securities are issued in book-entry form, with ownership recorded in a share register held by the issuer's registrar (which is neither an agent of the Depositary nor responsible to the latter). Transfers are effected by entries to the books of registrars. Transferees of shares have no proprietary rights in respect of shares until their name appears in the register of shareholders of the issuer. The law and practice relating to registration of shareholdings are not well developed in Russia and registration delays and failures to register shares can occur. In common with other emerging markets, Russia has no central source for the issuance or publication of corporate actions information. The Depositary therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.