

HEPTAGON FUND PLC
Yacktman US Equity Fund
SIMPLIFIED PROSPECTUS

3 January 2012

This Simplified Prospectus contains key information in relation to the Yacktman US Equity Fund (the “Fund”) a sub-fund of Heptagon Fund plc, which is a segregated liability, open-ended umbrella investment company with variable capital incorporated in Ireland on 27 November 2007 and authorised on 11 November 2010 by the Central Bank of Ireland (the “Central Bank”) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (the “Company”). The Company has two other sub-funds open to investors, the Helicon Fund and the Oppenheimer Developing Markets Equity Fund.

Potential investors are advised to read the full prospectus dated 3 January 2012 (the “Prospectus”) and the Second Supplement dated 3 January 2012 (the “Supplement”) before making an investment decision. The rights and duties of the investor as well as the legal relationship with the Company are laid down in the Prospectus.

Shares of Classes A, C and I of the Yacktman US Equity Fund were admitted to the Official List and to trading on the Euro MTF Market of the Luxembourg Stock Exchange on 24 February 2011. No application has been made for the listing of the Shares on any other stock exchange. Notwithstanding the application to list the Shares, it is not anticipated that an active secondary market will develop in the Shares.

The base currency of the Fund is US Dollars.

Investment Objective:	The investment objective of the Fund is to achieve long-term capital growth.
Investment Policy:	<p>The Fund will mainly invest in common stocks of United States companies, some, but not all of which, pay dividends. The Sub-Investment Manager will employ a disciplined investment strategy by investing in companies of any size at what they determine are attractive prices for such.</p> <p>The Fund invests without specific regard to the market capitalizations or sectors of such issuers, and thus may also have a greater percentage of its assets invested in particular industries than other similar funds, however the Sub-Investment Manager will typically prefer larger companies to smaller companies and the Fund will not concentrate 25% or more of its total assets in securities of any one industry. This restriction does not apply to obligations (such as bonds, preferential shares and convertible securities) issued or guaranteed by the United States Government, its agencies or instrumentalities. The Fund will sell its investments in companies that no longer meet the Sub-Investment Manager’s investment criteria, or if better investment opportunities are available.</p> <p>The Sub-Investment Manager may feel that it makes sense to invest more in their top choices than in investments they think are less attractive. As a result, the Fund will often be invested in a limited number of companies compared to more benchmark focussed funds, however, at all times the Fund will be subject to the following additional investment restrictions:</p> <ul style="list-style-type: none">• The Fund may invest no more than 5% of its Net Asset Value in unlisted securities, or for which there is no established market

	<ul style="list-style-type: none"> • The Fund may not execute short sales of securities • The Fund will not invest in other funds managed by the Sub-Investment Manager • The Fund will not invest more than 10% of its Net Asset Value in collective investment schemes <p>The equity securities in which the Fund invests include common and preferred stock (including convertible preferred stock, subject to the limits outlined below), rights and warrants to subscribe for the purchase of equity securities and depositary receipts (traded on Recognised Markets in the United States such as American Depositary Receipts or Global Depositary Receipts).</p> <p>The Fund may invest in money market instruments such as United States Treasury Bills, certificates of deposit of U.S. banks, commercial paper, and commercial paper master notes, which are demand instruments without a fixed maturity bearing interest at rates that are fixed to known lending rates and automatically adjusted when such lending rates change, rated A-2 or better by Standard & Poor's Corporation ("Standard & Poor's") or Prime-2 by Moody's Investors Service, Inc. ("Moody's"). The Fund may not invest in money market funds. The Fund may, in response to adverse market, economic, political or other conditions, take a temporary defensive position. This means the Fund will invest some or all of its assets in such money market instruments.</p> <p>When the Fund is not taking a temporary defensive position, it still will hold some cash and money market instruments for ancillary purposes so that it can pay its expenses, satisfy redemption requests or take advantage of investment opportunities. The Fund may also increase its cash position if the Sub-Investment Manager cannot find companies that meet their investment requirements. When the Fund holds a significant portion of assets in cash and cash reserves, it may not meet its investment objective and the Fund's performance may be negatively affected as a result.</p> <p>The Fund will not invest more than 5% of its Net Asset Value in securities of any issuer which has a record of less than three (3) years of continuous operation, including the operation of any predecessor business of a company which came into existence as a result of a merger, consolidation, reorganization or purchase of substantially all of the assets of such predecessor business.</p> <p>The Fund may invest in real estate investment trusts ("REITs"). Equity REITs invest directly in real property while mortgage REITs invest in mortgages on real property. The Fund will not however purchase or sell direct real estate, or real estate mortgage loans, and will not make any investments in real estate limited partnerships.</p> <p>The Fund will not purchase or sell commodities or commodity contracts, including futures contracts, nor will the Fund purchase or sell any interest in any oil, gas or other mineral exploration or development program, including any oil, gas or mineral leases.</p> <p>The Fund may invest in U.S. government securities and publicly distributed corporate bonds and debentures to generate current income and possible capital gains at those times when the Sub-Investment Manager believes such securities offer opportunities for long-term growth of capital, such as during periods of declining interest rates when the market value of such securities generally rises. Fixed income securities purchased by the Fund may include, among others: bonds, notes and debentures issued by corporations and debt securities issued or guaranteed by the U.S. government. The Fund may invest in fixed income securities of any length maturity.</p> <p>The Fund may also invest in convertible securities (debt securities or preferred stocks of corporations which are convertible into or exchangeable for common stocks). The Sub-Investment Manager will select only those convertible securities for which it believes (a) the underlying common stock is a suitable investment and (b) a greater potential for total return exists by purchasing the convertible security because of its higher yield and/or</p>
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	<p>favourable market valuation.</p> <p>The Fund has no restrictions regarding the rating or credit quality of the fixed income or convertible securities it may purchase and hold. Corporate obligations rated less than investment grade (hereinafter referred to as “low-rated securities”) are commonly referred to as “junk bonds”, and while generally offering higher yields than investment grade securities with similar maturities, involve greater risks, including the possibility of default or bankruptcy. They are regarded as predominantly speculative with respect to the issuer’s capacity to pay interest and repay principal. Accordingly The Fund will only invest up to an aggregate of 10% of its Net Asset Value in convertible debt securities and low-rated securities (in any proportion provided that the total invested in both does not exceed the 10% threshold).</p> <p>The Fund will not invest more than 10% of its Net Asset Value in U.S. dollar-denominated securities of foreign issuers in the form of American Depositary Receipts that are regularly traded on a Recognised Market (as listed in Appendix II to the Prospectus).</p> <p>The Fund will not extensively use derivatives nor will it use complex derivatives since purchasing and writing put and call options are not the principal investment strategies of the Fund. At times however, the Sub-Investment Manager may purchase put options on specific stocks to hedge against losses caused by declines in the prices of stocks held by The Fund, and may purchase call options on individual stocks to realize gains if the prices of the stocks increase. The may write put options on specific stocks to generate income, but only if it is willing to purchase the stock at the exercise price. The Fund may write call options on specific stocks to generate income and to hedge against losses caused by declines in the prices of stocks in the Fund. The Fund may also write and/or purchase call and put options on financial indices to hedge the overall risk of the portfolio.</p> <p>The Sub-Investment Manager is expected to demonstrate patience and will not normally attempt to achieve the Fund’s investment objectives by active and frequent trading of common stocks or other financial instruments. Although it is not intended that there will be high frequency portfolio adjustments, if the objectives of the Fund would be better served, short-term profits or losses may be realized from time to time.</p> <p>The Fund may be leveraged up to 100% of its Net Asset Value as a result of its use of options but it is anticipated that leverage will typically be less than 20% of the Fund’s Net Asset Value. The Fund may experience a moderate degree of volatility. For further information, please see “Further Detail on the Use of Financial Derivative Instruments” in the Supplement.</p>
<p>Risk Profile:</p>	<p>The following risk factors apply to the Fund:</p> <p>An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.</p> <p><i>Investment Risk</i></p> <p>Potential investors should note that the investments of the Company and any Fund are subject to normal market fluctuations and there can be no assurance that any appreciation in value will occur. The value of investments and the income from them, and therefore the value of, and income from the Shares, can go down as well as up and an investor may not get back the amount invested. Investors should also be aware that in the event of a sales commission and/or a redemption fee being charged, the difference at any time between the sale and redemption price of Shares in any Fund means that an investment should be viewed as medium to long term. Changes in exchange rates between currencies may also cause the value of the investments to diminish or increase. Past performance of the Company or any Fund should not be relied upon as an indicator of future performance. In addition, the Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are</p>

	<p>applied and recent developments in the risk and yield characteristics of the main categories of investments applicable to the relevant Fund.</p> <p>There can be no guarantee that the investment objective of the Fund will actually be achieved.</p> <p><i>Share Currency Designation Risk</i></p> <p>A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the Fund. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Investment Manager may try but is not obliged to mitigate this risk by using financial instruments such as those described under the heading "Currency Risk", provided that such instruments shall in no case exceed 105% of the Net Asset Value attributable to the relevant Class of Shares of the Fund. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances Shareholders of the relevant Class of Shares of the Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Shares of the Fund.</p> <p><i>Investment in REITs</i></p> <p>REITs may be subject to certain risks associated with the direct ownership of real estate, including declines in the value of real estate, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses and variations in rental income. REITs often pay significant dividends to their shareholders based upon available funds from operations, which will suffer withholding tax when paid to an Irish entity.</p> <p><i>Bank Deposits</i></p> <p>Shares in the Fund are not bank deposits and are not insured or guaranteed by any government or any government agency or other guarantee schemes which protect the holders of bank deposits. The value of a holding in the Fund would be expected to fluctuate more than a bank deposit.</p> <p><i>Deposits with Credit Institutions</i></p> <p>The Fund may invest substantially in deposits with credit institutions during periods of high market volatility.</p> <p>The investment risks set out in this Simplified Prospectus do not purport to be exhaustive and potential investors should be aware that an investment in the Fund may be exposed to risks of an exceptional nature from time to time. A more detailed description of the risk factors that apply to the Company and the Fund is set out in the Prospectus.</p>
Performance Data:	<p>Performance data is not available for the Fund as the Fund only launched in December 2010.</p>

Profile of a Typical Investor:	The Fund is suitable for investors seeking capital growth over a medium to long-term horizon who are prepared to accept a medium level of volatility from time to time.																														
Distribution Policy:	It is not the current intention of the Directors to pay dividends. The income and earnings and gains of the Fund will be accumulated and reinvested on behalf of the Shareholders. Any change to this dividend policy shall be set out in an updated Supplement and notified to Shareholders in advance.																														
Fees and Expenses:	<p>At the date of this Simplified Prospectus, four Classes of Shares in the Yacktmán US Equity Fund are available for subscription, details of which are set out below:</p> <table><tr><th>Class</th><th>Currency Denomination</th><th>Investment Management Fee</th><th>Minimum Initial Subscription</th><th>Minumum Subsequent Subscription</th><th>Minimum Holding</th></tr><tr><td>A</td><td>USD</td><td>1.50%</td><td>US \$15,000</td><td>US \$2,500</td><td>US \$15,000</td></tr><tr><td>C</td><td>USD</td><td>1.0%</td><td>US \$1,000,000</td><td>US \$10,000</td><td>US \$100,000</td></tr><tr><td>I</td><td>USD</td><td>1.15%</td><td>US \$2,000,000</td><td>US \$10,000</td><td>US \$100,000</td></tr><tr><td>B</td><td>USD</td><td>1.95%</td><td>US \$15,000</td><td>US \$2,500</td><td>US \$15,000</td></tr></table> <p>Shareholders' Expenses</p> <p>Sales Commission: None Redemption Fee: None Conversion Fee: None</p> <p>Annual Operating Expenses of the Fund</p> <p>Administrator's Fees</p> <p>The Administrator shall be entitled to receive out of the assets of the Fund an annual fee, accrued daily and calculated and paid at a rate of 0.08% per annum on the first US\$250 million of the Net Asset Value of the Fund, at a rate of 0.06 % per annum on the next US\$250 million of the Net Asset Value of the Fund and 0.05% % per annum on the Net Asset Value of the Fund in excess of US\$500 million. This fee is subject to a minimum of \$60,000 per annum. The Administrator will also be entitled to registrar and transfer agency fees. The Administrator will also be entitled to an annual aggregate fee of \$10,000 for the preparation of the interim and year-end financial statements of the Fund.</p> <p>Custodian's Fees</p> <p>The Custodian shall be entitled to receive an annual trustee fee of approximately .02% per annum of the Net Asset Value of the Company, accrued at each Valuation Point and shall be payable monthly in arrears. The Fund shall also pay custody fees ranging from 0.01% to 0.03% calculated by reference to the market value of the investments that the Fund may</p>	Class	Currency Denomination	Investment Management Fee	Minimum Initial Subscription	Minumum Subsequent Subscription	Minimum Holding	A	USD	1.50%	US \$15,000	US \$2,500	US \$15,000	C	USD	1.0%	US \$1,000,000	US \$10,000	US \$100,000	I	USD	1.15%	US \$2,000,000	US \$10,000	US \$100,000	B	USD	1.95%	US \$15,000	US \$2,500	US \$15,000
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	<p>make in each relevant market. The Custodian's fees are accrued at each Valuation Point, payable monthly in arrears, and subject to a minimum charge of US\$12,000 per annum.</p> <p><i>Investment Manager's Fees</i></p> <p>The Investment Manager shall be entitled to receive out of the assets of the Fund an annual fee in respect of the Fund or in respect of each Class of the Fund, accrued daily and payable monthly in arrears at an agreed annual percentage rate of the Net Asset Value (before deduction of fees, expenses, borrowings and interest) of the Fund or Class as set out in the table above.</p> <p><i>Distributors' Fees</i></p> <p>Fees and expenses of the Distributor and any further distributors appointed by the Company on behalf of the Company or the Fund will be at normal commercial rates and may be borne by the Company or the Fund in respect of which the Distributors have been appointed.</p> <p><i>Sub-Investment Manager's Fees</i></p> <p>The Investment Manager shall pay the fees and expenses of the Sub-Investment Manager out of its own fees. The Fund will be liable for the dealing costs relating to the purchase and sale of investments by the Sub-Investment Manager.</p> <p>Out of pocket expenses of the Investment Manager, the Custodian and the Administrator reasonably incurred are paid out of the assets of the Fund.</p> <p><i>Total Expense Ratio</i></p> <p>Not available</p> <p><i>Portfolio Turnover Rate</i></p> <p>Not available</p>
Taxation:	<p>The Company is an Investment Undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, and therefore, will not be subject to Irish tax on its income or gains other than gains arising on chargeable events. Generally no stamp duty or other tax is payable in Ireland on the issue, redemption or transfer of Shares in the Company.</p> <p>Shareholders and potential investors should consult with their professional advisers in relation to the tax treatment of their holdings in the Fund.</p>
Publication of Share Price:	<p>The Net Asset Value per Share shall be made available on the internet at www.bloomberg.com and may be obtained from the Administrator during normal business hours.</p>

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