The Directors whose names appear on page v accept responsibility for the information contained in this document.

BLACKSTONE ALTERNATIVE INVESTMENT FUNDS PLC

(an investment company with variable capital
incorporated with limited liability in Ireland with registered number 543808
and established as an umbrella fund with segregated liability between sub-funds pursuant to the
European Communities (Undertakings for Collective Investment in Transferable Securities)
Regulations, 2011, as amended)

PROSPECTUS

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION ("CFTC") IN CONNECTION WITH COMMODITY POOLS WHOSE PARTICIPANTS ARE LIMITED TO QUALIFIED ELIGIBLE PERSONS, A PROSPECTUS FOR THIS POOL IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE CFTC. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A POOL OR UPON THE ADEQUACY OR ACCURACY OF A PROSPECTUS. CONSEQUENTLY, THE CFTC HAS NOT REVIEWED OR APPROVED THIS OFFERING OR ANY PROSPECTUS FOR THIS POOL.

Dated 28 March 2022

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

Certain terms used in this Prospectus are defined in the section of this Prospectus entitled "Definitions".

This Prospectus may only be issued with one or more Supplements, each containing information relating to a separate Fund. Details relating to Classes shall be dealt with in the Supplement of the relevant Fund. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus. To the extent that there is any inconsistency between this Prospectus and any Supplement, the relevant Supplement shall prevail.

Key investor information documents, or KIIDs, are available for each Fund of the Company. In addition to summarising some important information in this Prospectus, the KIIDs shall contain information on the risk reward profile, the historical performance (if any) and the ongoing charges for each Fund. The KIIDs can be obtained on the website www.blackstone.com/bxdms. For the avoidance of doubt, the KIIDs constitute pre-contractual information and do not form part of the Prospectus.

Central Bank Authorisation

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

Investment Risks

There can be no assurance that a Fund will achieve its investment objective. It should be appreciated that the value of Shares may go down as well as up. An investment in a Fund involves investment risks, including possible loss of the entire amount invested. The capital return and income of a Fund are based on the capital appreciation and income on the investments it holds, less expenses incurred. Therefore, a Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income. Investors' attention is drawn to the specific risk factors set out in the section of the Prospectus entitled "Risk Factors". In view of the fact that an initial charge may be payable on subscriptions for certain Shares and a redemption charge may be payable on redemptions of certain Shares, the difference at any one time between the sale and redemption price of the Shares means that an investment in any of the Funds should be viewed as a medium to long term investment. Details of any such charge will be set out in the relevant Supplement.

It should also be noted that certain Classes may charge certain fees and expenses to capital rather than income, which may result in an increased risk that Shareholders in such Classes may not receive back the full amount invested when redeeming their holding. For certain distributing Classes, up to 100% of distributions may be paid out of the capital of the relevant Classes and, as a result, there is a greater risk for the Shareholders of the relevant Classes that capital will be eroded and "income" will be achieved by foregoing the potential for future capital growth and the value of future returns may also be diminished. This cycle may continue until all capital is depleted. Details

of any such charging of fees and expenses to capital and/or payment of distributions out of capital will be set out in the relevant Supplement.

The Company recognises the value an evaluation of certain environmental, social, and governance ("ESG") factors of its investments can provide as it seeks to protect and grow investors' assets while managing risk. Accordingly, while the integration of material ESG considerations into the investment process is a priority for the Company, unless specified in the Supplement for the relevant Fund, the Fund does not pursue ESG-based investment strategies, make or restrict investments on the basis of ESG or require that its underlying managers or investments have ESG policies or programs.

Restrictions on the Distribution and Sale of Shares

The distribution of this Prospectus and the offering or purchase of the Shares may be restricted in certain jurisdictions. Information concerning registrations/restrictions in certain jurisdictions where the Shares may be offered shall be available at the internet address www.blackstone.com/bxdms. Such information is published for information purposes only and does not form part of this Prospectus. No persons receiving a copy of this Prospectus or the accompanying application form in any such jurisdiction may treat this Prospectus or such application form as constituting an invitation to them to subscribe for Shares, nor should they in any event use such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Prospectus does not constitute an offer or solicitation by or to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence, incorporation, or domicile.

Investors must provide such declarations as are reasonably required by the Company, including, without limitation, declarations as to matters of Irish and U.S. taxation.

United States: *The Shares have not been and will not be registered under the 1933 Act or any U.S. state securities laws. Neither the Funds nor the Company have been or will be registered under the 1940 Act, and investors will not be entitled to the benefit of such registration. Except as otherwise described in this Prospectus, such Shares may not be transferred, offered or sold in the U.S., either directly or indirectly, to, or for the benefit of, any U.S. Person. For this purpose, a U.S. Person has the meaning set out in the section of this Prospectus entitled "Definitions".*

The Company, however, reserves the right to make a private placement of its Shares to a limited number or category of U.S. Persons that qualify as Qualified Eligible Persons. Any re-sales or transfers of the Shares in the U.S. or to U.S. Persons or U.S. citizens may constitute a violation of U.S. law and require the prior written consent of the Company. Applicants for Shares will be required to certify whether they are a U.S. Person and will be required to declare whether they are Irish Resident.

Subject to the prior written consent of the Investment Manager, interests in the Company will not be offered to any: (i) "employee benefit plan" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder ("ERISA") and subject to Part 4 of Subtitle B of Title I of ERISA; (ii) "plan" as defined in Section 4975(e)(1) of the Code and subject to Section 4975 of the Code; or (iii) other entity or account deemed to hold "plan assets" within the meaning of 29 CFR 2510.3 101, as amended by Section 3(42) of ERISA, of a plan described in (i) or (ii) (such persons or entities described in (i)-(iii), "Benefit Plan

Investors"). The Investment Manager intends to ensure that the assets of the Company will not constitute "plan assets" subject to Part 4 of Title I of ERISA and/or Section 4975 of the Code.

The Shares have not been approved or disapproved by the SEC, the CFTC, any state securities commission or other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful.

Hong Kong: *The Funds are not authorised for offering to the public in Hong Kong ("Unauthorised Funds") and will only be available subject to the selling restriction set out in this Prospectus. The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong in respect of the Unauthorised Funds. Investors are advised to exercise caution in relation to the offer of Shares in the Unauthorised Funds. If Investors are in any doubt about the contents of this Prospectus, they should obtain independent professional advice.*

The offers of shares in the Unauthorised Funds is not being made in Hong Kong, by any means of any document, other than (1) to "Professional Investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under the SFO; or (2) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap.32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public with the meaning of the C(WUMP)O. This Prospectus is distributed on a confidential basis. No Shares in an Unauthorised Fund will be issued to any person other than the person to whom this Prospectus has been sent. No person in Hong Kong other than the person to whom the copy of this Prospectus has been addressed may treat the same as constituting an invitation to him to invest in an unauthorised fund. This Prospectus may not be reproduced in any form or transmitted to any person other than the person to whom it is addressed.

Marketing Rules

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

Any further information or representation given or made by any dealer, salesman or other person should be disregarded and accordingly should not be relied upon. Neither the delivery of this Prospectus, the most recent published annual or half-yearly report of the Company nor the offer, placement, allotment, issue or sale of Shares shall, under any circumstances, create any implication or constitute a representation that the information given in this Prospectus or in any such report is correct as of any time subsequent to the date thereof or that the affairs of the Company have not changed since the date thereof. Statements in this Prospectus are made as of the date of this Prospectus and are based on the law and practice currently in force in Ireland and are subject to change.

No information or advice herein contained shall constitute advice to a proposed investor in respect of such investor's personal position. Accordingly, no representations or warranties of any kind are intended or should be inferred with respect to the economic return or the tax consequences of an investment in the Company. No assurance can be given that existing laws will not be changed or interpreted adversely. Prospective investors are not to construe this document as legal or tax advice.

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

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

DIRECTORY

Registered Office	78 Sir John Rogerson's Quay Dublin 2 Ireland
The Board of Directors of the Company	Gerald Brady Peter Koffler Chloe Kyprianou Carl O'Sullivan
Investment Manager and Distributor	Blackstone Alternative Investment Advisors LLC 345 Park Avenue New York, NY 10154 United States
Administrator and Transfer Agent	State Street Fund Services (Ireland) Limited 78 Sir John Rogerson's Quay Dublin 2 Ireland
Depositary	State Street Custodial Services (Ireland) Limited 78 Sir John Rogerson's Quay Dublin 2 Ireland
Auditor	Deloitte & Touche Earlsfort Terrace Dublin 2 Ireland
Legal Advisers as to Irish Law	Arthur Cox LLP 10 Earlsfort Terrace Dublin 2 Ireland
Company Secretary	Bradwell Limited 10 Earlsfort Terrace Dublin 2 Ireland

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DEFINITIONS

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

"1933 Act"	the U.S. Securities Act of 1933 (as amended);
"1940 Act"	the U.S. Investment Company Act of 1940 (as amended);
"Administrator" or "Transfer Agent"	State Street Fund Services (Ireland) Limited;
"Administration Agreement"	the agreement dated 15 July 2014, as amended, between the Company and the Administrator pursuant to which the Administrator is appointed administrator, registrar and transfer agent of the Company;
"Articles of Association" or "Articles"	the articles of association of the Company;
"AUD"	Australian Dollars, the lawful currency of the Commonwealth of Australia;
"Base Currency"	the base currency of a Fund as specified in the Supplement relating to that Fund;
"Blackstone"	Blackstone Inc.;
"Business Day"	in relation to a Fund such day or days as specified in Supplement relating to that Fund;
"Central Bank"	the Central Bank of Ireland or any successor regulatory authority with responsibility for the authorisation and supervision of the Company;
"Central Bank Act"	the Central Bank (Supervision and Enforcement) Act 2013, as such may be amended, supplemented or replaced from time to time;
"Central Bank Regulations"	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019, as amended, supplemented or replaced from time to time;
"CFTC"	the U.S. Commodity Futures Trading Commission;
"CHF"	Swiss Francs, the lawful currency of Switzerland;
"class" or "Class"	any class of Shares, each representing interests in a Fund;
"Class Currency"	the currency in which Shares of a Class are issued;
"Code"	the U.S. Internal Revenue Code of 1986, as amended;
"Company"	Blackstone Alternative Investment Funds plc, an investment company with variable capital, incorporated in Ireland

	pursuant to the Companies Act 2014 and authorised under the UCITS Regulations;
"Dealing Day"	in relation to a Fund such day or days as specified in the Supplement relating to that Fund provided that there shall be at least one Dealing Day every fortnight;
"Depositary"	State Street Custodial Services (Ireland) Limited;
"Depositary Agreement"	the agreement dated 7 October 2016, as amended, between the Company and the Depositary pursuant to which the Depositary is appointed depositary of the Company;
"Designated Person"	a person designated with responsibility for one or more of the managerial functions of the Company;
"Directive"	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the Coordination of laws, regulations, and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended or replaced from time to time;
"Directors"	the directors of the Company for the time being and any duly constituted committee thereof;
"Distribution Date"	for any Class of Shares, a date on which distributions are to be made and which is specified in the Supplement relating to the relevant Fund;
"Distributor"	Blackstone Alternative Investment Advisors LLC;
"DKK"	Danish Krone, the lawful currency of Denmark;
"EEA"	the European Economic Area;
"Eligible Collective Investment Schemes"	schemes established in Member States which are authorised under the Directive and/or any of the following open-ended collective investment schemes: (a) schemes established in Guernsey and authorised as Class A Schemes; (b) schemes established in Jersey as Recognised Funds; (c) schemes established in the Isle of Man as Authorised Schemes; (d) retail investor alternative investment funds authorised by the Central Bank provided such investment funds comply in all material respects with the provisions of the UCITS Regulations and the Central Bank Regulations; (e) alternative investment funds authorised in a member state of the EEA, the U.K. (in the event the U.K. is no longer a Member State), the U.S., Jersey, Guernsey or the Isle of

	Man and which comply, in all material respects with the provisions of the UCITS Regulations and the Central Bank Regulations; and (f) such other schemes as may be permitted by the Central Bank and set out in this Prospectus;
"Emerging Market Countries" or "Emerging Market Country"	any country that, in the opinion of the Investment Manager, is generally considered to be an emerging or developing country;
"€" or "euro" or "EUR"	the currency unit referred to in the Second Council Regulation (EC) no. 974/98 of 3 May 1998 on the introduction of the euro;
"EU"	the European Union;
"FATCA"	sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, and any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of these sections of the Code;
"FDI"	a financial derivative instrument or instruments;
"Financial Account"	a "Financial Account" as used in the intergovernmental agreement between the U.S. and Ireland for purposes of FATCA;
"Financial Institution"	a "Financial Institution" as defined in FATCA;
"FINRA"	the US Financial Industry Regulatory Authority;
"FINRA Rules"	the rules of FINRA, as the same may be amended from time to time;
"Fund" or "Funds"	any sub-fund from time to time established by the Company;
"GBP" or "£"	pound sterling, the lawful currency of the United Kingdom;
"Initial Offer Period"	the period during which a Class of Shares is first offered or during which is it reoffered and as identified in the Supplement relating to the relevant Fund;
"Initial Offer Price"	the price at which a Class of Shares is first offered or at which it is reoffered and as identified in the Supplement relating to a relevant Fund;
"Investment Manager"	Blackstone Alternative Investment Advisors LLC;
"Investment Management Agreement"	the agreement dated 15 July 2014 between the Company and Blackstone Alternative Asset Management L.P., as amended

	and restated by the amended and restated investment management agreement dated 19 December 2014 among the Company, Blackstone Alternative Asset Management L.P. and the Investment Manager, pursuant to which the Investment Manager was appointed investment manager of the Company;
"Investor Money Regulations"	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers, as amended, supplemented or replaced from time to time;
"Investor Monies"	subscription monies received from, and redemption monies due to, investors in the Funds and dividend monies due to Shareholders;
"JPY"	Japanese Yen, the lawful currency of Japan;
"KIID"	a key investor information document;
"Member State"	a member state of the EU;
"Net Asset Value" or "NAV"	the Net Asset Value of the Company, or of a Fund or class, as appropriate, calculated as described herein;
"Net Asset Value per Share"	in respect of any Shares the Net Asset Value attributable to the Shares issued in respect of a Fund or class, divided by the number of Shares in issue in respect of the Fund or class;
"New Issues"	as defined pursuant to Rule 5130 of the FINRA Rules, as amended, extended, consolidated, substituted or re-enacted from time to time, to include any initial public offering of an equity security as defined in Section 3(a)(11) of the US Securities Exchange Act 1934, as amended;
"NOK"	Norwegian Kroner, the lawful currency of Norway;
"OECD"	the Organisation for Economic Co-Operation and Development;
"Original Lender"	an entity which, itself or through related entities, directly or indirectly, concluded the original agreement which created the obligations or potential obligations of the debtor or potential debtor giving rise to the exposures being securitised;
"Originator"	an entity which: (a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations or potential obligations of the debtor or potential debtor giving rise to the exposures being securitised; or (b) purchases a third party's exposures on its own account and then securitises them;
"Prospectus"	the prospectus of the Company and any Supplements thereto issued in accordance with the requirements of the UCITS Regulations;

"Qualified Eligible Person"	as defined in CFTC Rule 4.7;
"Regulated Market"	any stock exchange or regulated market in the EU or a stock exchange or regulated market which is listed in Schedule I to this Prospectus;
"REIT"	pooled investment vehicle that invests primarily in income producing real property or real property related loans or interests;
"SFDR"	the EU Sustainable Finance Disclosure Regulation (2019/2088);
"SEC"	the U.S. Securities Exchange Commission;
"Securities Financing Transactions Regulation"	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as amended, supplemented or replaced from time to time;
"Securities Financing Transaction"	any of the following: a repurchase transaction, securities or commodities lending and securities or commodities borrowing, a buy-sell back transaction or sell-buy back transaction and a margin lending transaction;
"Securitisation"	a transaction or scheme, whereby the credit risk associated with an exposure or a pool of exposures is tranched, having all of the following characteristics: (a) payments in the transaction or scheme are dependent upon the performance of the exposure or of the pool of exposures; (b) the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme; and (c) the transaction or scheme does not create exposures which possess all of the characteristics listed in Article 147(8) of Regulation (EU) No 575/2013;
"Securitisation Position"	an exposure to a Securitisation;
"Securitisation Regulation"	Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for Securitisation and creating a specific framework for simple, transparent and standardised Securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012, as amended, supplemented or replaced from time to time;
"SEK"	Swedish Kronor, the lawful currency of Sweden;
"Settlement Time"	the time by which subscription monies in respect of a subscription order must be received by the Administrator and in the case of redemptions, the time by which redemption monies in respect of a redemption request shall be paid as

	specified in the Supplement relating to the relevant Fund;
"Share" or "Shares"	any class of share or shares in the Company or the Fund, as the context so requires;
"Shareholder"	a holder of Shares;
"Sponsor"	a credit institution, whether located in the EU or not, as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013, or an investment firm as defined in point (1) of Article 4(1) of Directive 2014/65/EU other than an Originator, that: (a) establishes and manages an asset-backed commercial paper programme or other Securitisation that purchases exposures from third-party entities, or (b) establishes an asset-backed commercial paper programme or other Securitisation that purchases exposures from third-party entities and delegates the day-to-day active portfolio management involved in that Securitisation to an entity authorised to perform such activity in accordance with Directive 2009/65/EC, Directive 2011/61/EU or Directive 2014/65/EU;
"Sub-Adviser"	means a discretionary or non-discretionary investment adviser appointed by the Investment Manager, which may include affiliates of the Investment Manager;
"Sub-Adviser Agreement"	means an agreement between the Investment Manager and a Sub-Adviser;
"Subscriber Shares"	the subscriber shares of the Company in issue from time to time;
"Supplement"	any supplement to this prospectus issued by the Company in connection with a Fund and/or one or more Classes from time to time in accordance with the requirements of the Central Bank;
"TCA"	the Taxes Consolidation Act 1997, as amended, supplemented or replaced from time to time;
"Trade Cut-Off Time"	in relation to a Fund, such time in respect of any Dealing Day as shall be specified in the Supplement relating to that Fund;
"UCITS"	an undertaking for collective investment in transferable securities established pursuant to the UCITS Regulations or, in the case of UCITS established in a Member State other than Ireland, the implementing measures in that Member State under the Directive;
"UCITS Regulations"	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended, supplemented or replaced from time to time;
"UCITS Rules"	the UCITS Regulations, Central Bank Regulations and any guidance, regulations and conditions issued by the Central Bank from time to time pursuant to the UCITS Regulations,

	Central Bank Regulations and/or the Central Bank Act regarding the regulation of undertakings for collective investment in transferable securities, as such may be amended, supplemented or replaced from time to time;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"Umbrella Cash Account"	means any single umbrella cash account in the name of the Company;
"U.S."	the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;
"U.S.$" or "U.S. Dollar" or "USD"	U.S. Dollars, the lawful currency of the U.S.;
"U.S. Person"	"U.S. Person" as defined in Schedule IV to this Prospectus;
"U.S. Reportable Account"	a Financial Account held by a U.S. Reportable Person;
"U.S. Reportable Person"	a "U.S. Reportable Person" as defined in Schedule IV to this Prospectus;
"Valuation Point"	the time by reference to which the Net Asset Value shall be calculated on or with respect to each Dealing Day as shall be specified in the Supplement for each Fund.

INTRODUCTION

The Company is an open-ended investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Companies Act 2014 and the UCITS Regulations. It was incorporated on 13 May 2014 under registration number 543808. It was authorised by the Central Bank on 15 July 2014. Its sole object, as set out in Clause 2 of the Company's Memorandum of Association, is the collective investment in transferable securities and other liquid financial assets referred to in Regulation 68 of the UCITS Regulations of capital raised from the public and which operates on the basis of risk spreading.

The Company is organised in the form of an umbrella fund with segregated liability between sub-funds. The Articles of Association provide that the Company may offer separate Classes of Shares, each representing interests in a Fund, with each Fund comprising a separate and distinct portfolio of investments. The Company has obtained the approval of the Central Bank for the establishment of the initial fund, the Blackstone Diversified Multi-Strategy Fund. Additional Funds, in respect of which a Supplement will be issued, may be established by the Company with the prior approval of the Central Bank.

A Fund may consist of one or more Classes of Shares. A separate pool of assets will not be maintained for each Class within a Fund. Further Classes of Shares may be issued on advance notification to, and in accordance with the requirements of, the Central Bank.

INVESTMENT OBJECTIVES AND POLICIES OF THE FUNDS

The investment objective and policies for each Fund and the investment restrictions applicable thereto are set out in the relevant Supplement which forms part of, and should be read in conjunction with, this Prospectus.

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

As set out in the investment policies of the relevant Funds, certain Funds may invest in collective investment schemes, subject to the limits set out in Schedule II and the limitations contained in Regulation 68. Such investment in collective investment schemes includes investing in other Funds. However, a Fund may not invest in another Fund which itself holds Shares in other Funds.

USE OF TEMPORARY DEFENSIVE MEASURES

With respect to each Fund, in certain circumstances, on a temporary and exceptional basis, when the Investment Manager and/or the relevant Sub-Adviser deems it to be in the best interests of Shareholders, the Fund may not adhere to its investment policies as disclosed in the relevant fund summary above. Such circumstances include, but are not limited to: (1) when the Fund has high levels of cash as a result of subscriptions or earnings; (2) when the Fund has a high level of redemptions; or (3) when the Investment Manager and/or the relevant Sub-Adviser takes temporary action to try to preserve the value of the Fund or limit losses in emergency market conditions or in the event of movements in interest rates or significant changes in the value of asset classes. In such circumstances, the Fund's investments may consist of a higher percentage than normal of cash, money market instruments, short-term debt securities issued or guaranteed by national governments located globally; short-term corporate debt securities such as freely transferable including freely transferable promissory notes, debentures, bonds (including zero coupon bonds), convertible and non-convertible notes, commercial paper, certificates of deposits, and bankers acceptances issued by industrial, utility, finance, commercial banking or bank holding company organisations. During such circumstances, the Fund may not be pursuing its principal investment strategies and may not achieve its investment objective. The foregoing does not relieve the Funds of the obligation to comply with the regulations set forth in Schedule II.

SUB-ADVISERS

The assets of each of the Funds are managed by one or more Sub-Advisers appointed by the Investment Manager. Fund assets that are not allocated to a Sub-Adviser are managed by the Investment Manager or its affiliates. The Investment Manager may retain discretionary and non-discretionary Sub-Advisers for the Funds. Each discretionary Sub-Adviser is responsible for the day-to-day management of the portion of the Fund's assets that the Investment Manager allocates to it. Each non-discretionary Sub-Adviser is responsible for providing the Investment Manager with a model portfolio, which could consist of one or more individual investment recommendation(s), for the assets allocated to it, which is implemented by the Investment Manager in its discretion. Subject to the terms of the Investment Management Agreement between the Company and the Investment Manager, the Investment Manager has the ultimate responsibility to oversee each Sub-Adviser.

Information concerning the Sub-Advisers will be provided by the Investment Manager, free of charge, upon a Shareholder's request and shall be available at the internet address www.blackstone.com/bxdms. For investment advisers registered with the SEC, additional information is available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. Such information is published for information purposes only and does not form part of this Prospectus. Information concerning the Sub-Advisers will also be contained in the Company's latest annual and half-yearly reports.

SHARE CLASSES

The Class(es) of Shares available in respect of each Fund and the characteristics of each such Class is set out in the Supplement for the relevant Fund.

BORROWING

A Fund may not borrow money except that:

(a) a Fund may acquire foreign currency by means of a "back to back" loan. Foreign currency obtained in this manner is not classified as borrowing for the purposes of Regulation 103(1) of the UCITS Regulations, provided that where foreign currency borrowings that exceed the value of the "back to back" deposit such excess shall be classified as borrowings for the purposes of Regulation 103(1) of the UCITS Regulations; and

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

ADHERENCE TO INVESTMENT OBJECTIVES AND POLICIES

With respect to a Fund, any change in investment objectives and any material change in investment policies will be subject to approval by the majority of votes of Shareholders of such Fund passed at a general meeting or by all of the Shareholders of such Fund by way of a written resolution. In accordance with the Company's Articles of Association, Shareholders will be given 21 clear days' notice of such general meeting. The notice shall specify the place, day, hour, and nature of business of such meeting, as well as the proposed effective date of any changes to the investment objectives and policies. In the event that a change in investment objectives and/or policies is approved by Shareholders, as applicable, a reasonable notification period will be provided to Shareholders to enable them to redeem their Shares prior to the implementation of such a change. After consultation with the Investment Manager, the Directors may from time to time approve non-material changes to the investment policy of a Fund if they deem it to be in the best interest of the relevant Fund to do so.

DISTRIBUTION POLICY

The Directors are empowered to declare and pay distributions on Shares issued in any Class in the Company. The distribution policy for each Class will be set out in the relevant Supplement.

Where the Classes of Shares operate equalisation, distributions made by such Classes of Shares will include an amount of income equalisation. This amount corresponds to the equalisation income included in the net asset value per Share of such Classes.

UK Reporting Fund Status

It is intended that the Company will conduct its affairs so as to enable UK reporting fund status to be obtained. Amongst other requirements, a reporting fund must report the income returns of the Company on a per-Share basis to each relevant Shareholder for each reporting period. Shareholders and potential investors who are resident or ordinarily resident in the UK for tax purposes are advised to consult their professional advisors concerning possible taxation or other consequences of the UK distributor status and UK reporting fund status regimes.

INVESTMENT RESTRICTIONS

Each of the Funds' investments will be limited to investments permitted by the UCITS Regulations, as set out in Schedule II. If the UCITS Regulations are altered during the life of the Company, the investment restrictions may be changed to take account of any such alterations. Shareholders will be advised of such changes in the next succeeding annual or half-yearly report of the Company.

The Funds shall not invest in a Securitisation Position unless, where required by the Securitisation Regulation, the Originator, Sponsor or Original Lender retains on an ongoing basis a material net economic interest of not less than 5% in accordance the Securitisation Regulation. Where the Company is exposed to a Securitisation that no longer meets the requirements provided for in the Securitisation Regulation it shall, in the best interest of the Shareholders in the relevant Fund, act and take corrective action, if appropriate.

INVESTMENT TECHNIQUES AND INSTRUMENTS

Each Fund may employ certain of the following active investment management techniques. Such techniques may be used for efficient portfolio management purposes (e.g., for the purposes of hedging against market movements, currency exchange, interest rate or other risks and/or to enhance the performance of the Fund's portfolio of investments) and/or investment purposes. Techniques and instruments used may include trading in futures, forwards, options, swaps and other derivative instruments (including, without limitation, the techniques and instruments described below) and the other instruments referred to below. If any other financial derivative instruments are to be invested in by a particular Fund, such instruments and their expected effect on the risk profile of such Fund will be disclosed in the relevant Supplement. Investors should note that although a Fund may utilise the techniques and instruments referred to above, the Fund shall not be obliged to use such techniques and instruments. A Fund shall only use such techniques if they are consistent with its investment objective and policies.

With the exception of permitted investments in OTC FDI, a list of the Regulated Markets on which the FDI may be quoted or traded is set out in Schedule I. A description of the conditions and limits laid down by the Central Bank as at the date of this Prospectus in relation to FDI is set out in Schedule III.

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

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

A portion of each Fund's assets may be held in ancillary liquid assets. For efficient portfolio management purposes, subject to the investment policies of each Fund, a Fund may enter into repurchase agreements, reverse repurchase agreements and stocklending agreements subject to the conditions and limits set out in the Central Bank Notices. Repurchase agreements are transactions in which a Fund purchases securities from a bank or recognised securities dealer and simultaneously commits to resell the securities to the bank or dealer at an agreed-upon date and price reflecting a market rate of interest unrelated to the coupon rate of maturity of the purchased securities. A reverse repurchase agreement involves the sale of securities with an agreement to repurchase the securities at an agreed upon price, date and interest payment. A Fund may also lend securities to a counterparty approved by the Investment Manager or Sub-Adviser and that meets the requirements of the Central Bank.

Direct and indirect operational costs and fees arising from the efficient portfolio management techniques of stocklending, repurchase and reverse repurchase arrangements may be deducted from the revenue delivered to the relevant Fund (e.g., as a result of any revenue sharing arrangements). All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Fund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers, stocklending agents or other financial institutions or intermediaries and may be parties related to the Depositary or a Sub-Adviser. The revenues arising from such efficient portfolio management techniques for the relevant reporting period, together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques, will be disclosed in the annual and half-yearly reports of the Funds.

The Company employs a risk management process that enables it to accurately measure, monitor and manage the various risks associated with such investment techniques and instruments. Any FDI not included in the risk management process will not be used until such time as a revised risk management process has been provided to the Central Bank.

The Company shall supply to a Shareholder on request supplementary information relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Integration of Sustainability Risk

SFDR defines "sustainability risks" as environmental, social or governance ("ESG") events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investment. The Company (and/or its delegate) has integrated sustainability risks, as a sub-set of risks generally that could cause an actual or potential material negative impact on the value of an investment, into its investment decision-making process for each Fund.

If appropriate for an investment, the Company (or its delegate) may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment. Further information on the manner in which sustainability risks are integrated into investment decisions, including any relevant policies, is available to investors upon request from the Company. A Fund may be exposed to certain potential sustainability risks as, amongst others, reflected in the Prospectus section entitled "Risk Factors". Notwithstanding the foregoing, sustainability risks will not be relevant to certain non-core activities undertaken by the Fund (for example, hedging).

As of the date hereof, the portfolio of each Fund as set out in the relevant Supplement may be comprised of different investments that may change over time as a result of specific investment decisions made and accordingly the identification and assessments of risks, including sustainability risks, will take place on an investment-by-investment basis as noted above. The Company's assessment is that integration of sustainability risks in investment decisions, combined with a diversified portfolio appropriate for a Fund in light of its investment objective and strategy as set out in the relevant Supplement, should help mitigate the potential material negative impact of sustainability risks on the returns of the Fund, although there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date the risk materialises.

The Company (or its delegate) may, at its sole discretion, measure any relevant environmental or social matters using third-party standards, guidelines and metrics, data from Blackstone's portfolios, company reports and publicly available information, as the Company (or its delegate) deems relevant from time to time.

No Consideration of Sustainability Adverse Impacts

At present, the Company (and/or its delegate) does not, within the meaning of Article 4(1)(a) of the SFDR, consider the adverse impacts of its investment decisions on sustainability factors. The Company (and/or its delegate) does not currently do so because, among other reasons, the Regulatory Technical Standards which set forth the final "principal adverse impacts" and the corresponding mandatory reporting template have not yet been adopted by European legislators, which is expected to limit the availability of investment-level data required for voluntary compliance with Article 4(1)(a). The Company's position on this matter will be reviewed at least annually and Blackstone will continue to actively invest in systems and procedures which will enable us, over time, to gather more granular data on the impacts of investments on sustainability factors.

EU Taxonomy Regulation

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the Taxonomy Regulation) sets out a framework for classifying specific economic activities as "environmentally sustainable". The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Currency Hedging Transactions

Details of any currency hedging strategy of a Fund will be set out in the Supplement relating to that Fund.

Depositary Receipts

A Fund may invest in American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), and European Depositary Receipts ("EDRs") or other similar securities representing ownership of foreign securities (collectively, "Depositary Receipts"). Depositary Receipts generally evidence an ownership interest in a corresponding foreign security on deposit with a financial institution. Transactions in Depositary Receipts usually do not settle in the same currency as the underlying foreign securities are denominated or traded. Generally, ADRs are designed for use in the U.S. securities markets and EDRs are designed for use in European securities markets. GDRs may be traded in any public or private securities market and may represent securities held by institutions located anywhere in the world. GDRs and other types of Depositary Receipts are typically issued by foreign banks or trust companies, although they may be issued by U.S. financial institutions, and evidence ownership interests in a security or pool of securities issued by either a foreign or a domestic corporation.

Because the value of a Depositary Receipt is dependent upon the market price of an underlying security, Depositary Receipts are subject to most of the risks associated with investing in securities directly. Depositary Receipts may be issued as sponsored or unsponsored programs. For further details of these and other risks associated with securities, please see the section entitled "Risk Factors – Equity Market Risk".

Futures

Each Fund is authorised to enter into futures contracts and may engage in a variety of transactions involving the use of futures. If a Fund purchases a futures contract, it incurs an obligation to take delivery of a specified amount of the obligation underlying the futures contract at a specified time in the future for a specified price. If a Fund sells a futures contract, it incurs an obligation to deliver a specified amount of the obligation underlying the futures contract at a specified time in the future for an agreed-upon price. The purchase of futures contracts can serve as a long hedge, and the sale of futures contracts can serve as a limited short hedge.

The purchase or sale of a futures contract differs from the purchase or sale of a security or option in that no price or premium is paid or received. Instead, an amount of cash, or other liquid assets equal in value to a percentage of the face amount of the futures contract must be deposited with the broker. This amount is known as initial margin. The size of the initial margin is generally set by the market on which the contract is traded. Subsequent payments to and from the broker, known as variation margin, are made on a daily basis as the price of the underlying futures contract fluctuates, making the long and short positions in the futures contract more or less valuable, a process known as "marking to the market".

In most cases futures contracts are closed before the settlement date without the making or taking of delivery. A sale of a futures contract is closed by purchasing a futures contract for the same aggregate amount of the specified type of financial instrument and the same delivery date. If the price of the initial sale exceeds the price of the offsetting purchase, the seller is paid the difference and realises a gain. Conversely, if the price of the offsetting purchase exceeds the purchase price, the seller realises a loss. Similarly, a purchase of a futures contract is closed by selling a corresponding futures contract. For further details of the risks associated with futures, please see the section entitled "Risk Factors – Futures".

Forward Contracts

Each Fund may use forward contracts including foreign currency forward contracts. A forward contract is a contract to buy or sell an underlying security or currency at a pre-determined price on a specific future date. The initial terms of the contract are set so that the contract has no value at the outset. Forward prices are obtained by taking the spot price of a security or currency and adding to it the cost of carry. No money is transferred upon entering into a forward contract and the trade is delayed until the specified date when the underlying security or currency is exchanged for cash. Subsequently, as the price of the underlying security or currency moves, the value of the contract also changes, generally in the same direction.

For further details of the risks associated with OTC derivatives such as forward contracts, please see the sections entitled "Risk Factors – Financial Derivative Instruments" and "Risk Factors - Forward Contracts".

Options

Each Fund may purchase and sell put and call options of any type, including options on securities, indices (both narrow- and broad-based), currencies, swaps and futures contracts. A Fund may use options on assets in lieu of purchasing and selling the underlying assets. For example, to hedge against a possible decrease in the value of its portfolio investments, a Fund may purchase put options or write call options on securities, indices, currencies, swaps or futures contracts rather than selling such underlying assets. Similarly, a Fund may purchase call options or write put options on assets as a substitute for the purchase of such underlying assets or to hedge against a possible increase in the price of investments which a Fund expects to purchase or already has purchased. A Fund may also seek to increase its return by writing put and call options, for which it receives a premium. In particular, a Fund may write options on securities in circumstances where the Investment Manager believes such options can be sold at a rate of return that is attractive relative to the risks being taken.

A put option gives the purchaser of the option the right to a cash payment from the writer of the option if the price of the underlying asset drops below a predetermined level on or before a fixed date. A call option gives the purchaser of the option the right to a cash payment from the writer of the option if the price of the underlying asset rises above a predetermined level on or before a fixed date or, in some circumstances, the right to acquire the underlying asset itself. A purchaser of a put option or a call option is required to pay a premium to the seller in connection with entering into the option.

Call options may be purchased for speculative purposes (to increase a Fund's return) or to provide exposure to increases in the market (e.g., with respect to temporary cash positions) or to hedge against an increase in the price of securities, currencies, eligible commodity indices or other investments that a Fund intends to purchase or with respect to which a Fund has replicated short positions. Similarly, put options may be purchased for speculative purposes (to increase a Fund's return) or to hedge against a decrease in the market generally or in the price of securities or other investments held by a Fund. Buying options may reduce a Fund's returns, but by no more than the amount of the premiums paid for the options.

Because a Fund receives a premium for writing a put or call option, such Fund may seek to increase its return by writing call or put options. The premium the Fund receives for writing an option will increase the Fund's return in the event the option expires unexercised or is closed out at a profit. The size of the premium the Fund receives reflects, among other things, the relationship of the market price and volatility of the underlying security or asset to the exercise price of the option, the remaining term of the option, supply and demand, and interest rates.

Each Fund may write covered call options (i.e., where a Fund owns the security or other investment that is subject to the call option) to enhance returns. Writing covered call options may limit a Fund's gain on portfolio investments if the option is exercised because the Fund will have to sell the security or other underlying investments below the current market price.

Purchasing and writing put and call options are highly specialised activities and entail greater than ordinary market risks. For further details of these and other risks associated with options, please see the sections entitled “Risk Factors – Options”.

Options on Futures Contracts

Options on futures contracts give a Fund, in return for a premium paid, the right to assume a position in a futures contract at a specified option exercise price at any time during the period of the option. A Fund may use options on futures contracts in lieu of writing or buying options directly on underlying securities or purchasing and selling underlying futures contracts. For example, to hedge against a possible decrease in the value of its portfolio securities, a Fund may purchase put options or write call options on futures contracts rather than sell futures contracts. Similarly, a Fund may hedge against a possible increase in the price of securities which such Fund expects to purchase or already has purchased by purchasing call options or writing put options on futures contracts rather than purchasing futures contracts. Such options generally operate in the same manner as options purchased or written directly on the underlying investments. For further details of the risks associated with options, please see the section entitled “Risk Factors – Options”.

Swap Contracts and Contracts for Differences

Each Fund may enter into swap agreements.

Swap agreements are two-party contracts entered into primarily by institutional investors for periods ranging from a few weeks to more than one year. In a standard “swap” transaction, two parties agree to exchange returns (or differentials in rates of return) calculated with respect to a “notional amount”, e.g., the return on or increase in value of a particular dollar amount invested at a particular interest rate, in a particular foreign currency, or in a “basket” of securities representing a particular index. A Fund may enter into the following types of swap contract: equity, interest rate, credit default, total return, currency, volatility, variance and dividend swaps. Swap contracts may expose the Fund to substantial risk of loss.

Equity swap contracts typically involve the exchange of one party’s obligation to pay the loss, if any, with respect to a notional amount of a particular equity index (e.g., the S&P 500 Index) or basket of securities plus amounts computed in the same manner as interest on such notional amount at a designated rate (e.g., the London Inter-Bank Offered Rate) in exchange for the other party’s obligation to pay the gain, if any, with respect to the notional amount of such index or basket of securities.

Interest rate swaps involve the exchange of the two parties’ respective commitments to pay or receive interest on a notional principal amount (e.g., an exchange of floating rate payments for fixed rate payments). Interest rate swaps include, for example, inflation swaps.

In a credit default swap, one party makes a stream of periodic payments to another party in exchange for the right to receive a specified return in the event of default by a third party on its obligations. Therefore, with credit default swaps, the Fund may pay the periodic payments referenced above and, in return, have the right to deliver certain bonds or loans to the counterparty to the transaction upon an event of default (or similar events) in exchange for the par (or other agreed-upon) value of those bonds or loans. Rather than exchange the bonds for the par value, the parties may agree to a single cash payment representing the difference between the par value of the bonds and the current market value of the bonds. If the event of default does not occur, the Fund loses its investment and receives nothing. A Fund may also use credit default swaps for investment, in which case the Fund will receive the periodic payments referenced above, but would be obligated to pay the par (or other agreed-upon) value of the defaulted bonds or loans upon the issuer's default.

If a Fund invests in total return swaps or other FDI with similar characteristics, the underlying asset or index may be comprised of equity or debt securities, money market instruments or other eligible investments which are consistent with the investment objective and policies of the Fund. Total return swap contracts typically involve commitments to pay amounts computed in the same manner as interest in exchange for a market-linked return, both based on notional amounts. Subject to the requirements of the Central Bank and Regulations, total return swaps may be used by a Fund as all or a part of a given portfolio in order to, among other things, gain synthetic exposure to the underlying investment strategies or instruments. The underlying basket of securities, derivatives, or eligible commodity indices on which such total return swaps are based may include a broad range of instruments, markets and asset classes, which may include, but are not limited to, equity securities, fixed income securities, derivatives and eligible commodity indices. To the extent the total return of the security, basket of securities or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Fund will receive a payment from or make a payment to the counterparty, respectively. The counterparties to such transactions are typically banks, investment firms, broker-dealers, collective investment schemes or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its effect on investor returns are described in the section entitled "Risk Factors - Counterparty Credit Risk". It is not intended that the counterparties to total return swaps entered into by a Fund assume any discretion over the composition or management of the Fund's investment portfolio or over the underlying of the derivative instruments, or that the approval of the counterparty is required in relation to any portfolio transactions by the Fund.

Currency swaps similarly involve the exchange of the two parties' respective commitments to pay or receive fluctuations with respect to a notional amount of two different currencies (e.g., an exchange of payments with respect to fluctuations in the value of the U.S. Dollar relative to the Japanese yen).

Volatility swaps involve the exchange of forward contracts on the future realised volatility of a given underlying asset and allow a Fund to take positions on the volatility of that underlying asset.

Variance swaps offer exposure to the volatility of an underlying asset and may be used to hedge against, or gain an investment return from, an increase or a decrease in the volatility of the underlying asset.

Dividend swaps enable investors to purchase or sell the dividends paid by an index of issuers, a basket of issuers or an individual issuer.

Contracts for differences are swap arrangements in which a Fund may agree with a counterparty that its return (or loss) will be based on the performance of individual securities or the relative performance of two different groups or "baskets" of securities. For one of the baskets, return is based on theoretical long positions in the securities comprising that basket (with an aggregate face value equal to the notional amount of the contract for differences) and for the other basket, return is based on theoretical short positions in the securities comprising the basket. A Fund may also use long and short positions to achieve the same exposure(s) as contracts for differences where payment obligations of the two legs of the contract are netted and thus based on changes in the relative value of the baskets of securities rather than on the aggregate change in the value of the two legs. However, it is possible that the short basket will outperform the long basket, resulting in a loss to the Fund, even in circumstances when the securities in both the long and short baskets appreciate in value.

A Fund may enter into swaps and contracts for differences for hedging, risk management and investment leverage. When using swaps for hedging, the Fund may enter into a swap on either an asset-based or liability-based basis, depending on whether it is hedging its assets or its liabilities. For risk management or leverage purposes the Fund may also enter into a contract for differences in which the notional amount of the theoretical long position is greater than the notional amount of the theoretical short position.

For further details of these and other risks associated with contracts for differences and swaps, please see the section entitled "Risk Factors - Swap Contracts".

Swaptions

Each Fund may enter into an option on a swap agreement, also called a "swaption". A swaption is an OTC option that gives the buyer the right, but not the obligation, to enter into a swap on a specified future date in exchange for paying a market-based premium. A receiver swaption gives the owner the right to receive the total return of a specified asset, reference rate or index (such as a call option on a bond). A payer swaption gives the owner the right to pay the total return of a specified asset, reference rate or index (such as a put option on a bond). Swaptions also include options that allow one of the counterparties to terminate or extend an existing swap. For further details of the risks associated with swaptions, please see the section entitled "Risk Factors – Options".

Interest Rate Caps, Floors, and Collars

Each Fund may use interest rate caps, floors and collars for the same or similar purposes as it uses interest rate futures contracts and related options and, as a result, will be subject to similar risks. See the sections entitled "Risk Factors - Futures" and "Risk Factors - Options". Like interest rate swap contracts, interest rate caps, floors and collars are two-party agreements in which the parties agree to pay or receive interest on a notional principal amount. The purchaser of an interest rate cap receives interest payments from the seller to the extent that the return on a specified index exceeds a specified interest rate. The purchaser of an interest rate floor receives interest payments from the seller to the extent that the return on a specified index falls below a specified interest rate. The purchaser of an interest rate collar receives interest payments from the seller to the extent that the return on a specified index exceeds the upper interest rate limit and pays the seller to the extent that the return on a specified index is less than the lower interest rate limit. For details of the risks associated with interest rate caps, floor and collars, please see the section entitled "Risk Factors - Counterparty Credit Risk".

Repurchase Agreements

Each Fund may enter into repurchase agreements with banks and broker-dealers for efficient portfolio management of the assets of the Fund. A repurchase agreement is a contract under which the Fund acquires a security (usually an obligation of a government where the transaction is initiated or in whose currency the agreement is denominated) for a relatively short period for cash and obtains a simultaneous commitment from the seller to repurchase the security at an agreed-upon price and date. For details of the risks associated with repurchase agreements, please see the section entitled "Risk Factors – Repurchase Agreements, Reverse Repurchase Agreements and Similar Transactions".

Reverse Repurchase Agreements and Similar Transactions

Each Fund may enter into reverse repurchase agreements for efficient portfolio management of the assets of the Fund, which involve the transfer by it of an underlying debt instrument in return for cash proceeds based on a percentage of the value of the security. The Fund retains the right to receive interest and principal payments on the security and, at an agreed upon future date, it repurchases the security for an agreed value. For details of the risks associated with these transactions, please see the section entitled "Risk Factors – Repurchase Agreements, Reverse Repurchase Agreements and Similar Transactions".

Warrants and Rights

Each Fund may purchase or otherwise receive warrants or rights. A Fund may use warrants and rights to obtain exposure to, or acquire, the underlying equity or other securities of an issuer consistent with the Fund's investment policies. A Fund may receive rights passively (e.g., as a result of corporate actions) because of the Fund's existing holdings in equity or other securities issued by the rights issuer. However, a Fund may also acquire or dispose of rights on the secondary market. Warrants and rights generally give the holder the right to receive, upon exercise, a security of the issuer at a stated price. Funds typically use warrants and rights in a manner similar to their use of options on securities, as described above. A Fund may invest in warrants, rights, stock, and other securities of special purpose acquisition companies ("SPACs") or similar special purpose entities that pool funds to seek potential acquisition opportunities. A SPAC is typically a publicly traded company that raises funds through an Initial Public Offering ("IPO") for the purpose of acquiring or merging with an unaffiliated company to be identified subsequent to the SPAC's IPO. SPACs often are used as a vehicle to transition a company from private to publicly-traded. The securities of a SPAC often are issued in "units" that include one share of common stock and one right or warrant (or partial right or warrant) conveying the right to purchase additional full or partial shares. Unless and until an acquisition is completed, a SPAC generally invests its assets (less a portion retained to cover expenses) in U.S. government securities, money market securities, and cash. For details of the risks associated with warrants and rights, please see the section entitled "Risk Factors – Warrants and Rights".

Rule 144A Securities

Each Fund may purchase Rule 144A securities. Rule 144A securities are securities that are not registered under the 1933 Act, but that can be sold to certain institutional buyers in accordance with Rule 144A of the 1933 Act. For details of the risks associated with Rule 144A securities, please see the section entitled "Risk Factors – Privately Placed Securities Risk".

Convertibles

Each Fund may acquire convertibles (including convertible bonds and convertible preferred shares) either actively or passively (e.g., as a result of corporate actions). A Fund may use convertibles to obtain exposure to an issuer or to acquire the equity securities of such issuer consistent with the Fund's investment policies. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying equity security). The credit standing of the issuer and other factors such as interest rates may also affect the investment value of a convertible security. For example, a decline in interest rates could reduce the amount of current income a Fund is able to achieve from interest on a convertible security. An increase in interest rates could reduce the value of convertible securities. The conversion value of a convertible security is determined by the market price of the underlying equity security and therefore is exposed broadly to the same risks as that of the underlying equity security. The convertibles in which the Fund may invest may embed derivatives but will not embed leverage within the meaning of the UCITS Rules. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. For further details of the risks associated with convertibles, please see the section entitled "Risk Factors – Interest Rate Risk".

Event-Linked Bonds

Each Fund may purchase event-linked bonds which are eligible investments under the UCITS Regulations. Event-linked bonds are debt obligations generally issued by special purpose vehicles organised by insurance companies, with interest payments tied to the insurance losses of casualty insurance contracts. Large insurance losses, such as those caused by a storm, will reduce the interest payments. Small losses will lead to above-market interest payments. Generally, event-linked bonds are issued as Rule 144A securities (i.e., securities which are not registered under the 1933 Act, but which can be sold to certain institutional buyers in accordance with Rule 144A under the 1933 Act). If a trigger event causes losses exceeding a specific amount in the geographic region and time period specified in a bond, liability under the terms of the bond is limited to the principal and accrued interest of the bond. If no trigger event occurs, the Fund will recover its principal plus interest. Often, event-linked bonds provide for extensions of maturity that are mandatory, or optional at the discretion of the issuer, in order to process and audit loss claims in those cases where a trigger event has, or possibly has, occurred. An extension of maturity may increase volatility. In addition to the specified trigger events, event-linked bonds may also expose the Fund to certain unanticipated risks including but not limited to issuer risk, credit risk, liquidity risk, counterparty risk, adverse regulatory or jurisdictional interpretations, and adverse tax consequences.

Securities Lending

Each Fund may make secured loans of portfolio securities amounting to not more than 100% of its total assets. The risks in lending portfolio securities, as with other extensions of credit, consist of the possible delay in the recovery of the securities or possible loss of rights in the collateral should the borrower fail financially. Securities loans are made to broker-dealers pursuant to agreements requiring that loans be continuously secured by collateral in cash or other liquid assets at least equal at all times to the market value of the securities lent. The borrower pays to the lender an amount equal to any dividends or interest paid with respect to the securities lent. For further details of the risks associated with securities lending, please see the section entitled "Risk Factors – Securities Lending".

Preferred Stocks

A Fund may invest in preferred stocks, including convertible and non-convertible preferred and preference stocks that are senior to common stock. Preferred stocks are equity securities that are senior to common stock with respect to the right to receive dividends and a fixed share of the proceeds resulting from the issuer's liquidation. Some preferred stocks also entitle their holders to receive additional liquidation proceeds on the same basis as holders of the issuer's common stock, and thus represent an ownership interest in the issuer. Depending on the features of the particular security, holders of preferred stock may bear the risks disclosed in this Prospectus regarding equity or fixed income securities. For further details of the risks associated with preferred stocks, please see the section entitled "Risk Factors – Preferred Stock".

Mortgage-Backed Securities

A Fund may invest in mortgage-backed securities. Mortgage-backed securities are asset-backed securities backed by pools of residential and commercial mortgages, which may include sub-prime mortgages. Mortgage-backed securities may be issued by agencies or instrumentalities of various governments (including those whose securities are neither guaranteed nor insured by those governments) or non-governmental issuers. Interest and principal payments (including prepayments) on the mortgage loans underlying mortgage-backed securities pass through to the holders of the mortgage-backed securities.

A Fund may invest in net interest margin securities. A net interest margin security is a security that allows holders to access excess cash flows from securitised mortgage loan pools. In a typical net interest margin securities transaction, excess cash flows from the securitised mortgage loan pools are transferred to a trust account. Investors in net interest margin securities receive interest payments from this trust account. A net interest margin security is a re-securitised residual interest of a mortgage-backed security.

For further details of the risks associated with mortgage-backed securities, please see the sections entitled "Risk Factors – Mortgage-Backed Securities".

The mortgage-backed securities in which the Funds invest will not embed derivatives and/or create leverage within the meaning of the UCITS Rules. In other words, the Fund will only invest in issuers that are sufficiently diversified and are limited recourse vehicles such that the Fund's loss on an investment in the securities of such issuer is limited to the amount of its investment.

Asset-Backed Securities

A Fund may invest in asset-backed securities (including those backed by consumer assets). An asset-backed security is a fixed income security that predominantly derives its creditworthiness from cash flows relating to a pool of assets. There are a number of different types of asset-backed and related securities, including mortgage-backed securities, securities backed by other pools of collateral (such as automobile loans, student loans, sub-prime mortgages, and credit-card receivables), collateralised mortgage obligations and collateralised debt obligations.

Similar to mortgage-backed securities, other types of asset-backed securities may be issued by agencies or instrumentalities of the governments (including those whose securities are neither guaranteed nor insured by those governments) or non-governmental issuers. These securities include securities backed by pools of automobile loans, educational loans, home equity loans and credit-card receivables. The underlying pools of assets are securitised through the use of trusts and special purpose entities. For further details of the risks associated with asset-backed securities, please see the section entitled "Risk Factors – Asset-Backed Securities".

The asset-backed securities in which the Funds invest will not embed derivatives and/or create leverage within the meaning of the UCITS Rules. In other words, the Fund will only invest in issuers that are sufficiently diversified and are limited recourse vehicles such that the Fund's loss on an investment in the securities of such issuer is limited to the amount of its investment.

Credit-Linked Notes

A Fund may invest in credit-linked notes. A credit-linked note is a type of funded credit derivative structured as a security with an embedded credit default swap. The investor will receive a higher return by effectively being a seller of default protection. The issuer, usually a special purpose vehicle, is not obligated to repay the debt in full if a specified event occurs. The credit-linked note is usually issued by a special purpose vehicle and is designed to provide investors with par value at maturity unless the referenced entity defaults. In that case the investors' return would be defined by the recovery rate at when the credit default swap is settled. The special purpose vehicle will have entered into a default swap (as a protection seller) with a counterparty. In the case of default, the special purpose vehicle will pay the counterparty par minus the recovery rate, in exchange for an annual fee which is passed on to the investors in the form of a higher yield on the credit-linked note they purchased. The purpose of the arrangement is to pass the risk of specific default onto investors willing to bear that risk in return for the higher yield it makes available. For further details of the risks associated with adjustable rate securities, please see the section entitled "Risk Factors – Financial Derivative Instruments".

Collateralised Debt Obligations ("CDOs")

A Fund may invest in CDOs, which include collateralised bond obligations ("CBOs"), collateralised loan obligations ("CLOs"), and other similarly structured securities. CBOs and CLOs are asset-backed securities. A CBO is a trust or other special purpose vehicle backed by a pool of fixed income securities. A CLO is an obligation of a trust typically collateralised by a pool of loans, which may include domestic and foreign senior secured and unsecured loans, and subordinate corporate loans, including loans that may be rated below investment-grade, or equivalent unrated loans.

For both CBOs and CLOs, the cash flows from the trust are split into two or more portions, called tranches, which vary in risk and yield. The riskier portions are the residual, equity, and subordinate tranches, which bear some or all of the risk of default by the bonds or loans in the trust, and therefore protect the other, more senior tranches from default in all but the most severe circumstances. Because it is partially protected from defaults, a senior tranche of a CBO trust or CLO trust typically has higher ratings and lower yields than its underlying securities, and can be rated investment grade. Despite the protection provided by the riskier tranches, senior CBO or CLO tranches can experience substantial losses due to actual defaults, increased sensitivity to defaults due to collateral default, the total loss of the riskier tranches due to losses in the collateral, market anticipation of defaults, fraud by the trust, and the illiquidity of CBO or CLO securities.

For further details of the risks associated with CDOs, please see the section entitled "Risk Factors – Collateralised Debt Obligations".

The CDOs, CBOs and CLOs in which the Funds invest will not embed derivatives and/or create leverage within the meaning of the UCITS Rules. In other words, the Fund will only invest in issuers that are sufficiently diversified and are limited recourse vehicles such that the Fund's loss on an investment in the securities of such issuer is limited to the amount of its investment.

Transferable Securities and Money Market Instruments Embedding FDI Including Structured Financial Instruments

To the extent provided for in a Fund's investment policy, the Fund may invest in transferable securities and money market instruments, including structured financial instruments, which embed FDI as direct investments for the purpose of implementing the investment policy of the Fund or as an efficient means of gaining or hedging exposure to a particular issuer or asset type. A transferable security or money market instrument embedding a FDI shall be understood as a reference to financial instruments which fulfil the criteria for transferable securities or money market instruments set out in the UCITS Regulations and which contain a component which fulfils the following criteria:

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

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

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

In this regard, the Fund may invest in structured financial instruments which may constitute transferable securities embedding FDI and include securities in which the issuer undertakes to provide a return to investors based on the performance of a reference asset such as an equity, bond, FDI, index or collective investment scheme. Examples of structured financial instruments include credit-linked notes, and structured financial instruments such as notes whose performance is linked to the performance of, for example, a basket of shares or an equity or bond index or certificates which give a structured return based on the performance of a reference index (e.g., the FTSE 100) over a specified term. Such return may include, for example, a guarantee of some or all of the initial capital invested provided that the underlying index does not decrease in value below a particular floor price.

Delayed Delivery Transactions

A Fund may purchase "to be announced" securities ("TBAs"). This refers to the common trading practice in the mortgage-backed securities market in which a security is to be bought from a mortgage pool (including but not limited to Ginnie Mae, Fannie Mae or Freddie Mac) for a fixed price at a future date. At the time of purchase, the exact security is not known, but the main characteristics of it are specified. Although the price has been established at the time of purchase, the principal value has not been finalised. As a TBA is not settled at the time of purchase, this may lead to leveraged positions within the Fund. Purchasing a TBA involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Risks may also arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts.

The Fund may dispose of a commitment prior to settlement if it is deemed appropriate to do so. Proceeds of TBA sales are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, equivalent deliverable securities, an offsetting TBA purchase commitment (deliverable on or before the sale commitment date) or a sufficient amount of cash or other liquid assets, are held as cover for the transaction.

If the TBA sale commitment is closed through the acquisition of an offsetting purchase commitment, the Fund realises a gain or loss on the commitment without regard to any unrealised gain or loss on the underlying security. If the Fund delivers securities under the commitment, the Fund realises a gain or loss from the sale of the securities upon the unit price established at the date the commitment was entered into.

When-Issued and Forward Commitment Transactions

A Fund may purchase securities on a "when-issued" basis and may purchase or sell securities on a "forward commitment" basis. The price, which is generally expressed in yield terms, is fixed at the time the commitment is made, but delivery and payment for the securities take place at a later date. When-issued securities and forward commitments may be sold prior to the settlement date, but the Fund will usually enter into when-issued and forward commitments, only with the intention of actually receiving or delivering the securities or to avoid currency risk, as the case may be. No income accrues on securities which have been purchased pursuant to a forward commitment or on a when-issued basis prior to delivery of the securities. Due to fluctuations in the value of securities purchased or sold on a when-issued basis, the yields obtained on such securities may be higher or lower than the yields available in the market on the dates when the securities are actually delivered to the buyers. If the Fund disposes of the right to acquire a when-issued security prior to its acquisition or disposes of its right to deliver or receive against a forward commitment, the Fund may incur a gain or loss. There is a risk that the securities may not be delivered and that the Fund may incur a loss.

Loan Participations

Each Fund may acquire interests in loans either directly (by way of sale or assignment) or indirectly (by way of participation) where such interests constitute eligible investments for UCITS as described in the relevant Supplement. When investing in a loan participation, the Fund typically purchases participation interests in a portion of a lender's or participant's interest in a loan but has no direct contractual relationship with the borrower. Participation interests in a portion of a debt obligation typically result in a contractual relationship only with the institution participating in the interest, not with the borrower. The Fund must rely on the seller of the participation interest not only for the enforcement of the Fund's rights against the borrower but also for the receipt and processing of principal, interest, or other payments due under the loan.

The Fund may also invest in loans through assignments. In an assignment, the Fund typically assumes all of the rights of a lending institution in a loan, including the right to receive payments of principal, interest, and other amounts directly from the borrower and to enforce its rights as a lender directly against the borrower. The Fund may be required to pass along to a purchaser that buys a loan from the Fund by way of assignment a portion of any fees to which the Fund is entitled under the loan.

A loan is administered by a bank or other financial institution that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. Unless, under the terms of the loan or other indebtedness the Fund has direct recourse against the borrower, it may have to rely on the agent to enforce its rights against the borrower.

For further details of the risks associated with loan participations and assignments, please see the section entitled "Risk Factors – Loan Participations".

Structured Financial Instruments

The Fund may invest in structured financial instruments ("SFI"). SFI are debt securities which may be issued by a U.S. or EEA credit institution or any affiliated entity, or by a special purpose vehicle established and/or arranged by such credit institution or affiliated entity (the "Debt Issuer"). The above SFI invested by the Fund shall comply with the following criteria pursuant to the requirements of the UCITS Regulations:

- there shall be either a market price available or an independent valuation performed for such SFI. For the avoidance of doubt, a valuation provided by the Administrator of the Fund constitutes an independent valuation;

- the SFI shall be listed on one or more Regulated Markets set out in Schedule I (including, for the avoidance of doubt, the EURO MTF Luxembourg Stock Exchange or the Third Market of the Vienna Stock Exchange) and will be issued by issuers located in Luxembourg, Ireland, France, the United Kingdom, Switzerland or Jersey;

- the SFI are delta one certificates which shall provide exposure on a 1:1 basis to equity interests in one or more Cayman funds which intend to employ an investment management strategy providing exposure to global markets via predominantly listed futures and options and more specifically to equity, debt and commodity assets. 1:1 exposure to the Cayman fund(s) is achieved through the issuance of a debt security by the Debt Issuer and the commitment by the Debt Issuer or the Dealer (as defined below) to paying the return on the debt giving 1:1 exposure to the Cayman fund(s). The SFI does not have embedded leverage or embed a derivatives component. However via the SFI, the Fund may be exposed to entities which use financial derivatives instruments which may or may not create leverage. Please refer to the section entitled "Risk Factors";

- investments in SFI in the aggregate shall not exceed 10% of the Net Asset Value of the relevant Fund; and

- the Debt Issuer, or a U.S. or EEA credit institution or any affiliated entity acting in its capacity as dealer and market maker for the SFI (the "Dealer"), shall commit to purchase the SFI from the holder of the SFI in the absence of market disruption events at its execution price. This price will be the amount (net of all costs or fees) that would be received in cash by the Debt Issuer, the Dealer or any affiliated entity for a redemption order on its 1:1 exposure to the fund(s). Market disruption events may include "force majeure" or other events that inhibit the normal operation of the financial markets (e.g., an exchange being suspended, a cyberattack affecting market infrastructure, or political or regulatory interventions).

For further details in relation to the specific SFI in which a Fund may invest, please refer to the relevant Supplement.

Other Instruments and Future Developments

A Fund may take advantage of other securities, instruments, FDI or other assets which are not presently contemplated for use by such Fund or which are not currently available, but which may be developed, to the extent such opportunities are both consistent with such Fund's investment objective and policies and are in accordance with the requirements of the UCITS Regulations. A Fund may become a party to various other customised FDI entitling the counterparty to certain payments on the gain or loss on the value of an underlying or referenced instrument or other asset. A Fund may not utilise FDI until such time as a risk management process addressing such FDI has been reviewed and cleared by the Central Bank and the FDI are provided for in the Fund's investment policy set out in the relevant Supplement.

U.S. Commodity Futures Trading Commission Disclosure

The Investment Manager, the commodity pool operator ("CPO") of the Company, is currently registered as such with the CFTC and is a member of the National Futures Association. Because some of the Funds are expected to trade futures contracts and options on futures contracts, the Company may be deemed to be a commodity pool under the U.S. Commodity Exchange Act (the "Commodity Act") by virtue of such investments. The Investment Manager, with respect to each Fund (and as a result, the Company) has claimed an exemption from certain of the CFTC's disclosure, reporting and record-keeping requirements applicable to registered CPOs pursuant to CFTC Rule 4.7. Commodity pools which are open only to "qualified eligible persons" (as defined in Rule 4.7 under the Commodity Act) qualify for an exemption from most of the disclosure, reporting and record-keeping requirements of the Commodity Act that are otherwise applicable to a CPO in connection with a commodity pool. The CFTC does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum. Consequently, the CFTC has not reviewed or approved this offering or any offering memorandum for these pools.

Securities Financing Transactions Regulation Disclosure

Each Fund may enter into the following transactions:

(i) total return swaps as set out in the section entitled "Investment Techniques and Instruments – Swap Contracts and Contracts for Differences";

(ii) repurchase agreements as set out in the section entitled "Investment Techniques and Instruments - Repurchase Agreements";

(iii) reverse repurchase agreements as set out in the section entitled "Investment Techniques and Instruments - Reverse Repurchase Agreements and Similar Transactions"; and

(iv) securities lending arrangements as set out in the section entitled "Investment Techniques and Instruments - Securities Lending".

Each Fund may enter into total return swaps for investment purposes and for efficient portfolio management purposes, and enter into other types of Securities Financing Transactions for efficient portfolio management purposes only. In this context, efficient portfolio management purposes include: the reduction of risk, the reduction of cost and the generation of additional capital or income for the Fund with a level of risk that is consistent with the risk profile of the Fund.

If a Fund invests in total return swaps or Securities Financing Transactions, the relevant asset or index may be comprised of equity or debt securities, money market instruments, derivatives, or other eligible investments which are consistent with the investment objective and policies of the Fund. Subject to the investment restrictions laid down by the Central Bank as set out in Schedule III, and also any investment restrictions set out in the section entitled "Investment Objective and Policies of the Fund", a maximum of 100% of each Funds' Net Asset Value may be comprised of total return swaps and Securities Financing Transactions. It is anticipated that in the range of 0–50% of each Funds' Net Asset Value may be comprised of total return swaps and Securities Financing Transactions.

A Fund shall only enter into total return swaps and Securities Financing Transactions with counterparties that satisfy the criteria (including those relating to legal status, country of origin and minimum credit rating) as set out in Schedule III and adopted by the Investment Manager.

The categories of collateral which may be received by a Fund is set out in Schedule III and includes cash and non-cash assets such as equities, debt securities and money market instruments. Collateral received by the Fund will be valued in accordance with the valuation methodology set out under the section entitled “Administration of the Company – Determination of Net Asset Value”. Collateral received by the Fund will be marked-to-market daily and daily variation margins will be used. Collateral received may have different maturities. It may have a fixed, variable or no maturity date.

Where a Fund receives collateral as a result of entering into total return swaps or Securities Financing Transactions, there is a risk that the collateral held by the Fund may decline in value or become illiquid. In addition, there can also be no assurance that the liquidation of any collateral provided to the Fund to secure a counterparty’s obligations under a total return swap or Securities Financing Transaction would satisfy the counterparty’s obligations in the event of a default by the counterparty. Where the Fund provides collateral as a result of entering into total return swaps or Securities Financing Transactions, it is exposed to the risk that the counterparty will be unable or unwilling to honour its obligations to return the collateral provided.

For a summary of certain other risks applicable to total return swaps and Securities Financing Transactions, see the sections entitled “Risk Factors - Financial Derivative Instruments”, “Risk Factors - Swap Contracts”, “Risk Factors - Use of Total Return Swaps to Gain Synthetic Exposure to an Investment Strategy or Instrument” and “Risk Factors - Repurchase Agreements, Reverse Repurchase Agreements and Similar Transactions” “Risk Factors - Securities Lending”.

A Fund may provide certain of its assets as collateral to counterparties in connection with total return swaps and Securities Financing Transactions. If the Fund has over-collateralised (i.e., provided excess collateral to the counterparty) in respect of such transactions, it may be an unsecured creditor in respect of such excess collateral in the event of the counterparty’s insolvency. If the Depositary or its sub-custodian or a third party holds collateral on behalf of the Fund, the Fund may be an unsecured creditor in the event of the insolvency of such entity.

There are legal risks involved in entering into total return swaps or Securities Financing Transactions which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Subject to the restrictions laid down by the Central Bank as set out in Schedule III, the Fund may re-invest cash collateral that it receives. If cash collateral received by the Fund is re-invested, the Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Fund.

Direct and indirect operational costs and fees arising from total return swaps or Securities Financing Transactions may be deducted from the revenue delivered to the Fund (e.g., as a result of any revenue sharing arrangements). All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the Fund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers, securities lending agents or other financial institutions or intermediaries and may be related parties to the Investment Manager or the Depositary.

RISK FACTORS

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Fund. Investment in the Company carries with it a degree of risk. Different risks may apply to different Funds and/or Classes. Details of specific risks attaching to a particular Fund or Class which are additional to those described in this section will be disclosed in the relevant Supplement. Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares. Prospective investors are advised that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment. Past performance of the Company or any Fund should not be relied upon as an indicator of future performance. The securities and instruments in which the Company invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

Investors should understand that all investments involve risks. Additional information regarding the types of securities and financial instruments in which a Fund may invest, directly or indirectly through its investments in other Funds or Eligible Collective Investment Schemes, and certain of the investment techniques that may be used by the Investment Manager, or the Sub-Advisers, are set forth below. Any decision to invest in a Fund should take into account the possibility that the Fund, through its investment with the Investment Manager and the Sub-Advisers, may make virtually any kind of investment permitted under the UCITS Regulations and the investment objective and policies of the Fund, and be subject to related risks, which can be substantial.

Unless indicated otherwise, references to the investment exposure or risks of the Company or a Fund should be understood to refer to the Fund's direct investment exposure and risks and its investment exposure and risks through investment with Sub-Advisers or through investment in other Funds or Eligible Collective Investment Schemes. As applicable, references to the "Fund" or the "Company" shall mean any one or more of the Funds and the Company and references to the "Investment Manager" or "Manager" shall mean any one or more of the Investment Manager and Sub-Advisers, as applicable.

General Economic and Market Conditions

The success of the Funds', and, therefore, the Company's, activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds' investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of financial instruments' prices and the liquidity of the Funds' investments. Volatility or illiquidity could impair the Company's and the Funds' profitability or result in losses. The Funds may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets — the larger the positions, the greater the potential for loss. The economies of certain countries may differ favourably or unfavourably from the economies of other countries in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Market environment changes may adversely affect the performance of a model and amplify losses. In addition, the increasing popularity of passive index-based investing may have the potential to increase security price correlations and volatility. As passive strategies generally buy or sell securities based simply on inclusion and representation in an index, securities prices will have an increasing tendency to rise or fall based on whether money is flowing into or out of passive strategies rather than based on an analysis of the prospects and valuation of individual securities. This may result in increased market volatility as more money is invested through passive strategies.

Risks Associated with the Investment Manager and the Operations of the Funds

Unless indicated otherwise, in this section the risks associated with the Investment Manager should also be understood to refer to the risks associated with the applicable Sub-Adviser(s), and the risks associated with the operations of the Fund should also be understood to refer to the risks associated with a Fund's investment in other Funds or Eligible Collective Investment Schemes.

Investment and Trading Risks in General
All investments made by a Fund risk the loss of capital. Sub-Advisers may utilise such investment techniques as margin transactions, synthetic short sales, option transactions and forward and futures contracts, which practices can, in certain circumstances, increase the adverse impact to which a Fund may be subject. No guarantee or representation is made that a Fund's investment program will be successful, and investment results may vary substantially over time.

Other Activities of the Investment Manager
The Investment Manager (and each Sub-Adviser) is required to devote such time as may be reasonably required to further the business affairs and activities of a Fund. The Investment Manager, each Sub-Adviser, their affiliates and any of their respective partners, directors, members, officers and employees are not precluded from engaging directly or indirectly in any other business or other activity, including, but not limited to, exercising investment advisory and management responsibility and buying, selling or otherwise dealing with securities for their own accounts, for the accounts of family members, for the accounts of other funds and for the accounts of individual and institutional clients. The Investment Manager, each Sub-Adviser, and each of their affiliates are permitted to perform, among other things, investment advisory and management services for accounts other than the Funds and to give advice and take action in the performance of their duties to those accounts which may differ from the timing and nature of action taken with respect to a Fund. The Investment Manager (and each Sub-Adviser) has no obligation to purchase or sell for a Fund any investment which the Investment Manager, a Sub-Adviser or their affiliates may purchase or sell, or recommend for purchase or sale, for its or their own accounts, or for the account of any other fund. Neither a Fund nor any of the Shareholders have any rights of first refusal, co-investment or other rights in respect of the investments of other accounts or in any fees, profits or other income earned or otherwise derived therefrom. No Shareholder, by reason of being a Shareholder in a Fund, has any right to participate in any manner in any profits or income earned or derived by or accruing to the Investment Manager or a Sub-Adviser, any of their affiliates or their respective partners, directors, members, officers or employees from the conduct of any business other than the business of such Fund or from any transaction in securities effected by the Investment Manager, a Sub-Adviser, any of their affiliates or their respective partners, directors, members, officers or employees for any account other than that of such Fund.

Conflicts of Interest Risk
The Investment Manager and Sub-Advisers have conflicts of interest that could interfere with their management of the Fund. These conflicts include, without limitation:

- **Allocation of Investment Opportunities**. The Investment Manager and Sub-Advisers (or their affiliates) likely manage other investment funds and/or accounts (including proprietary accounts) and have other clients with investment objectives and strategies that are similar to, or overlap with, the investment objective and strategy of a Fund, creating potential conflicts of interest in investment and allocation decisions regarding the allocation of investments that could be appropriate for a Fund and other clients of the Investment Manager, a Sub-Adviser or their affiliates. These conflicts of interest are exacerbated to the extent that the Investment Manager's or Sub-Advisers' other clients are proprietary or pay them higher fees or performance-based fees.

- **Financial Interests in Service Providers**. The Investment Manager or Sub-Advisers and their affiliates may have financial interests in certain service providers to a Fund. For example, the Investment Manager utilises technology offered by Arcesium LLC ("Arcesium") to provide specific middle- and back-office services and technology to certain Funds. The parent company of a Sub-Adviser owns a controlling, majority interest in Arcesium and the Investment Manager owns a non-controlling, minority interest in Arcesium.

- **Financial Interests in Sub-Advisers**. The Investment Manager and its affiliates have financial interests in asset managers that may sub-advise a Fund. Any allocation by the Investment Manager to a subsidiary or other affiliate that is a Sub-Adviser to a Fund benefits Blackstone and any redemption or reduction of such allocation would be detrimental to Blackstone, creating potential conflicts of interest in allocation decisions.

- **Other Activities of the Investment Manager or Sub-Advisers**. The activities in which the Investment Manager or Sub-Advisers and their affiliates are involved in on behalf of other accounts may limit or preclude the flexibility that a Fund may otherwise have to participate in certain investments.

- **Selection of Sub-Advisers**. The Investment Manager compensates Sub-Advisers out of the management fee it receives from the particular Fund, which creates an incentive for the Investment Manager to select Sub-Advisers with lower fee rates, select Sub-Advisers that are affiliated with the Investment Manager, or manage assets directly.

Risk Associated with Central Bank Derogation Relating to Sub-Advisers

The Central Bank has granted permission to the Investment Manager to appoint discretionary Sub-Advisers without having to comply with the Central Bank's formal preclearance requirements generally applicable to discretionary investment managers/advisers. This permission has been granted subject to a number of conditions as more particularly set out in the section entitled "Management and Administration – The Sub-Advisers". One of those conditions is that retrospective approval of each Sub-Adviser must be sought from the Central Bank immediately following their appointment and the appointment of any Sub-Adviser must be terminated immediately where retrospective approval is not granted by the Central Bank. The immediate termination of a Sub-Adviser in such circumstances may have a material adverse effect on the Fund to which that Sub-Adviser had been appointed. In particular, losses may be suffered as a result of the Investment Manager being unable to identify a suitable replacement Sub-Adviser or otherwise make arrangements to manage the strategy or assets for which the previous Sub-Adviser had been selected.

Business and Regulatory Risks of Funds

Legal, tax and regulatory developments may adversely affect the Company or the Funds. For example, governmental and regulatory authorities, including in the United States and the EU, have taken unprecedented action to attempt to stabilise financial markets and improve and increase regulatory oversight in response to recent events of the past decade, both before and after the onset of the financial crisis which began in 2007. Securities and futures markets are subject to comprehensive statutes, regulations and margin requirements enforced by the Central Bank, the SEC, other regulators and self-regulatory organisations and exchanges authorised to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is expected to be subject to modification by government and judicial actions. The regulatory environment for funds and capital markets is evolving, and changes in the regulation of funds, their managers, and their trading activities and capital markets may adversely affect the ability of a Fund to pursue its investment strategy, its ability to obtain leverage and financing and the value of investments held by such Fund. The SEC and CFTC and other regulatory agencies have broad authority pursuant to other statutes, regulations, and directives to intervene, directly and by regulation, in certain markets, and may restrict or prohibit market practices or impose reporting, registration, or other requirements. The scope of any such measures may vary from country to country and may significantly affect the value of a Fund's holdings. There has been an increase in governmental, as well as self-regulatory, scrutiny of the alternative investment industry in general. It is impossible to predict what, if any, changes in regulations may occur, but any regulations which restrict the ability of a Fund to trade in securities or the ability of a Fund to employ, or brokers and other counterparties to extend, credit in their trading (as well as other regulatory changes that result) could have a material adverse impact on the Company's or the Funds' performance and, consequently, on the Funds' portfolios.

The Company, the Funds, the Investment Manager and the Sub-Advisers may also be subject to regulation in jurisdictions in which the Funds engage in business, which, in turn, could have a material adverse impact on the value of the investments of the Funds. Investors should understand that the Company's and the Funds' business is dynamic and is expected to change over time. Therefore, Funds may be subject to new or additional regulatory constraints in the future. This Prospectus cannot address or anticipate every possible current or future regulation that may affect the Investment Manager, the Sub-Advisers, the Funds or their businesses. Such regulations may have a significant impact on the Shareholders or the operations of the Funds, including, without limitation, restricting the types of investments the Funds may make, preventing the Funds from exercising their voting rights with regard to certain financial instruments, requiring the Funds to disclose the identity of their investors or otherwise. The Investment Manager may, in its sole discretion, cause a Fund to be subject to such regulations if it believes that an investment or business activity is in the Fund's interest, even if such regulations may have a detrimental effect on one or more Shareholders of such Fund. Prospective investors are encouraged to consult their own advisors regarding an investment in the Funds.

Regulatory scrutiny of the Company's, the Investment Manager's, the Sub-Advisers' and the Funds' has increased, which in turn has increased the exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight can also impose administrative burdens on the Investment Manager and/or the Sub-Advisers, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens may divert the Investment Manager's and/or the Sub-Advisers' time, attention and resources from portfolio management activities. In addition, it is anticipated that, in the normal course of business, the Investment Manager's and/or the Sub-Advisers' officers will have contact with governmental authorities, and/or be subjected to responding to questionnaires or examinations. The Company and/or the Funds may also be subject to regulatory inquiries concerning their positions and trading.

Unexpected political, regulatory and diplomatic events within the U.S. and abroad, such as the U.S.-China trade war that intensified in 2018 and 2019, may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. The current policital climate and the further escalation of a trade war between China and the U.S. may have an adverse effect on both the U.S. and Chinese economies, as each country has recently imposed tariffs on the other country's products. In January 2020, the U.S. and China signed a Phase 1 trade agreement that reduced some U.S. tariffs on Chinese goods while boosting Chinese purchases of U.S. goods. However, this agreement kept a number of the existing tariffs in place, and it is unclear whether further trade agreeements may be reached in the future. Events such as these and their impact on the Funds are difficult to predict and it is unclear whether further tariffs may be imposed or other escalating actions may be taken in the future.

Decision Making Authority

The Shareholders have no authority to make decisions or to exercise business discretion on behalf of the Company of any Fund, except as set forth in the Articles of Association. The authority for all such decisions is generally held by the Board of Directors of the Company, which has delegated the day-to-day management of the Funds' investment activities to the Investment Manager.

Dependence on the Investment Manager and the Sub-Advisers

A Fund's ability to achieve its investment objective and maintain lower volatility than the broader equity markets depends upon the ability of the Investment Manager to allocate the Fund's assets to various investment strategies and to select the best mix of Sub-Advisers. The success of a Fund also depends on the ability of the Sub-Advisers and, with respect to directly managed assets, the Investment Manager to develop and implement investment strategies that achieve a Fund's investment objective. For example, a Sub-Adviser's or the Investment Manager's inability to effectively hedge an investment strategy that it utilises may cause the assets of a Fund invested with such Sub-Adviser or the Investment Manager to significantly decline in value and could result in substantial losses to such Fund. Moreover, subjective decisions made by the Investment Manager and/or the Sub-Advisers may cause a Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalised.

Volatility

Some of the Sub-Advisers selected by the Investment Manager in respect of a Fund may hold a relatively limited number of investments. Thus the aggregate returns realised by a Fund may be adversely affected by a small number of investments. Further, while the Investment Manager may allocate a Fund's assets among Sub-Advisers with differing styles and techniques, there are no fixed allocation percentages. There is the risk that a disproportionate share of a Fund's assets may be committed to one or more strategies or techniques. The Investment Manager does not seek to manage correlation risk. This is the risk that different Sub-Advisers may invest in the same securities or sectors. This would result in less diversification than would be suggested by the number of Sub-Advisers being employed.

The allocation of Fund assets to new or emerging investment strategies or Sub-Advisers or to Sub-Advisers who utilise unusual investment strategies or asset classes may subject the Fund to greater volatility due to the greater difficulty in assessing the track record or analysing the investment strategy and relevant risks of such Sub-Adviser than Sub-Advisers with longer track records or more conventional strategies.

The allocation of Fund assets to Sub-Advisers in response to particular market conditions could increase volatility and potential for loss if such market conditions continue to worsen.

Risks Associated with Investment in other Collective Investment Schemes

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

Information Technology Systems

Each Fund is dependent on the Investment Manager and the Sub-Advisers for investment management, operational and financial advisory services. Each Fund is also dependent on the Investment Manager for certain management services as well as back-office functions. The Investment Manager and the Sub-Advisers depend on information technology systems in order to assess investment opportunities, strategies and markets and to monitor and control risks for the Funds. Information technology systems are also used to trade in the underlying investments of the Funds. In addition, certain of the Investment Manager's and the Sub-Advisers' operations may interface with or depend on systems operated by third parties, including securities exchanges and other types of trading systems, market counterparties, custodians and other service providers.

It is possible that a defect, failure or interruption of some kind which causes disruptions to these information technology systems including, without limitation, those caused by computer "worms," viruses and power failures could materially limit the Investment Manager's or a Sub-Adviser's ability to adequately assess and adjust investments, formulate strategies and provide adequate risk controls. Any such information technology related difficulty could harm the performance of each Fund. For example, such failures could cause the settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the Investment Manager's or the Sub-Advisers' ability to monitor the Funds' investment portfolios and risks.

Further, failure of the back office functions of the Investment Manager to process trades in a timely fashion could prejudice the investment performance of the Company.

For further detail of the risks associated with certain information technology systems used for investment management services, please see the section entitled "Risk Factors – Model and Technology Risk."

Cyber Security

Cyber security incidents and cyber-attacks have been occurring globally at a more frequent and severe level and are expected to continue to increase in frequency in the future. Information and technology systems relied upon by a Fund, the Investment Manager, the Sub-Advisers, a Fund's service providers (including, but not limited to, the auditors, Depositary, Administrator and Transfer Agent) and/or the issuers of securities in which a Fund invests may be vulnerable to damage or interruption, computer viruses and other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors or malfeasance by their respective professionals or service providers, power, communications or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes, earthquakes, pandemics or terrorist incidents. If unauthorised parties gain access to such information and technology systems, or if personnel abuse or misuse their access privileges, they may be able to steal, publish, delete or modify private and sensitive information, including non-public personal information related to investors, affiliates and material non-public information. Although Blackstone has implemented, and Sub-Advisers and the other parties noted above may implement various measures to manage risks relating to these types of events, such measures could be inadequate and, if compromised, information and technology systems could become inoperable for extended periods of time, cease to function properly, or fail to adequately secure private information. Neither Blackstone nor the Sub-Advisers control the cyber security plans and systems put in place by third party service providers, and such third party service providers may have limited indemnification obligations to Blackstone, its affiliates, or investors, each of whom could be negatively impacted as a result. Even with sophisticated prevention and detection systems, breaches such as those involving covertly introduced malware, impersonation or manipulation of authorised users and industrial or other espionage may not be identified, potentially resulting in further harm and preventing appropriate remediation. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of a Fund, the Investment Manager, a Sub-Adviser, a service provider and/or the issuer of a security in which a Fund invests and may result in fraudulent or misdirected wire transfers or a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm a Fund's, the Investment Manager's, a Sub-Adviser's, a service provider's and/or an issuer's reputation, subject any such entity and their respective affiliates to legal claims and adverse publicity and otherwise affect their business and financial performance. When such issues are present with regard to an issuer of a security in which the Fund invests, the Fund's investment in such securities may lose value. Information relating to investments in a Fund has been and will in the future be delivered electronically. There are risks associated with such electronic delivery including, but not limited to, that e-mail messages are not secure and may contain computer viruses or other defects, may not be accurately replicated on other systems, or may be intercepted, deleted or interfered with, without the knowledge of the sender or the intended recipient. The widespread use of work-from-home arrangements resulting from the COVID-19 pandemic may increase cyber security risk.

Pandemic Disruption
Most recently, the impact of the outbreak of COVID-19 and efforts to contain its spread have negatively affected, and may continue to negatively affect, the global economy, the economies of individual countries, and the financial performance of individual issuers, sectors, industries, asset classes, and markets in significant and unforeseen ways. The COVID-19 pandemic also has resulted in significant market volatility, exchange trading suspensions and closures, declines in global financial markets, higher default rates, and economic downturns and recessions, and may continue to have similar effects in the future. In addition, actions taken by government and quasi-governmental authorities and regulators throughout the world in response to the COVID-19 pandemic, including significant fiscal and monetary policy changes, may affect the value, volatility, and liquidities of some securities and other assets. The foregoing could impair the Funds' ability to maintain operational standards (such as with respect to satisfying redemption requests), disrupt the operations of the Funds' service providers, adversely affect the value and liquidity of the Funds' investments, and negatively impact the Funds' performance. Given the significant uncertainty surrounding the magnitude, duration, reach, costs, and effects of the COVID-19 pandemic, as well as actions that have been or could be taken by governmental authorities or other third parties, it is difficult to predict its potential impacts on the Funds' investments. The COVID-19 pandemic and efforts to contain its spread may also exacerbate other risks that apply to the Funds.

Rating of Investment Risk
There is no assurance that the ratings of each rating agency will continue to be calculated and published on the basis described in this Prospectus or that they will not be amended significantly. The past performance of a rating agency in rating an investment is not necessarily a guide to future performance.

Risks Associated with Performance Fees
Performance fees may be payable in relation to some Funds. Each Fund is managed using the multi-manager strategy, whereby the investment management of the Funds will be carried out by a number of Sub-Advisers each managing separate portfolios of assets within a Fund. A performance fee is payable only on the performance of that part of the portfolio for which a Sub-Adviser is responsible. It is therefore possible that performance fees in respect of the performance achieved by one or more of those Sub-Advisers may be payable by a Fund to one or more of the Sub-Advisers even though the overall Net Asset Value of such Fund, representing the aggregate performance of all the Sub-Advisers, may not have increased or may have decreased. There is a risk that the accrual of performance fees in a Fund may not be entirely equitable between different Shareholders. It is possible that, for example, a Shareholder may benefit if he or she invests and subsequently one of the Sub-Advisers outperforms the benchmark, but whose performance is below the relevant index. In these circumstances a performance fee would not be accrued for that Sub-Adviser until the Sub-Adviser makes up this underperformance and exceeds the relevant index. In these circumstances the Shareholder may benefit from a period of outperformance during which the Sub-Adviser does not earn a performance fee and hence such Fund does not accrue a performance fee in respect of that Sub-Adviser.

It should be noted that a performance fee is based on net realised and net unrealised gains and losses as at the end of each calculation period. As such, performance fees may be paid on unrealised gains which may subsequently never be realised. In addition, performance fees may accrue as a result not just of the performance of the Investment Manager but also as a result of market movements affecting the value of a Fund's assets.

Shareholders who acquire Shares after a particular calculation period has commenced may be liable for a performance fee at the end of that calculation period which represents the performance of those shares over the entire calculation period rather than the period during which they hold the Shares.

Equity Market Risk
Each Fund is subject to equity market risk. Equity market risk is the risk that a particular share, a fund, an industry, or shares in general may fall in value. The value of investments in a Fund will go up and down with the prices of securities in which a Fund invests. The prices of stocks change in response to many factors, including the historical and prospective earnings of the issuer, the value of its assets, management decisions, demand for an issuer's products or services, production costs, general economic conditions, interest rates, currency exchange rates, investor perceptions and market liquidity.

In the case of securities purchased by a Fund in initial public offerings, such securities shall be valued at the offering price until such time as the securities are listed or traded on a Regulated Market. There may be significant volatility in the price of the securities relative to the offering price in the period following the initial public offering. The prices of equity and preferred securities fluctuate based on changes in a company's financial condition and overall market and economic conditions. Preferred securities are subject to additional risks, such as risks of deferred distributions, liquidity risks, and differences in shareholder rights associated with such securities.

Because SPACs and similar entities are in essence blank check companies without operating history or ongoing business other than seeking acquisitions, the value of their securities is particularly dependent on the ability of the entity's management to identify and complete a profitable acquisition. There is no guarantee that the SPACs in which a Fund invests will complete an acquisition or that any acquisitions that are completed will be profitable. Some SPACs may pursue acquisitions only within certain industries or regions, which may increase the volatility of their securities' prices.

Emerging Market Risks
A Fund may invest in securities of companies based in Emerging Market Countries or issued by the governments of such countries. Investing in securities of certain of such countries and companies involves certain considerations not usually associated with investing in securities of developed countries or of companies located in developed countries, including political and economic considerations, such as greater risks of expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, limitations on the removal of funds, nationalisation and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; certain government policies that may restrict a Fund or a Sub-Adviser's investment opportunities; and problems that may arise in connection with the clearance and settlement of trades. In addition, there is substantially greater risk that the disclosures provided to the a Fund in many Emerging Market Countries, including China, will be incomplete or misleading. For example, accounting and financial reporting standards that prevail in certain of such countries generally are not equivalent to standards in more developed countries and, consequently, less and lower-quality information is available to investors in companies located in these countries than is available to investors in companies located in more developed countries. Furthermore, the Public Company Accounting Oversight Board, a non-profit organisation that regulates audits of publicly traded companies to minimise audit risk, does not have the ability to inspect audit work papers in certain Emerging Market Countries, including China. There is also less regulation, generally, of business and industry practices, stock exchanges, the securities markets, over-the-counter markets, brokers, dealers, and issuers in Emerging Market Countries than there is in more developed countries, and less enforcement action by regulators, which increases the risk posed by insufficient or misleading disclosure. Certain legal risks could also be greater in Emerging Market Countries, including that laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary application or interpretation, both the independence of judicial

systems, and their immunity from economic, political or nationalistic influences remain largely untested in many countries and Sub-Advisers may encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts. Investors who have been harmed will have substantially less access to remedies, including but not limited to fraud claims and class action lawsuits regarding securities calculations. Placing securities with a custodian in an Emerging Market Country may also present considerable risks. Emerging Market Countries are more likely to experience hyperinflation and currency devaluations. Securities of companies in Emerging Market Countries may have far lower trading volumes and less liquidity than securities of issuers in developed markets. Companies with economic ties to Emerging Market Countries may be susceptible to the same risks as companies that are organised in Emerging Market Countries.

Emerging market debt securities are unrated or rated in lower rating categories by the various credit rating agencies. These securities are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interests and repay principal. They are also generally subject to greater risk than securities with higher credit ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with lower-rated securities, the yields or prices of such securities may tend to fluctuate more than those for higher-rated securities. Generally speaking, the risks discussed in this section are greater in countries that are considered frontier markets. The sovereign debt obligations in which the Sub-Advisers may invest in many cases pertain to countries that are among the world's largest debtors to commercial banks, non-U.S. governments, international financial organisations and other financial institutions. In recent years, the governments of some of these countries have encountered difficulties in servicing their external debt obligations, which led to defaults on certain obligations and the restructuring of certain indebtedness.

The market for emerging market debt securities is less active than that for higher-rated securities, which can adversely affect the prices at which securities are sold. In addition, adverse publicity and investor perceptions about emerging market debt securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such securities. Emerging market debt securities often are unrated or rated in lower rating categories by the various credit rating agencies. These securities are subject to greater risk of loss of principal and interest than higher-rated securities, particularly when broad economic conditions deteriorate, and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interests and repay principal. Because investors typically perceive greater risk associated with lower-rated securities, the yields or prices of such securities may fluctuate more than those for higher-rated securities. The market for emerging market debt securities is less active than that for higher-rated securities, which can adversely affect the prices at which securities are sold. In addition, adverse publicity and investor perceptions about emerging market debt securities, whether or not based on fundamental analysis, may cause the value or liquidity of such securities to decline. The sovereign debt obligations in which the Fund may invest in many cases pertain to countries that are among the world's largest debtors to commercial banks, non-U.S. governments, international financial organisations, and other financial institutions. In recent years, the governments of some of these countries have encountered difficulties in servicing their external debt obligations, which has led, and may lead in the future, to defaults on certain obligations and the restructuring of certain indebtedness.

Risks Associated with Investment via Stock Connect

It is anticipated that certain Funds may have exposure to China "A" shares via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect. In addition to the general investment- and equity-related risks of investments including, in particular, the emerging market risks, the following are certain of the risks that relate to investments via Stock Connect.

Stock Connect is a securities trading and clearing linked program developed to achieve mutual stock market access between Mainland China (Shanghai and Shenzhen Stock Exchanges) and Hong Kong (Hong Kong Stock Exchange). The Funds and other overseas investors may have direct access to certain eligible China A-Shares under the Northbound Trading Link by routing orders to the Shanghai and Shenzhen Stock Exchanges. However, Stock Connect is novel in nature and is subject to regulations promulgated by regulatory authorities in Mainland China and Hong Kong and implementation rules made by the relevant stock exchanges. These regulations and rules are untested and there is no certainty as to how they will be applied. The current regulations and rules are also subject to change and there can be no assurance that Stock Connect will not be abolished. Investors should note that the Funds, which may invest in the Mainland Chinese markets through Stock Connect may be adversely affected as a result of such changes.

When a stock is recalled from the scope of eligible stocks for trading via Stock Connect, the stock can be sold, but is restricted from being purchased. This may affect the investment portfolio or strategies of a Fund, for example, when the Fund wishes to purchase a stock which is recalled from the scope of eligible stocks. In addition, investors should be aware of the risk that both the stock exchanges in Mainland China and Hong Kong reserve the right to suspend the trading link upon consent from relevant regulator if necessary for ensuring an orderly and fair market and that risks are managed prudently.

Stock Connect will only operate on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. As such, if either or both markets are closed on a trading day, a Fund may not be able to dispose of its China A-Shares in a timely manner, which could adversely affect the Fund's performance. Additionally, Stock Connect is subject to daily quota limitations on purchases of China A-Shares. Once the daily quota is reached, orders to purchase additional China A-Shares through Stock Connect will be rejected. A Fund's investment in China A-Shares may only be traded through Stock Connect and is not otherwise transferable. There are also limitations on the aggregate foreign investors' shareholding by all Hong Kong and overseas investors and on a single foreign investor's shareholdings. Investors should be aware that the differences in trading day, quotas and shareholding limitations may restrict a Fund's ability to make timely investments and pursue its investment strategies effectively. Stock Connect restrictions could also limit the ability of a Fund to sell its China A-Shares in a timely manner, or to sell them at all.

The China A-Shares traded through Stock Connect are issued in scripless form and so the relevant Fund will not hold any physical China A-Shares and should maintain the shares via or with the brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on Hong Kong Stock Exchange). HKSCC in turn holds Stock Connect securities of all its participants through a "single nominee omnibus securities account" in its name registered with ChinaClear, the central securities depositary in Mainland China. HKSCC is only a nominee holder and the Fund remains the beneficial owner of the Stock Connect securities. This may limit the ability of the Investment Manager or the relevant Sub-Adviser to manage effectively a Fund, and may expose the Fund to the credit risk of its custodian or to greater risk of expropriation. The Fund's title or interests in, and entitlements to Stock Connect securities (whether legal, equitable or otherwise), will therefore be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. However, it is uncertain whether the Chinese courts would recognise the ownership interest of the Stock Connect investors to allow them standing to take legal action against the Chinese entities where disputes arise.

Further, different fees, costs, and taxes are imposed on foreign investors acquiring China A-Shares acquired through Stock Connect, and these fees, costs, and taxes may be higher than comparable fees, costs, and taxes imposed on owners of other securities providing similar investment exposure.

Risks Associated with Investments in Russian Securities and Other Exposures to Russia

A Fund may invest in securities of Russian issuers or otherwise have investment exposure to Russia. Such investments present many of the same risks as investing in securities of issuers in other emerging countries, as described in the immediately preceding section. However, the social, political, legal and operational risks of investing in Russian issuers, and of having assets custodied within Russia are particularly pronounced.

Certain Russian issuers may also not meet internationally accepted standards of corporate governance. A risk of particular note with respect to investment in Russian securities is the way in which ownership of shares of private companies is recorded. The ownership of, and settlement of transactions in, many Russian securities has been moved to a central securities depository, the National Settlement Depository ("NSD"). The Depositary or its local agent in Russia is a participant on the NSD. The NSD in turn is reflected as the nominee holder of the securities on the register of the relevant issuer. Therefore, while this is intended to provide a centralised and regulated system for recording of the ownership of, and settlement of transactions in, Russian securities, it does not eliminate all of the risks associated with the registrar system outlined above.

In addition, as a result of political and military actions undertaken by Russia in the Ukraine and elsewhere, the U.S. and the EU have instituted sanctions against certain Russian officials and institutions. These sanctions, and any additional sanctions or other intergovernmental actions that may be undertaken against Russia in the future, may result in the devaluation of the Russian currency, a downgrade in the country's credit rating, and a decline in the value and liquidity of Russian securities. Such actions have resulted and could in the future result in a freeze of Russian securities, and may impair the ability of the Fund to buy, sell, receive, or deliver those securities. Retaliatory action by the Russian government could involve the seizure of U.S. and/or European residents' assets, and any such actions are likely to impair the value and liquidity of such assets. Any or all of these potential results could have an adverse/recessionary effect on Russia's economy.

Significant uncertainty remains in the market regarding the ramifications of these developments, and the range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict. All of these factors could have a negative effect on performance if the Fund has significant direct or indirect exposure to Russia.

Eurozone Risks

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

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

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

Withdrawal of the UK from the EU
On 31 January 2020, the UK formally withdrew from the EU, entering into an 11-month transition period. Prior to the end of the transition period, the EU and UK ratified the EU-UK Trade and Cooperation Agreement ("TCA"). The TCA provisionally applied as of 1 January 2021 and entered into force on 1 May 2021. The TCA lays out the terms of the UK's future cooperation with the EU. Notwithstanding the TCA, following the transition period, there is considerable uncertainty as to the UK's post-transition framework. The terms of the UK's exit from the EU (commonly known as "Brexit") are not entirely clear, and the scope and shape of the legal and regulatory landscape are not yet completely defined. As a result, the impact of the UK's withdrawal is uncertain although the effect on the economics of the UK and the EU will likely depend on the nature of the trade relations negotiated between the UK and the EU and other major economies.

There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on a Fund and its investments, including the ability of the Fund to achieve its investment objectives. The impact of Brexit on the UK and European economies and the broader global economy could be significant, resulting in negative impacts on currency and financial markets generally, such as increased volatility and illiquidity, market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, an adverse effect on the ability of the Investment Manager to manage, operate and invest a Fund and increased legal, regulatory or compliance burden for the Investment Manager, the Sub-Advisers and/or the Fund, each of which may have a negative impact on the operations, financial condition, returns or prospects of the Fund. The impact of Brexit may also potentially lower economic growth in markets in the UK, Europe, and globally, which may adversely affect the value of the Funds' investments.

As a result of the fact that portions of the Funds' assets may be managed by Sub-Advisers operating out of the UK, and because the Funds make investments in issuers organised in, headquartered in, or otherwise economically tied to, the UK, the Funds may be particularly sensitive to these risks. Significant uncertainty remains in the market regarding the ramifications of those developments, and the range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict. For instance, Brexit may lead to a recession of the economy of the UK, down-grading of the UK's credit rating, and an increased likelihood of pro-independence movements in Scotland and other parts of the UK taking steps to secede from the UK. The consequence of the UK's or any other country's exit from the EU and/or Eurozone could also threaten the stability of Euro and could negatively affect the financial markets of other countries in the European region and the world. Therefore, the Fund is exposed to risks associated with the uncertainty and consequences resulting from Brexit, including with respect to volatility in exchange rates and interest rates.

Brexit may also have an adverse effect on the tax treatment of the Funds and their investments. In particular, the EU directives preventing withholding taxes being imposed on intragroup dividends, interest and royalties may no longer apply to payments made into and out of the UK, meaning that instead the UK's double tax treaty network would need to be relied upon. Further, there may be changes to the operation of value-added taxes. While the most immediate impacts on corporate transactions will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement may have an adverse impact on transactions, particularly those occurring in, or impacted by conditions in, the UK and the EU.

Umbrella Structure of the Company and Cross-Fund and Cross-Class Liability Risk
Each Fund will be responsible for paying its fees and expenses regardless of the level of its profitability. The Company is an umbrella fund with segregated liability between Funds and under Irish law the Company generally will not be liable as a whole to third parties and there generally will not be the potential for cross-liability between the funds. Notwithstanding the foregoing, there can be

no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

Each Fund may have multiple classes of shares, but will be treated as one entity. Thus, all the assets of a Fund may be available to meet all of the liabilities of a Fund. In practice, cross class liability will usually only arise where any class becomes insolvent or exhausts its assets and is unable to meet all of its liabilities. In this case, all of the assets of a Fund attributable to the other classes may be applied to cover the liabilities of the insolvent class.

Risks Associated with Umbrella Cash Accounts

One or more Umbrella Cash Accounts may operate in respect of the Company rather than a specific Fund and the segregation of Investor Monies from the liabilities of Funds other than the specific Fund to which the Investor Monies relate is dependent upon, among other things, the correct recording of the assets and liabilities attributable to individual Funds by or on behalf of the Company.

In the event of an insolvency of a Fund, there is no guarantee that the Fund will have sufficient monies to pay unsecured creditors (including the investors entitled to Investor Monies) in full. Monies attributable to other Funds within the Company may also be held in the Umbrella Cash Account. In the event of the insolvency of a Fund (an “Insolvent Fund”), the recovery of any amounts to which another Fund (the “Beneficiary Fund”) is entitled, but which may have transferred in error to the Insolvent Fund as a result of the operation of the Umbrella Cash Account, will be subject to applicable law and the operational procedures for the Umbrella Cash Account. There may be delays in effecting, and/or disputes as to the recovery of, such amounts, and the Insolvent Fund may have insufficient funds to repay amounts due to the Beneficiary Fund.

In the event that an investor fails to provide the subscription monies within the timeframe stipulated in this Prospectus and the relevant Supplement, the investor may be required to indemnify the Fund against the liabilities that may be incurred by it. The Company may cancel any Shares that have been issued to the investor and charge the investor interest and other expenses incurred by the relevant Fund. In the event that the Company is unable to recoup such amounts from the defaulting investor, the relevant Fund may incur losses or expenses in anticipation of receiving such amounts, for which the relevant Fund, and consequently its Shareholders, may be liable.

It is not expected that any interest will be paid on the amounts held in the Umbrella Cash Account. Any interest earned on the monies in the Umbrella Cash Account will be for the benefit of the relevant Fund and will be allocated to the Fund on a periodic basis for the benefit of the Shareholders at the time of the allocation.

The Central Bank’s guidance on umbrella cash accounts is new and untested and, as a result, may be subject to change and further clarification.

Risks Associated with Delays in Providing Complete Customer Due Diligence

Investors should note that there is a risk that any delay in providing a signed copy of the application form and all documents required in connection with the obligations to prevent money laundering and terrorist financing to the Administrator may result in Shares not being issued on a particular Dealing Day.

Valuation Risk

Many factors may influence the price at which a Fund could sell any particular portfolio investment. The sales price may differ—higher or lower--from the Company’s last valuation, and such differences could be significant, particularly for securities that trade in thin or volatile markets or that are valued using a fair value methodology. Investors who subscribe or redeem Shares in the Fund on days when the Fund is holding such securities may receive a greater or lesser amount of Shares or redemption proceeds than they would have received if the Fund had not fair-valued the security or had used a different valuation methodology.

The Company may consult the Investment Manager with respect to the valuation of unlisted investments or securities that are listed, traded or dealt in on a Regulated Market but for which prices are not available or are unrepresentative. There is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation of each Fund's investments and the Investment Manager's other responsibilities.

Interest Rate Risk
Each Fund is subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. Furthermore, the higher a debt security's duration, the greater its price sensitivity to changes in interest rates. The Investment Manager may attempt to minimise the exposure of the portfolios to interest rate changes through the use of floating rate credit instruments (such as credit default swaps), interest rate swaps, interest rate futures and/or interest rate options. In addition, offsetting long and short positions can mitigate interest rate exposure in the portfolio. However, there can be no guarantee that the Investment Manager will be successful in fully mitigating the impact of interest rate changes on the portfolios.

Inflation Risk
Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money. As inflation increases, the present value of the Funds' assets and distributions may decline. This risk is more prevalent with respect to debt securities held by the Funds. Inflation creates uncertainty over the future real value (after inflation) of an investment. Inflation rates may change frequently and drastically as a result of various factors, including unexpected shifts in the domestic or global economy (or expectations that such policies will change), and the Funds' investments may not keep pace with inflation, which may result in losses to the Funds' investors or adversely affect the real value of shareholders' investments in the Funds. Investors' expectation of future inflation can also impact the current value of portfolio investments, resulting in lower asset values and potential losses. This risk may be elevated compared to historical market conditions because of recent monetary policy measures and the current interest rate environment.

Income Equalisation
All Funds operating an income or distributing Class intend to operate income equalisation. Income equalisation prevents the dilution of current shareholders' earnings by applying a portion of the proceeds from Shares issued or redeemed to undistributed income. When Shares are purchased or redeemed the price may include an element of income. Equalisation is this element of income paid out to shareholders who have purchased or redeemed shares during the relevant distribution period.

Systemic Risk
Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which a Fund interacts on a daily basis.

Liquidity Rights
The Company may temporarily suspend the determination of the Net Asset Value and the sale, conversion or redemption of Shares in the Company or any Fund in accordance with the section entitled "Temporary Suspension of Valuation of the Shares and of Sales and Redemptions".

Excessive Trading Risk
Prospective investors' attention is drawn to the risks associated with excessive trading. Please see the section entitled "Excessive Trading" for more information.

Taxation Risks

Potential investors' attention is drawn to the taxation risks associated with investing in any Fund. Please see the section entitled "Taxation" for more information.

Limited Capacity Risk

Alternative investment strategies utilised by a Fund may have limited capacity, and the Investment Manager may not be able to allocate as much of a Fund's assets to one or more alternative investment strategies as it desires. This capacity limitation may negatively impact performance and the portfolio composition of the Fund.

Risk of U.S. Withholding Tax

The Company (and each Fund) will be required to comply (or be deemed compliant) with extensive U.S. reporting and withholding requirements (known as "FATCA") designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the Company (and each Fund) to U.S. withholding taxes on certain U.S.-sourced income and gains. Alternatively, pursuant to an intergovernmental agreement between the United States and Ireland, the Company (and each Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. Reportable Account information directly to the Revenue Commissioners of Ireland. Shareholders may be requested to provide additional information to the Company in the Company's application form to enable the Company (and each Fund) to satisfy these obligations. Failure to provide requested information may subject a Shareholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory repurchase, transfer or other termination of the Shareholder's interest in its Shares. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Company (and each Fund). The administrative cost of compliance with FATCA may cause the operating expenses of the Company (and each Fund) to increase, thereby reducing returns to investors. FATCA may also require the Company (and each Fund) to provide to the U.S. Internal Revenue Service private and confidential information relating to certain investors. Please see the section entitled "Taxation - Compliance with U.S. Withholding Requirements - Foreign Account Tax Compliance Act" for more information.

New Issue Securities

A Fund may, from time to time, purchase New Issues (including from SPACs). New Issues are generally equity securities which are part of an initial public offering, but may also be debt securities. Under the FINRA Rules, members of FINRA may not sell such securities to an account beneficially owned by broker/dealers, employees, owners and affiliates of broker/dealers, certain other classes of persons including portfolio managers and certain family members of those persons. To enable a Fund to operate within applicable exemptions to the FINRA Rules and (to the extent possible) to participate in New Issues, applicants for, and transferees of, Shares will be required to provide such representations, warranties or documentation as may be necessary to determine whether such persons are eligible to participate in New Issues.

Risks Associated with Charging Fees and Expenses to Capital

As disclosed in the relevant Supplement, certain Classes may charge certain fees and expenses to capital rather than income. Charging all or part of the fees and expenses to capital will result in income being increased for distribution; however, the capital that these Classes have available for investment in the future, and capital growth, may be reduced notwithstanding the performance of the relevant Fund. Shareholders should note that there is an increased risk that, on the redemption of Shares of such Classes, Shareholders may not receive back the full amount invested. For investors in such Classes this may result in the erosion of investors' capital investment, or capital gains attributable to that original investment, which will likely diminish the value of future returns. The increased dividend payout as a result of charging fees and expenses to capital effectively amounts to a return or withdrawal of an investor's original capital investment or of capital gains attributable to that original investment. Shareholders should note that to the extent expenses are charged to capital, some or all of the distributions made by these Classes should be considered to be a form of capital reimbursement.

Distributions Out of Capital

As disclosed in the relevant Supplement, at the sole discretion of the Directors, for certain Classes up to 100% of dividends may be declared and distributed out of capital. It should be remembered that any distribution out of capital lowers the value of the Shares by the amount of the distribution. As distributions may be paid out of the capital of the Funds that offer Classes distributing out of capital, there is a greater risk for the Shareholders of the relevant Classes of that Fund that capital will be eroded and "income" will be achieved by foregoing the potential for future capital growth of the investment of the Shareholders of the relevant Classes in this Fund and the value of future returns may also be diminished. This cycle may continue until all capital is depleted. Shareholders should note that distributions out of capital by these Classes during the life of the Fund should be considered to be a form of capital reimbursement. The risk of capital erosion will be mitigated where a Shareholder has elected to reinvest its distribution proceeds. Please note that distributions out of capital may have different tax implications to distributions of income and holders of Classes distributing out of capital are recommended to seek advice in this regard.

Other Risks

In view of the fact that an initial charge may be payable on a subscription by an investor and a redemption charge may be payable on a redemption by a Shareholder, any investment in a Fund should be regarded as a medium to long term investment.

Risks Arising From Investment Activities of the Investment Manager and Sub-Advisers

"Style Drift"

The Investment Manager will conduct a robust investment allocation process which focuses on allocating a Fund's assets to strategies with well-defined investment objectives, risk parameters and investment guidelines. Notwithstanding the allocation process, each Fund may be affected by "style drift" (i.e., the risk that a Sub-Adviser may deviate from his or her stated or expected investment strategy) or the failure of a Sub-Adviser to adhere to the investment guidelines established for the Sub-Adviser. Style drift can occur abruptly if, for example, a Sub-Adviser believes it has identified a particular investment opportunity that may produce higher returns than other types of investments within his or her stated strategy (and the Sub-Adviser disposes of an interest quickly to pursue this approach) or it can occur gradually if, for instance, a "value"-oriented Sub-Adviser gradually increases a Fund's investments in "growth" stocks. Style drift poses a particular risk for multiple-manager structures since, as a consequence, each Fund may be exposed to particular markets or strategies to a greater extent than was anticipated by the Investment Manager due to resulting overlap of investment strategies among various Funds. In addition, "style drift" may affect the investment categorisation of a Fund as relating to particular discipline, and, as a result, may affect the Investment Manager's attempts to monitor each Fund's diversification guidelines. Although the Investment Manager (and each Sub-Adviser) has established policies and procedures that are designed to monitor Sub-Advisers' compliance with stated strategies and guidelines and to mitigate the likelihood of potential "style drift" situations, there can be no assurance that a Fund will not be impacted by a particular Sub-Adviser's style drift or failure to adhere to its investment guidelines.

Investment Style Risk

Different investment styles tend to shift in and out of favour depending on market and economic conditions and investor sentiment. The Funds and their Managers employ from time to time various investment styles, and may outperform or underperform other funds that invest in similar asset classes but employ different investment styles. From time to time, the Funds and their Managers may be overly invested in one particular style of investing, and that investment style could underperform and/or be more volatile than other investment styles at the time. The Funds or their Managers may also employ a combination of investment styles that impact its overall risk characteristics.

Risk Management Activities

The Investment Manager attempts to measure and monitor risks of the applicable Fund's portfolio and Sub-Advisers. Efforts to measure and reduce risk may not be successful. Any hedging activities by a Fund designed to reduce risk may also be unsuccessful.

New Sub-Adviser Risk

Certain Sub-Advisers have limited operating and performance histories and/or limited experience managing investment funds. This may result in lower than expected performance, operational and investment inefficiencies and/or errors.

Use of Multiple Sub-Advisers Risk

No assurance can be given that the collective performance of the Sub-Advisers will result in profitable returns for a Fund as a whole. The good performance achieved by one or more Sub-Adviser may be neutralised – or even outweighed – by poor performance experienced by other Sub-Advisers. The Sub-Advisers invest and/or enter into hedging transactions wholly independently of one another and may at times hold economically offsetting positions. To the extent that the Sub-Advisers do, in fact, hold such positions, each Fund, considered as a whole, may not achieve any gain or loss or the desired hedge position despite incurring expenses. Alternatively, two or more Sub-Advisers may employ similar strategies or invest in some of the same assets, resulting in less diversification to a Fund than is desired.

Concentration of Portfolios

Each Fund may have the ability to concentrate its investments by investing an unlimited amount of its assets in a sector, market, industry, strategy, country or geographic region. In addition, market conditions may create opportunities within certain investment strategies, which may cause Sub-Advisers to (further) increase the concentration of certain investment strategies. In that event, the overall adverse impact on the Fund, and correspondingly on the Company, of adverse movements in the value of the securities of a single issuer, sector, market, industry, strategy, country or geographic region will be considerably greater than if the Fund was not permitted to concentrate their investments to such an extent. By concentrating in a specific issuer, sector, market, industry, strategy, country or geographic region, a Fund will be subject to the risks of that issuer, sector, market, industry, strategy, country or geographic region, such as rapid obsolescence of technology, sensitivity to regulatory changes, minimal barriers to entry and sensitivity to overall market swings, and may be more susceptible to risks associated with a single economic, political or regulatory circumstance or event than a more diversified portfolio might be. In addition to the potential concentration of the Funds' portfolios, the Funds intend to invest a relatively high percentage of their assets with a limited number of Sub-Advisers.

Leverage Risk

Some transactions may give rise to a form of economic leverage. A Fund may borrow money or engage in other transactions, such as investments in derivatives or lending its securities and using the collateral to purchase any investment, that create investment leverage for investment or other purposes. As a result, allocations to Sub-Advisers, together with assets managed directly by the Investment Manager, may exceed 100% of the Fund's net assets. The use of leverage also may cause a Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of a Fund's portfolio will be magnified when the Fund uses leverage. Futures contracts, options on futures contracts, and forward contracts allow the Fund to obtain large investment exposures in return for meeting relatively small margin requirements. As a result, investments in those transactions may be highly leveraged. In addition, a total return swap on an investment account or vehicle managed by a third party could represent investment exposure by the Fund that far exceeds the fixed amount that the Fund is required to pay the counterparty, creating significant investment leverage.

Use of leverage can produce volatility and may exaggerate changes in the Net Asset Value of the Shares and in the return on a Fund's portfolio, which may increase the increase the risk that the Fund will lose more than it has invested.

Model and Technology Risk

The Managers may use certain investment programs that are fundamentally dependent on proprietary or licensed technology through such Manager's use of, among other things, certain hardware, software, model-based strategies, data gathering systems, order execution and trade allocation systems and/or risk management systems. These strategies may not be successful on an ongoing basis or could contain errors, omissions, imperfections, or malfunctions, or could be degraded, corrupted, or compromised. In addition, a Manager's strategies and systems may operate effectively in isolation, but may generate unintended consequences when interfacing with trading, risk, or other investment tools, models, systems, or databases. Any errors, omissions, imperfections, malfunctions, degradations, corruptions, or compromises in strategies or systems could affect the ability of the Manager to implement its investment program. Despite testing, monitoring and independent safeguards, these errors may result in, among other things, execution and allocation failures and failures to properly gather, organise and analyse amounts of data from third parties and other external sources. Defects in algorithmic trading systems are often extremely difficult to detect and some may go undetected for long periods of time or may never be detected. The adverse impact caused by such defects can compound over time. For strategies that involve high or ultra-high frequency trading, the compounding of adverse impact could be accelerated and create significant losses before the trading can be interrupted. There is no guarantee that safety mechanisms like "circuit breakers" or other automatic interruption mechanisms that a Manager or an exchange has put in place will prevent significant losses. More specifically, as it is not possible or practicable for the Manager to factor all relevant, available data into quantitative model forecasts and/or trading decisions, the Manager (and/or affiliated licensors of such data) will use its discretion to determine what data to gather with respect to an investment strategy and what subset of that data the models will take into account to produce forecasts that may have an impact on ultimate investment and trading decisions. The model may be more effective with certain instruments than others, and Managers may not be able to indentiy or quantify all factors driving the instruments' prices. Shareholders should be aware that there is no guarantee that the Manager that uses quantitative techniques will use any specific data or type of data in generating forecasts or making trading decisions on behalf of a Fund, nor is there any guarantee that the data actually utilised in generating forecasts or making trading decisions on behalf of a Fund will be (i) the most accurate data available;(ii) free from errors, corruptions, or interruptions; or (iii) delivered or accessible in a timely manner. In addition, the use by the Investment Manager or certain Sub-Advisers of predictive algorithmic models often have inherent risks because the construction of the model is dependent on historical data supplied by third parties and the success of such models depends heavily on the accuracy and reliability of the supplied historical data. Furthermore, any factor that would make it more difficult to execute trades in accordance with models, such as a significant lessening of liquidity in a particular market or a market's inefficiency, would also impose a significant risk. Most quantitiatve computer models cannot fully match the complexity of the financial markets, and therefore any sudden, unanticipated changes in the underlying market conditions can increase the risk. The use of a quantitative model and technology requires sophisticated mathematical calculations and complex computer programs, and there is no guarantee that a Manager will successfully carry out and use such calculations and programs correctly or use them effectively. Algorithmic trading strategies that integrate human personnel within trading systems may also be subject to errors of human judgment and cognitive biases. All of the aforementioned risks may have a negative effect on a Fund. Errors are often extremely difficult to detect and some may go undetected for long periods of time and some may never be detected. The adverse impact caused by these errors can compound over time. The Manager (and/or the licensor of the models or technology) may detect certain errors that it chooses, in its sole discretion, not to address or fix. By necessity, models make simplifying assumptions that limit their efficacy. Models that appear to explain prior market data can fail to predict future market events. A Fund bears the risk that the quantitative models used by the Manager will not be successful in forecasting movements in industries, sectors or companies and/or in determining the size, direction, and/or weighting of investment positions that will enable a Fund to achieve its investment objective. Moreover, an increasing number of market participants may rely on models and execution techniques that are similar to those used by the Manager (or an affiliate of the Manager), which may result in a substantial number of market participants taking the same action with respect to an investment. Should one or more of these other market participants begin to divest themselves of one or more portfolio investments, a Fund could suffer losses.

Systematic Trading Risk
The Managers may base their trading decisions on systematic mathematical analysis of past price behaviour. The future profitability of these strategies depends, in part, upon the ability of the future price action to not be materially different from the past. The Managers may incur substantial trading losses during periods when markets behave substantially different from the period in which the Investment Manager's/Sub-Advisers' models are derived. The systematic trading methods used by the Managers are fundamentally dependent on automated and computerised technology which may contain programming errors or which ineffectively incorporates or translates the data collected.

Statistical Arbitrage Risk
If the Funds engage in statistical arbitrage transactions, the Funds take long or short interests in securities that a Manager believes are experiencing short-term dislocations not associated with a change in fundamentals at the time of the purchase and which are expected to mean revert to a higher or lower price, as applicable. If the Manager incorrectly forecasts such mean reversion, the Fund could be forced to sell such securities for a potentially substantial loss. A Manager might incorrectly forecast mean reversion for any number of reasons, including: (i) unanticipated retail investor interest or momentum in a security; (ii) composition by the Manager of an inadequate peer group for comparisons with the price movements of the securities; or (iii) mistaken understanding of the fundamentals of the relevant underlying company. A Fund would typically hold securities it purchases within this strategy for a relatively short period of time. Therefore, even if the Manager were correct in its forecast regarding securities' eventual mean reversion, if it takes longer for the securities to revert to their mean price than the Fund intends to hold the securities, a Fund might still sell such securities at a loss.

LIBOR Transition Risk
Many financial instruments, including many derivatives, use or may use a floating rate based on LIBOR, which is the offered rate for short-term Eurodollar deposits between major international banks. LIBOR may be a significant factor in determining the Fund's payment obligations under a derivative investment, the cost financing to a Fund or an investment's value or return to a Fund, and may be used in other ways that affect a Fund's investment performance. In 2017, the UK Financial Conduct Authority ("FCA") announced the FCA's intention to cease compelling banks to provide the quotations needed to sustain LIBOR from the end of 2021. On 5 March 2021, the FCA and LIBOR's administrator, ICE Benchmark Administration ("IBA"), announced that most LIBOR settings will no longer be published after the end of 2021 and a majority of U.S. dollar LIBOR settings will no longer be published after 30 June 2023. It is possible that the FCA may compel the IBA to publish a subset of LIBOR settings after these dates on a "synthetic" basis, but any such publications would be considered non-representative of the underlying market. There remains uncertainty regarding the future utilisation of LIBOR and the nature of any replacement rate. As such, the potential effect of a transition away from LIBOR on the Funds or the financial instruments in which the Funds invest cannot yet be determined. In advance of the transition, regulators and market participants are working together to identify or develop a replacement rate. For instance, the U.S. Federal Reserve, based on the recommendations of the New York Federal Reserve's Alternative Reference Rate Committee (comprised of major derivative market participants and their regulators), is publishing a daily Secured Overnight Funding Rate ("SOFR") that is intended to replace U.S. dollar LIBOR. SOFR is a broad measure of the cost of overnight borrowing of cash collateralised by U.S. Treasury securities. SOFR is intended to serve as a reference rate for U.S. dollar-based debt and derivatives in place of LIBOR. Bank working groups and regulators in other countries have suggested other alternatives for their markets, including the Sterling Overnight Interbank Average Rate ("SONIA") in the UK. Markets are slowly developing in response to these rates. At this time, it is not possible to completely identify or

predict any establishment of a replacement rate that may be enacted in the UK or elsewhere. It is expected that market participants will focus on the transition mechanisms by which the reference rate in existing contracts or instruments may be amended, whether through market wide protocols, fallback contractual provisions, bespoke negotiations or amendments, or otherwise. Markets are slowly developing in response to these new rates, and questions around liquidity in these rates and how to appropriately adjust these rates to eliminate any economic value transfer at the time of transition remain a significant concern for the Fund. The transition process might lead to increased volatility and illiquidity in markets that currently rely on LIBOR to determine interest rates. It could also lead to a reduction in the value of some LIBOR-based investments, reduce the effectiveness of new hedges placed against existing LIBOR-based instruments, particularly insofar as the documentation governing such instruments does not include “fall back” provisions addressing the transition from LIBOR. The transition process might also increase costs for certain LIBOR-related instruments or financing transactions, and cause prolonged adverse market conditions for the Funds if uncertainty regarding the effectiveness of an alternative rate-setting methodology persists. Uncertainty and volatility arising from the transition may also result in a reduction in the value of certain LIBOR-based instruments held by the Funds or reduce the effectiveness of related transactions. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to the Funds and may adversely affect the Funds’ performance or net asset value. Since the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur prior to the end of 2021.

Proprietary Investment Strategy Risk

The Managers may use proprietary or licensed investment strategies, as well as risk management, optimisation and execution techniques, that, while implemented in accordance with a Fund’s investment objective, policies and restrictions, are based on considerations and factors that are not fully disclosed to the Company or the Investment Manager. Moreover, consistent with a Fund’s investment objectives, these proprietary or licensed investment strategies, which may include quantitative mathematical or algorithmic models or systems that rely on patterns inferred from historical prices and other financial data in evaluating prospective investments, may be changed or refined over time. The Manager (or the licensor of the strategies or techniques used by the Manager) may make certain changes to the strategies or techniques the Manager has previously used, may not use such proprietary or licensed investment strategies or techniques at all (or the Manager’s license may be revoked), or may use additional proprietary or licensed investment strategies or techniques, and such changes or discretionary decisions, and the reasons for such changes or decisions, may not be fully disclosed to the Company or the Investment Manager, as applicable. For example, the Managers that develop or license quantitative models and techniques may, in their discretion, modify various programmable settings when utilising these models and techniques (e.g., investment and execution analytics, weightings and risk parameters). These strategies or techniques may involve risks under some market conditions that are not anticipated by the Investment Manager or a Fund.

Non-Exchange Traded and Privately Placed Securities Risk

With respect to certain privately placed securities, including those securities which are neither listed nor traded on a Regulated Market, a Fund may not be able to initiate a transaction or liquidate a position in such securities at a desirable price. Disposing of such securities may involve time-consuming negotiation and legal expenses, and selling them promptly at an acceptable price may be difficult.

Investments Not Identical Across Funds or Portfolios

The discussion of the investment strategies employed by the Investment Manager and/or the Sub-Advisers is, in certain respects, general in nature. To the extent that the Investment Manager’s or a Sub-Adviser’s strategy may be construed as similar to another strategy managed by the Investment Manager or such Sub-Adviser or its affiliate (whether on behalf of another Fund or otherwise), investors should be aware that the resulting portfolio compositions and performance results across such strategies are not expected or intended to be the same or similar.

Trading Restrictions Risk
In the course of their business activities, there is a risk that the Investment Manager or a given Sub-Adviser may receive material non-public information. The Investment Manager and/or a given Sub-Adviser may receive such information directly as a result of its investment management activities for the benefit of a Fund or some other account, or indirectly as a result of the Investment Manager's or a Sub-Adviser's relationship with an affiliated entity. In such event, the Investment Manager or such Sub-Adviser may be restricted from trading certain securities regardless of whether the activities leading to the receipt of material non-public information were for the benefit of a Fund or otherwise. Such restrictions may have a material impact on the gains and losses of a Fund.

Redemptions In Kind
A Fund may, in certain circumstances, pay redemption proceeds in kind. Please see the section entitled "Administration of the Company – Redemption Price" below for further information. Determinations as to what form of redemption proceeds will be paid may be made at any time, including before or after the effective date of a redemption. The costs and expenses attributable to such method will be allocated among Shareholders as determined in good faith by the Company subject to the terms of this Prospectus and the Articles. The allocation of such assets shall be subject to the approval of the Depositary. To the extent a Fund meets a redemption request with a distribution in kind of interests in one or more investments, such Shareholder will continue to be subject to the investment risks associated with such investments and will be subject to any limitations or notice requirements imposed by the terms of such investments on redemption or liquidation. Thus, although a Fund's obligations to meet a Shareholder's redemption request are fulfilled on the date the Fund distributes investments with a value as of the Dealing Day equal to the redemption value owed to such Shareholder, the investments distributed in kind to such Shareholder will continue to fluctuate in value after redemption and will be subject to any applicable management or performance fees and expenses of such investment and the Shareholder's ability to realise the cash value of such investments may be significantly delayed or limited. Distributions in kind of investments are subject to the valuation risks associated with such investments. At the request of the Shareholder making such redemption request, such assets may be sold by the Company and the proceeds of sale shall be transmitted to the Shareholder. The transaction costs incurred in the sale of the assets will be payable by the Shareholder.

Activist Strategies Risk
A Fund may purchase securities of companies that are the subject of proxy contests or which activist investors (including a Sub-Adviser) are attempting to influence, in the expectation that new management or a change in business strategies will be able to improve the company's performance or effect a sale or liquidation of its assets so that the price of such company's securities will increase. If the incumbent management of the company is not defeated, or if new management is unable to improve the company's performance or sell or liquidate the company, the market price of the company's securities will fall, which may cause a Fund to suffer a loss.

Arbitrage Strategies Risk
A Fund may invest in securities at prices only slightly below the anticipated value to be paid or exchanged for such securities in a merger, exchange offer or cash tender offer, and substantially above the prices at which such securities traded immediately prior to announcement of the transaction. If the proposed transaction is delayed or appears likely not to be consummated or in fact is not consummated, the market price of the security may decline sharply, which would result in a loss to the particular Fund. In addition, if a Manager determines that the offer is likely to be increased, either by the original bidder or by another party, a Fund may purchase securities above the offer price, subjecting such purchases to a high degree of risk.

Debt Securities Risk
Debt securities, such as bonds and certain asset-backed securities, involve certain risks, which include:

- ***Credit Market Liquidity Risk*** refers to the fact that some debt securities, including some asset-backed securities and structured credit products, are more thinly traded than equity securities and are subject to the risk of a sudden loss of liquidity in the event of a market disruption or shock that may not be proportionate to, or even related to, the fundamentals of the investment. If a Fund becomes forced to sell such assets at this time, the sales could be subject to significant losses.

- ***Credit risk*** refers to the possibility that the issuer of a security will not be able to make payments of interest and principal when due. Changes in an issuer's credit rating or the market's perception of an issuer's creditworthiness may also affect the value of the Fund's investment in that issuer.
- ***Event risk*** is the risk that corporate issuers may undergo restructurings, such as mergers, leveraged buyouts, takeovers, or similar events financed by increased debt. As a result of the added debt, the credit quality and market value of a company's bonds and/or other debt securities may decline significantly.
- ***Extension risk*** refers to the fact that when interest rates rise, certain obligations will be paid off by the obligor more slowly than anticipated, causing the value of these securities to fall.
- ***Inflation risk*** is the risk that the value of assets or income from a Fund's investments will be worth less in the future as inflation decreases the value of payments at future dates. As inflation increases, the real value of the Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy decline over time.
- ***Interest rate risk*** refers to the fact that generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. In recent periods, interest rates have been at low levels. Accordingly, the Fund's investments in fixed income securities face an increased exposure to the risks associated with rising interest rates. In addition, after a brief period during which it increased interest rates above the historically low levels that followed the 2008 financial crisis, the U.S. Federal Reserve has recently decreased interest rates back to historically low levels and has promised to increase quantitative easing again. If governmental financial regulators, including the U.S. Federal Reserve raise interest rates, there is a risk that rates across the financial system may rise. A substantial increase in interest rates could have a material adverse effect on fixed income investments and on the performance of a Fund. Changes in government intervention may have adverse effects on investments, volatility, and illiquidity in debt markets.
- ***Prepayment risk*** is the risk that when interest rates fall, certain obligations will be paid off by the obligor more quickly than originally anticipated, and a Fund may have to invest the proceeds in securities with lower yields.
- ***Variable and floating rate instrument risk*** refers to the fact that the absence of an active market for these securities could make it difficult for a Fund to dispose of them if the issuer defaults.

Below Investment Grade Securities Risk

Certain Funds may invest some or all of their assets in securities or instruments rated below investment grade (that is, rated below Baa3/P-2 by Moody's Investors Service, Inc. ("Moody's") or below BBB-/A-2 by Standard & Poor's ("S&P") for a particular security/commercial paper, or securities unrated by Moody's or S&P that are determined by a Manager to be of comparable quality to securities so rated) at the time of purchase, including securities in the lowest rating categories and comparable unrated securities ("Below Investment Grade Securities") (commonly referred to as "junk bonds"). In addition, a Fund may hold securities that are downgraded to below- investment-grade status after the time of purchase by such Fund. Many issuers of high yield debt are highly leveraged, and their relatively high debt-to-equity ratios create increased risks that their operations might not generate sufficient cash flow to service their debt obligations. In addition, many issuers of high yield debt may be: (i) in poor financial condition, (ii) experiencing poor operating results, (iii) having substantial capital needs or negative net worth or (iv) facing special competitive or product obsolescence problems, and may include companies involved in bankruptcy or other reorganisations or liquidation proceedings. Compared to higher quality fixed income securities, Below Investment Grade Securities offer the potential for higher investment returns but subject holders to greater credit and market risk. The ability of an issuer of Below Investment Grade Securities to meet principal and interest payments is considered speculative.

Below Investment Grade Securities may be highly leveraged and carry a greater risk of default. In addition, Below Investment Grade Securities tend to be more volatile than higher rated securities, so that adverse economic events may have a greater impact on the prices of Below Investment Grade Securities than on higher rated securities.

A Fund's investments in Below Investment Grade Securities may be more dependent on the Investment Manager's own credit analysis than its investments in higher quality bonds. Certain of these securities may not be publicly traded, and therefore it may be difficult to obtain information as to the true condition of the issuers. The market for Below Investment Grade Securities may be more severely affected than other financial markets by economic recession or substantial interest rate increases, changing public perceptions, or legislation that limits the ability of certain categories of financial institutions to invest in Below Investment Grade Securities. In addition, the market may be less liquid for Below Investment Grade Securities than for other types of securities. Reduced liquidity can affect the values of Below Investment Grade Securities, make their valuation and sale more difficult, and result in greater volatility. Because Below Investment Grade Securities are difficult to value and are more likely to be fair valued (See "Administration of the Company – Determination of Net Asset Value"), particularly during erratic markets, the values realised on their sale may differ from the values at which they are carried on the books of a Fund. Some Below Investment Grade Securities in which a Fund invests may be in poor standing or in default. Securities in the lowest investment-grade category (BBB or Baa) also have some speculative characteristics.

Macro Strategy Risk

The profitability of any macro programme depends primarily on the ability of its manager to predict derivative contract price movements to implement investment theses regarding macroeconomic trends. Such price movements are influenced by, among other things: changes in interest rates; governmental and economic programmes, policies and events; weather and climate conditions; changing supply and demand relationships; changes in balances of payments and trade; rates of inflation and deflation; currency devaluations and revaluations; and changes in philosophies and emotions of market participants.

Event-Driven Trading Risk

To the extent a Fund seeks to profit from the occurrence of specific corporate or other events, a delay in the timing of these events, or the failure of these events to occur at all, may have a significant negative effect on such Fund's performance.

Event-Linked Instrument Risk

Investing in event-linked bonds, including bonds known as "catastrophe bonds," and other event-linked instruments involves unique risks. If a trigger event, such as a hurricane, earthquake, or other physical or weather-related phenomenon, causes losses exceeding a specific amount in the geographic region and time period specified in a bond, a Fund may lose a portion or all of its principal invested in the bond or suffer a reduction in credited interest. Some event-linked instruments have features that delay the return of capital upon the occurrence of a specified event; in these cases, whether or not there is loss of capital or interest, the return on the investment may be significantly lower during the extension period. In addition to specified trigger events, event-linked instruments expose a Fund to other risks, such as credit risk, adverse regulatory or jurisdictional interpretations, adverse tax consequences, and foreign exchange risk.

Relative Value Strategies Risk

Relative value strategies utilised in a Fund depend on the Investment Manager's or the Sub-Adviser's ability to identify unjustified or temporary discrepancies between the value of two or more related financial instruments, and are subject to the risk that the Investment Manager's or the Sub-Adviser's evaluation of the relative price differential may be incorrect or may never be realised in the market price of the securities in which a Fund invests.

Significant Positions
Subject to complying with the investment restrictions set out in Schedule II, portfolio companies in which a Fund may invest could have a relatively small aggregate number of outstanding shares, so that a Fund may acquire more than 5% of a class of securities of a single issuer which would require the filing of a Schedule 13D or 13G statement with the SEC. A Fund may also seek to challenge the management of a portfolio company through a proxy contest. Such litigation or proxy contest may result in substantial expense to a Fund, thus reducing the value of such Fund's investment. In addition, the Investment Manager or a Sub-Adviser may serve on the board of directors of one or more portfolio companies. As a result, the Investment Manager or a Sub-Adviser would become an insider and may have access to material non-public information affecting the portfolio company, which may preclude a Fund from selling its position (or acquiring additional shares) at any time when the Investment Manager or a Sub-Adviser otherwise believes it would be appropriate to do so.

Securities Filings
The Investment Manager or a given Sub-Adviser may, in its sole discretion (as applicable), elect to cause a Fund to (i) refrain from entering into a transaction to purchase that it may otherwise have caused a Fund to enter into or (ii) sell an instrument that a Fund presently holds, if such transaction or the continued ownership of such instrument would cause a Fund, the Investment Manager, a Sub-Adviser and/or any of their affiliates to make a governmental or regulatory filing. Any such election may cause a Fund to (a) forego an investment opportunity that the Investment Manager or a Sub-Adviser had determined may otherwise generate a profit for such Fund and/or (b) incur additional expenses, including without limitation, brokerage and/or legal fees.

Preferred Stock
Investment in preferred stocks involves certain risks. Preferred stocks often are subject to legal provisions that allow for redemption in the event of certain tax or legal changes or at the issuer's call. In the event of redemption, a Fund may not be able to reinvest the proceeds at comparable rates of return. Preferred stocks are subordinated to bonds and other debt securities in an issuer's capital structure in terms of priority for corporate income and liquidation payments, and therefore will be subject to greater credit risk than those debt securities. Preferred stocks may trade less frequently and in a more limited volume and may be subject to more abrupt or erratic price movements than many other securities, such as common stocks, corporate debt securities and U.S. government securities.

Foreign Currency Transactions and Currency Hedging Transactions
Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by the forces of supply and demand in the currency exchange markets, trade balances, the relative merits of investments in different countries, actual or perceived changes in interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and other complex factors. Currency exchange rates also can be affected unpredictably as a result of intervention (or the failure to intervene) by the U.S. or foreign governments, central banks, or supranational agencies such as the International Monetary Fund, or by currency or exchange controls or political and economic developments in the U.S. or abroad. Currencies in which a Fund's assets are denominated, or in which a Fund has taken a long position, may be devalued against other currencies, resulting in a loss to such Fund. Similarly, currencies in which a Fund has taken a short position may increase in value relative to other currencies, resulting in a loss to such Fund.

In addition, some currencies are illiquid (e.g., emerging country currencies), and each Fund may not be able to convert these currencies into its Base Currency, in which case a manager may decide to purchase its Base Currency in a parallel market where the exchange rate is materially and adversely different. Exchange rates for many currencies (e.g., emerging country currencies) are particularly affected by exchange control regulations.

Currency risk includes the risk that currencies in which a Fund's investments are traded and/or in which a Fund receives income, or currencies in which a Fund has taken an active investment position, will decline in value relative to other currencies. In the case of hedging positions, currency risk includes the risk that the currency to which a Fund has obtained exposure declines in value relative to the foreign currency being hedged. In such event, a Fund may realise a loss on the hedging instrument at the same time a Fund is realising a loss on the currency being hedged. Currency exchange rates fluctuate significantly for many reasons, including changes in supply and demand in the currency exchange markets, actual or perceived changes in interest rates, intervention (or the failure to intervene) by governments, central banks, or supranational agencies such as the International Monetary Fund, and currency controls or other political and economic developments.

In addition, derivative transactions in currencies (such as futures, forwards, options and swaps) may involve leveraging risk in addition to currency risk. The obligations of counterparties in currency derivative transactions may not be secured by collateral, which increases counterparty risk.

Currency Risks in Connection with Hedged Currency Classes
To limit currency exposure to Shareholders, hedged currency classes of Shares may be created which are intended to hedge the currency exposure of the currency of the class against the currency or currencies in which the assets of a Fund are denominated. Over-hedged or under-hedged positions may arise due to factors outside the control of the Manager. The hedged positions will be kept under review to ensure that: (i) over-hedged positions do not exceed 105% of the Net Asset Value of the relevant class of Shares; and (ii) under-hedged positions do not fall short of 95% of the hedged portion of the Net Asset Value of the relevant class of Shares, provided that if these limits are exceeded the Fund shall adopt as a priority objective the managing back of the hedge to within the limits taking due account of the interests of the Shareholders and provided further that the hedge must be re-weighted at least on a monthly basis and positions materially in excess of 100% must not be carried forward from month to month. There can be no guarantee that the target hedging level will be achieved or that the hedging strategy will be successful. The costs, gains and losses of the hedging transactions will be borne by the particular hedged Class Currency. To the extent that holders in hedged currency classes of Shares are protected against foreign exchange losses there is a similar reduction in the ability to achieve foreign exchange gains. To the extent that the hedging level of a hedged currency class of Shares exceeds 100%, the Shares of such class of Shares are exposed to additional currency fluctuation risk.

Financial Derivative Instruments
While the prudent use of FDI can be beneficial, FDIs also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments. Each Fund may enter transactions in OTC markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the Funds enter into credit default swaps and other swap arrangements and derivative techniques, they will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Funds could experience delays in liquidating the position and may incur a significant losses. There is also a possibility that ongoing derivative transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager or the Sub-Advisers, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

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

Since many FDIs 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 FDIs have the potential for unlimited loss regardless of the size of the initial investment. If there is a default by the other party to any such transaction, there will be contractual remedies; however, exercising such contractual rights may involve delays or costs which could result in the value of the total assets of the related portfolio being less than if the transaction had not been entered. The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Company's use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, the Company's investment objective. An adverse price movement in a derivative position may require cash payments of variation margin by the Company that might in turn require, if there is insufficient cash available in the portfolio, the sale of the Company's investments under disadvantageous conditions. Also, there are legal risks involved in using FDIs which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Futures

Investment in futures contracts involves risk. A Fund may invest in futures contracts on financial instruments (such as a U.S. government security or other fixed income security), individual equity securities ("single stock futures"), securities indices, interest rates, currencies, inflation indices and commodity indices that have been cleared by the Central Bank as acceptable indices for UCITS. Futures contracts on securities indices are referred to herein as "Index Futures." The purchase and sale of futures contracts may be used for speculative purposes.

A purchase or sale of futures contracts may result in losses in excess of the amount invested in the futures contract. If a futures contract is used for hedging, an imperfect correlation between movements in the price of the futures contract and the price of the security, currency, or other investment being hedged creates risk. Correlation is higher when the investment being hedged underlies the futures contract. Correlation is lower when the investment being hedged is different than the security, currency, or other investment underlying the futures contract, such as when a futures contract on an index of securities is used to hedge a single security, a futures contract on one security (e.g., U.S. Treasury bonds) is used to hedge a different security (e.g., a mortgage-backed security), or when a futures contract in one currency is used to hedge a security denominated in another currency. In the case of Index Futures and futures on commodity indices, changes in the price of those futures contracts may not correlate perfectly with price movements in the relevant index due to market distortions. In the event of an imperfect correlation between a futures position and the portfolio position (or anticipated position) intended to be hedged, a Fund may realise a loss on the futures contract at the same time such Fund is realising a loss on the portfolio position intended to be hedged. To compensate for imperfect correlations, a Fund may purchase or sell futures contracts in a greater amount than the hedged investments if the volatility of the price of the hedged investments is historically greater than the volatility of the futures contracts. Conversely, a Fund may purchase or sell fewer futures contracts if the volatility of the price of the hedged investments is historically less than that of the futures contract. The successful use of transactions in futures and related options for hedging also depends on the direction and extent of exchange rate, interest rate and asset price movements within a given time frame. For example, to the extent equity prices remain stable during the period in which a futures contract or option is held by a Fund investing in equity securities (or such prices move in a direction opposite to that anticipated), a Fund may realise a loss on the futures transaction, which is not fully or partially offset by an increase in the value of its portfolio securities. As a result, a Fund's total return for such period may be less than if it had not engaged in the hedging transaction.

All participants in the futures market are subject to margin deposit and maintenance requirements. Instead of meeting margin calls, investors may close futures contracts through offsetting transactions, which could distort normal correlations. The margin deposit requirements in the futures market are less onerous than margin requirements in the securities market, allowing for more speculators who may cause temporary price distortions. Trading hours for foreign stock Index Futures may not correspond perfectly to the trading hours of the foreign exchange to which a particular foreign stock Index Future relates. As a result, the lack of continuous arbitrage may cause a disparity between the price of foreign stock Index Futures and the value of the relevant index. The banks and dealers that provide financing to Sub-Advisers can apply essentially discretionary margin, haircut, financing and collateral valuation policies. Changes by banks and dealers in any of the foregoing may result in large margin calls, loss of financing and forced liquidation of positions at potentially disadvantageous prices.

A Fund may purchase futures contracts (or options on them) as an anticipatory hedge against a possible increase in the price of a currency in which securities such Fund anticipates purchasing is denominated. In such instances, the currency may instead decline. If a Fund does not then invest in those securities, such Fund may realise a loss on the futures contract that is not offset by a reduction in the price of the securities purchased.

In the United States, futures contracts are traded only on commodity exchanges or boards of trade - known as "contract markets" - approved by the CFTC, and must be executed through a futures commission merchant or brokerage firm that is a member of the relevant market. A Fund may also purchase futures contracts on foreign exchanges or similar entities, which are not regulated by the CFTC and may not be subject to the same degree of regulation as the U.S. contract markets. Certain markets for futures positions may be thinly traded from time to time.

A Fund's ability to engage in the futures and options on futures strategies described above depends on the liquidity of the markets in those instruments. Trading interest in various types of futures and options on futures cannot be predicted. Therefore, no assurance can be given that a Fund will be able to utilise these instruments at all or that their use will be effective. In addition, there can be no assurance that a liquid market will exist at a time when a Fund seeks to close out a futures or option on a futures contract position, and such Fund would remain obligated to meet margin requirements until the position is closed. The liquidity of a secondary market in a futures contract may be adversely affected by "daily price fluctuation limits" established by commodity exchanges to limit the amount of fluctuation in a futures contract price during a single trading day. Once the daily limit has been reached, no trades of the contract may be entered at a price beyond the limit, thus preventing the liquidation of open futures positions. In the past, prices have exceeded the daily limit on several consecutive trading days. Short (and long) positions in Index Futures or futures on commodity indices may be closed only by purchasing (or selling) a futures contract on the exchange on which the Index Futures or future on commodity indices, as applicable, are traded. Certain markets for futures positions may be thinly traded from time to time.

As discussed above, if a Fund purchases or sells a futures contract, it is only required to deposit initial and variation margin as required by relevant CFTC regulations and the rules of the contract market. The Fund's net assets will generally fluctuate with the value of the security or other instrument underlying a futures contract as if it were already in the Fund's portfolio. Futures transactions can have the effect of investment leverage. Furthermore, if a Fund combines short and long positions, in addition to possible declines in the values of its investment securities, the Fund will incur losses if the index underlying the long futures position underperforms the index underlying the short futures position.

In addition, if a Fund's futures brokers become bankrupt or insolvent, or otherwise default on their obligations to such Fund, the Fund may not receive all amounts owing to it in respect of its trading, despite the futures clearinghouse fully discharging all of its obligations. Furthermore, in the event of the bankruptcy of a futures broker, a Fund could be limited to recovering only a pro rata share of all available funds segregated on behalf of the futures broker's combined customer accounts, even though certain property specifically traceable to such Fund was held by the futures broker.

The Fund's ability to engage in futures and options on futures transactions may be limited by tax considerations.

Options

There are various risks associated with transactions in exchange-traded and OTC options. The value of options written by a Fund will be affected by many factors, including changes in the value of underlying securities or indices, changes in the dividend rates of underlying securities (or in the case of indices, the securities comprising such indices), changes in interest rates, changes in the actual or perceived volatility of the stock market and underlying securities, and the remaining time to an option's expiration. The value of an option also may be adversely affected if the market for the option is reduced or becomes less liquid. In addition, since an American style option allows the holder to exercise its rights any time prior to expiration of the option, the writer of an American style option has no control over the time when it may be required to fulfil its obligations as a writer of the option. This risk is not present when writing a European style option since the holder may only exercise the option on its expiration date.

The Funds' ability to use options as part of their investment programs depends on the liquidity of the markets in those instruments. In addition, there can be no assurance that a liquid market will exist when a Fund seeks to close out an option position. If a Fund were unable to close out an option that it had purchased on a security, it would have to exercise the option in order to realise any profit or the option may expire worthless. As the writer of a call option on a portfolio security, during the option's life, a Fund foregoes the opportunity to profit from increases in the market value of the security underlying the call option above the sum of the premium and the strike price of the call, but retains the risk of loss (net of premiums received) should the price of the underlying security decline. Similarly, as the writer of a call option on a securities index, a Fund foregoes the opportunity to profit from increases in the index over the strike price of the option, though it retains the risk of loss (net of premiums received) should the price of the securities index decline. If a Fund writes a call option and does not hold the underlying security or instrument, the amount of the Fund's potential loss is theoretically unlimited. See Schedule III for details of situations in which a Fund may seek to cover exposure under a call option (written by the Fund) other than by holding the underlying asset.

An exchange-traded option may be closed out by means of an offsetting transaction only on a securities exchange (an "Exchange"), which provides a secondary market for an option of the same series. If a liquid secondary market for an exchange-traded option does not exist, a Fund might not be able to effect an offsetting closing transaction for a particular option. Reasons for the absence of a liquid secondary market on an Exchange include the following: (i) insufficient trading interest in some options; (ii) restrictions by an Exchange on opening or closing transactions, or both; (iii) trading halts, suspensions, or other restrictions on particular classes or series of options or underlying securities; (iv) unusual or unforeseen interruptions in normal operations on an Exchange; (v) inability to handle current trading volume; or (vi) discontinuance of options trading (or trading in a particular class or series of options) (although outstanding options on an Exchange that were issued by the Options Clearing Corporation should continue to be exercisable in accordance with their terms). In addition, the hours of trading for options on an Exchange may not conform to the hours during which the securities held by a Fund are traded. To the extent that the options markets close before the markets for the underlying securities, significant price and rate movements can take place in the underlying markets that may not be reflected in the options markets.

The Exchanges generally have established limits on the maximum number of options an investor or group of investors acting in concert may write. A Fund, the Investment Manager, and other clients of the Investment Manager may constitute such a group as could an Eligible Collective Investment Scheme and/or other clients of a Sub-Adviser. These limits could restrict a Fund's ability to purchase or sell options on a particular security.

An OTC option may be closed only with the counterparty, although either party may engage in an offsetting transaction that puts that party in the same economic position as if it had closed out the option with the counterparty; however, the exposure to counterparty risk may differ.

Swap Contracts

There are risks involved in investment in swap contracts, OTC options and other two-party contracts. A Fund may only close out a swap or a contract for differences with its particular counterparty. Furthermore, a Fund may only transfer a position with the consent of that counterparty. If the counterparty defaults, a Fund will have contractual remedies, but there can be no assurance that the counterparty will be able to meet its contractual obligations or that the Fund will be able to enforce its rights. Because the contract for each OTC derivatives transaction is individually negotiated with a specific counterparty, a Fund is subject to the risk that a counterparty may interpret contractual terms (e.g., the definition of default) differently than such Fund. The cost and unpredictability of the legal proceedings required for the Fund to enforce its contractual rights may lead it to decide not to pursue its claims against the counterparty. The Funds, therefore, assume the risk that they may be unable to obtain payments the Investment Manager or Sub-Advisers believe are owed to them under an OTC derivatives contract or that those payments may be delayed or made only after the applicable Funds have incurred the costs of litigation. In addition, counterparty risk is pronounced during unusually adverse market conditions and is particularly acute in environments in which financial services firms are exposed to systemic risks of the type evidenced by the insolvency of Lehman Brothers in 2008 and subsequent market disruptions.

The credit rating of a counterparty may be adversely affected by greater-than-average volatility in the markets, even if the counterparty's net market exposure is small relative to its capital. Counterparty risk with respect to OTC derivatives may be further complicated by recently enacted U.S. financial reform legislation. A Fund's ability to enter into these transactions may be affected by tax considerations.

Use of Total Return Swaps to Gain Synthetic Exposure to an Investment Strategy or Instrument

Shareholders should note that the Investment Manager or a Sub-Adviser may obtain synthetic exposure to investment strategies through the use of one or more total return swaps through which a Fund makes payments to a counterparty (at either a fixed or variable rate) in exchange for receiving from the counterparty payments that reflect the return of a "basket" of securities, derivatives, or derivative on a particular index sponsored by a third-party institution identified by the Investment Manager or a Sub-Adviser. The total return swap, and fees and expenses relating to the swap (including administrative and other fees charged by the counterparty and management and/or performance fees associated with the index), typically would be based on a notional amount. A Fund would not bear any fees or expenses relating to a total return swap directly; instead, those fees and expenses will reduce the return that the Fund earns from investing in the total return swap.

In addition to the risks involved in investment in swap contracts generally, Shareholders should note that a Fund could potentially be indirectly exposed to additional risks through this use of total return swaps to obtain synthetic exposure to additional investment strategies. The underlying "basket" of securities, derivatives, or commodity interests on which such total return swaps are based may include a broad range of instruments, markets and asset classes, which may include, but are not limited to, equity securities, fixed income securities, and derivative and commodity instruments. There is no limit on the amount of exposure a Fund may have to any specific asset class, market sector, or instrument as a result of its investment in total return swaps.

Counterparty Credit Risk

The stability and liquidity of many derivative transactions depends in large part on the creditworthiness of the parties to the transactions. If a counterparty to such a transaction defaults, exercising contractual rights may involve delays or costs for a Fund. Furthermore, there is a risk that a counterparty could become the subject of insolvency proceedings, and that the recovery of securities and other assets from such counterparty will be delayed or be of a value less than the value of the securities or assets originally entrusted to such counterparty.

Additional Risks of Options on Securities, Futures Contracts, and Options on Futures Contracts Traded on Foreign Exchanges

Options on securities, futures contracts, options on futures contracts, and options on currencies may be traded on foreign exchanges. Such transactions may not be regulated as effectively as similar transactions in the United States (which are regulated by the CFTC) and may be subject to greater risks than trading on domestic exchanges. For example, some foreign exchanges may be principal markets so that no common clearing facility exists and a trader may look only to the broker for performance of the contract. The lack of a common clearing facility creates counterparty risk. If a counterparty defaults, a Fund normally will have contractual remedies against that counterparty, but may be unsuccessful in enforcing those remedies. When seeking to enforce a contractual remedy, a Fund also is subject to the risk that the parties may interpret contractual terms (e.g., the definition of default) differently. Counterparty risk is greater for derivatives with longer maturities where events may intervene to prevent settlement. Counterparty risk is also greater when a Fund has concentrated its derivatives with a single or small group of counterparties as it sometimes does as a result of its use of swaps and other OTC derivatives. To the extent a Fund has significant exposure to a single counterparty, this risk will be particularly pronounced for such Fund. If a dispute occurs, the cost and unpredictability of the legal proceedings required for a Fund to enforce its contractual rights may lead such Fund to decide not to pursue its claims against the counterparty. The Funds thus assume the risk that they may be unable to obtain payments owed under foreign futures contracts or that those payments may be delayed or made only after the Funds have incurred the costs of litigation. In addition, unless a Fund hedges against fluctuations in the exchange rate between the currencies in which trading is done on foreign exchanges and other currencies, any profits that such Fund might realise in trading could be offset (or worse) by adverse changes in the exchange rate. The value of foreign options and futures may also be adversely affected by other factors unique to foreign investing.

Forward Contracts

Forward contracts involve a number of the same characteristics and risks as futures contracts but there are also several differences. Forward contracts are not market traded. They settle only on the pre-determined settlement date. This can result in deviations between forward prices and futures prices, especially in circumstances where interest rates and futures prices are positively correlated. Second, in the absence of exchange trading and involvement of clearing houses, there are no standardised terms for forward contracts. Accordingly, the parties are free to establish such settlement times and underlying amounts of a security or currency as deemed desirable in a contractual agreement, which may vary from the standardised provisions available through any futures contract. In addition, because of the low margin deposits normally required in forward trading, a high degree of leverage is typical of a forward trading account. As a result, a relatively small price movement in a forwards contract may result in substantial losses to the Fund. The banks and dealers that provide financing to Managers can apply essentially discretionary margin, haircut, financing and collateral valuation policies. Changes by banks and dealers in any of the foregoing may result in large margin calls, loss of financing and forced liquidation of positions at potentially disadvantageous prices. Finally, forward contracts, as two party obligations that are not generally collateralised and for which there is no secondary market, involve counterparty credit risk generally not present with futures. If a forward contract is used for hedging, an imperfect correlation between movements in the price of the forward contract and the price of the security, currency or other investment being hedged creates risk.

Repurchase Agreements, Reverse Repurchase Agreements and Similar Transactions
Each Fund bears the risk of a seller's failure to meet its obligation to pay the repurchase price when it is required to do so. Such a default may subject a Fund to expenses, delays, and risks of loss including: (i) possible declines in the value of the underlying security while a Fund seeks to enforce its rights thereto, (ii) possible reduced levels of income and lack of access to income during this period, and (iii) the inability to enforce its rights and the expenses involved in attempted enforcement. Entering into repurchase agreements entails certain risks, which include the risk that the counterparty to the repurchase agreement may not be able to fulfil its obligations, as discussed above, that the parties may disagree as to the meaning or application of contractual terms, or that the instrument may not perform as expected.

Reverse repurchase agreements and similar transactions involve the risk that the market value of the securities purchased by a Fund with the cash proceeds received may decline below the price of the securities which such Fund sold but is obligated to repurchase under the agreement. In the event the buyer of securities under a reverse repurchase agreement or similar transaction files for bankruptcy or becomes insolvent, a Fund's use of the proceeds from the sale of its securities may be restricted pending a determination by the other party or its trustee or receiver whether to enforce such Fund's obligation to repurchase the securities. Furthermore, in that situation such Fund may be unable to recover the securities it sold in connection with a reverse repurchase agreement and as a result would realise a loss equal to the difference between the value of the securities and the payment it received for them. This loss would be greater to the extent the buyer paid less than the value of the securities a Fund sold to it (e.g., a buyer may only be willing to pay $95 for a bond with a market value of $100). A Fund's use of reverse repurchase agreements also subjects such Fund to interest costs based on the difference between the sale and repurchase price of a security involved in such a transaction.

Additionally, reverse repurchase agreements entail the same risks as OTC derivatives. These include the risk that the counterparty to the reverse repurchase agreement may not be able to fulfil its obligations, as discussed above, that the parties may disagree as to the meaning or application of contractual terms, or that the instrument may not perform as expected.

Warrants and Rights
Risks associated with the use of warrants and rights are generally similar to risks associated with the use of options. Unlike most options, however, warrants and rights are issued in specific amounts, and warrants generally have longer terms than options. Warrants and rights are not likely to be as liquid as exchange-traded options backed by a recognised clearing agency. In addition, the terms of warrants or rights may limit a Fund's ability to exercise the warrants or rights at such time, or in such quantities, as such Fund would otherwise wish. Warrants and rights related to SPACs are subject to the risk that, if an acquisition or merger that meets the requirements for the SPAC is not completed within a pre-established period of time, the invested funds are returned to the entity's shareholders, less certain permitted expenses, and any rights or warrants issued by the SPAC will expire worthless. To the extent a Fund holds the warrants and rights issued by a SPAC until completion of a transaction, a Fund is exposed to greater risk of loss if a transaction does not close within the pre-established period of time.

Securities Lending
Each Fund may have to put up collateral in connection with secured loans of portfolio securities. There is a risk that the collateral held by a Fund may decline in value and this risk will be borne by

the Fund, which will be required to re-purchase the securities lent at the agreed repurchase price. In the case of loans collateralised by cash, the lender typically pays a fee to the borrower. Although voting rights or rights to consent with respect to the loaned securities pass to the borrower, the lender retains the right to call the loans at any time on reasonable notice, and it will do so in order that the securities may be voted by the lender if the holders of such securities are asked to vote upon or consent to matters materially affecting the investment. However, each Fund bears the risk of delay in the return of the security, which may affect its ability to exercise its voting rights attaching to such security. A Fund may also call such loans in order to sell the securities involved. The Investment Manager would expect to engage a lending agent, on behalf of the relevant Fund, that would be compensated based on a percentage of the return of such Fund with respect to the transactions handled by such lending agent. Such lending agent may be an affiliate of the Depositary. A Fund would also pay various fees in connection with such loans including shipping fees and reasonable custodian fees.

European Market Infrastructure Regulation

A Fund may enter into OTC derivative contracts. The European Market Infrastructure Regulation establishes certain requirements for OTC derivatives contracts including mandatory clearing obligations, bilateral risk management requirements and reporting requirements. Although not all the regulatory technical standards specifying the risk management procedures, including the levels and type of collateral and segregation arrangements, required to give effect to the European Market Infrastructure Regulation have been phased in and it is therefore not possible to be definitive as to what the precise implications will be, investors should be aware that certain provisions of the European Market Infrastructure Regulation impose obligations on each Fund in relation to its transactions of OTC derivative contracts.

The potential implications of the European Market Infrastructure Regulation for the Funds include, without limitation, the following:

(i) clearing obligation: certain standardised OTC derivative transactions will be subject to mandatory clearing through a central counterparty (a "CCP"). Clearing derivatives through a CCP may result in additional costs and may be on less favourable terms than would be the case if such derivative was not required to be centrally cleared;

(ii) risk mitigation techniques: for those of its OTC derivatives which are not subject to central clearing, the Fund will be required to put in place risk mitigation requirements, which include the collateralisation of all OTC derivatives. These risk mitigation requirements may increase the cost to the Fund of pursuing its investment strategies (or hedging risks arising from their investment strategies);

(iii) reporting obligations: each of the Fund's derivative transactions must be reported to a trade repository registered or recognised under the European Market Infrastructure Regulation or, where such a trade repository is not available to record the details of a derivative contract, to ESMA. This reporting obligation may increase the costs to the Fund of utilising derivatives; and

(iv) risk of sanction by the Central Bank in the case of non-compliance with the EMIR obligations.

European Benchmark Regulation and other Benchmark Disclosures

Regulation (EU) 2016/1011 (the "Benchmark Regulation") applies principally to "administrators" and also, in some respects, to "contributors" and certain "users" of "benchmarks" which in certain circumstances can include investment funds such as a Fund.

The Benchmark Regulation among other things: (i) requires benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and make significant changes to the way in which benchmarks falling within scope of the Benchmark Regulation are governed (including reforms of governance and control arrangements, obligations in relation to input data, certain transparency and record-keeping requirements and detailed codes of conduct for contributors) and (ii) prevents certain uses of "benchmarks" provided by unauthorised administrators by supervised entities in the EU. The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices, could also potentially apply to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue, financial contracts and investment funds.

Potential effects of the Benchmark Regulation include (among other things): an index which is a "benchmark" could not be used by a supervised entity in certain ways if such index's administrator does not obtain authorisation or, if based in a non-European Union jurisdiction, the administrator is not otherwise recognised as equivalent; and the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could (among other things) have the effect of reducing or increasing the rate or level, or affecting the volatility, of the published rate or level of the benchmark.

The benchmark administrator for any benchmark "used" by a Fund within the meaning of the Benchmark Regulation (a "Benchmark") has: (a) been included in the register maintained by ESMA under the Benchmarks Regulation; or (b) has been exempted from this requirement.

The Investment Manager and/or a Sub-Adviser may receive a performance fee in respect of certain Classes of Shares based upon the amount by which a Fund out-performs a Benchmark. Benchmarks may be discontinued if they do not comply with the requirements of the Benchmark Regulation, or if the administrator of the benchmark either fails to apply for authorisation or is refused authorisation by its home regulator. If a Benchmark will cease to exist or will change materially, the Investment Manager will identify a suitable replacement benchmark for consideration and approval by the Board, to the extent necessary, and will ensure that the performance fee calculation methodology is amended as appropriate. If no suitable replacement is identified then the performance fee methodology will be amended to remove the reference as appropriate. Any changes to the performance fee methodology that affect the disclosures in the Prospectus or the relevant Supplement will be reflected in an updated Prospectus or Supplement in accordance with the requirements of the Central Bank.

If any proposed changes when implemented change the way in which a Benchmark is calculated, this could adversely affect the relevant Fund's profitability, Net Asset Value and Share price.

Please refer to the relevant Supplement for details of any such Benchmark for a Fund. In addition, a Supplement may include disclosure in relation to indices or other measures against which a Fund's performance may be compared.

Mortgage-Backed Securities

Mortgage-backed securities (residential and commercial) are subject to varying degrees of credit risk, depending on whether they are issued by agencies or instrumentalities of the U.S. government (including those whose securities are neither guaranteed nor insured by the U.S. government) or by non-governmental issuers. Securities issued by private organisations may not be readily marketable, and since the deterioration of worldwide economic and liquidity conditions, mortgage-backed securities have been subject to greater liquidity risk. These conditions may occur again. Also, government actions and proposals affecting the terms of underlying home loans, changes in demand for products (e.g., automobiles) financed by those loans, and the inability of borrowers to refinance existing loans (e.g., subprime mortgages), have had, and may continue to have, adverse valuation and liquidity effects on mortgage-backed securities. Although liquidity of mortgage-backed securities has improved recently, there can be no assurance that in the future the market for mortgage-backed securities will continue to improve and become more liquid. In addition, mortgage-backed securities are subject to the risk of loss of principal if the obligors of the underlying obligations default on their payment obligations, and to certain other risks described in the section entitled "Risk Factors - Asset-Backed Securities". The risk of defaults associated with mortgage-backed securities is generally higher in the case of mortgage-backed investments that include sub-prime mortgages.

Prepayments occur when the mortgagor on an individual mortgage loan prepays principal before a scheduled payment date under the terms of the loan. Unscheduled prepayments of the underlying mortgage loans may result in early payment of the applicable mortgage-backed securities held by a Fund. A Fund may be unable to invest prepayments in an investment that provides as high a yield as the mortgage-backed securities. Consequently, early payment associated with mortgage-backed securities may cause these securities to experience significantly greater price and yield volatility than traditional fixed income securities. Many factors affect the rate of mortgage loan prepayments, including changes in interest rates, general economic conditions, further deterioration of worldwide economic and liquidity conditions, the location of the property underlying the mortgage, the age of the mortgage loan, governmental action, including legal impairment of underlying home loans, changes in demand for products financed by those loans, the inability of borrowers to refinance existing loans (e.g., sub-prime mortgages), and social and demographic conditions. During periods of falling interest rates, the rate of mortgage loan prepayments usually increases, which tends to decrease the life of mortgage-backed securities. During periods of rising interest rates, the rate of mortgage loan prepayments usually decreases, which tends to increase the life of mortgage-backed securities.

Mortgage-related securities include mortgage pass-through securities, collateralised mortgage obligations ("CMOs") (CMOs are debt obligations of a legal entity that are collateralised by mortgage. They are typically rated by a rating agency and registered with the SEC and are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including pre-payments), commercial mortgage-backed securities, mortgage dollar rolls, CMO residuals (which are mortgage securities issued by agencies or instrumentalities of the US government or by private Originators of, or investors in, mortgage loans, including savings and loan associations, homebuilders, mortgage banks, commercial banks, investment banks, partnerships, trusts and special purpose entities of the foregoing), stripped mortgage-backed securities ("SMBSs"), residential mortgage-backed securities ("RMBS"), commercial mortgage-backed securities ("CMBS"), and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property.

The value of some mortgage-backed securities may be particularly sensitive to changes in prevailing interest rates. Early repayment of principal on some mortgage-related securities may expose a Fund to a lower rate of return upon reinvestment of principal. When interest rates rise, the value of a mortgage-related security generally will decline; however, when interest rates are declining, the value of mortgage-related securities with prepayment features may not increase as much as other fixed income securities. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may shorten or extend the effective maturity of the security beyond what was anticipated at the time of purchase. If unanticipated rates of prepayment on underlying mortgages increase the effective maturity of a mortgage-related security, the volatility of the security can be expected to increase. The value of these securities may fluctuate in response to the market's perception of the creditworthiness of the issuers. Additionally, although mortgages and mortgage-related securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that private guarantors or insurers will meet their obligations.

One type of SMBS has one class receiving all of the interest from the mortgage assets (the interest-only, or "IO" class), while the other class will receive all of the principal (the principal-only, or "PO" class). The yield to maturity on an IO class is extremely sensitive to the rate of principal payments (including prepayments) on the underlying mortgage assets, and a rapid rate of principal payments may have a material adverse effect on a Fund's yield to maturity from these securities.

RMBS represent interests in pools of residential mortgage loans secured by one to four family residential mortgage loans. RMBS are particularly susceptible to prepayment risks, as they generally do not contain prepayment penalties and a reduction in interest rates will increase the prepayments on the RMBS. The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the geographic area where the mortgaged property is located, the terms of the mortgage loan, the borrower's equity in the mortgaged property, and the financial circumstances of the borrower. Certain mortgage loans may be of sub-prime credit quality (i.e., do not meet the customary credit standards of Fannie Mae and Freddie Mac). Delinquencies and liquidation proceedings are more likely with sub-prime mortgage loans than with mortgage loans that satisfy customary credit standards. If a portfolio of RMBS is backed by loans with disproportionately large aggregate principal amounts secured by properties in only a few states or regions in the United States, residential mortgage loans may be more susceptible to geographic risks relating to such areas. Violation of laws, public policies, and principles designed to protect consumers may limit the servicer's ability to collect all or part of the principal or interest on a residential mortgage loan, entitle the borrower to a refund of amounts previously paid by it, or subject the servicer to damages and administrative enforcement. Any such violation could also result in cash flow delays and losses on the related issue of RMBS. It is not expected that RMBS will be guaranteed or insured by any U.S. governmental agency or instrumentality or by any other person. Distributions on RMBS will depend solely upon the amount and timing of payments and other collections on the related underlying mortgage loans.

CMBS represents interests in pools of mortgage loans secured by commercial properties. Mortgage loans on commercial properties often are structured so that a substantial portion of the loan principal is not amortised over the loan term but is payable at maturity (as a "balloon payment"), and repayment of a significant portion of loan principal thus often depends upon the future availability of real estate financing and/or upon the value and saleability of the real estate at the relevant time. Therefore, the unavailability of real estate financing may lead to default on the mortgage loan. Most commercial mortgage loans underlying CMBS are effectively nonrecourse obligations of the applicable borrowers, meaning that there is no recourse against a borrower's assets other than the specific property encumbered as security. If borrowers are not able or willing to refinance or dispose of the encumbered property to pay the principal and interest owed on such mortgage loans, payments on the related CMBS (particularly subordinated classes of CMBS) will likely be adversely affected. The ultimate extent of the loss, if any, to the classes of CMBS may only be determined after a negotiated discounted settlement, restructuring or sale of the mortgage note, or the foreclosure (or deed-in-lieu of foreclosure) of the mortgage encumbering the property and subsequent liquidation of the property. Foreclosure can be costly and delayed by litigation and/or bankruptcy. Factors such as the property's location, the legal status of title to the property, its physical condition and financial performance, environmental risks and governmental disclosure requirements with respect to the condition of the property may make a third-party unwilling to purchase the property at a foreclosure sale or to pay a price sufficient to satisfy the obligations with respect to the related CMBS. Revenues from the assets underlying a commercial mortgage loan and related CMBS may be retained by the borrower and/or used to make payments to others, maintain insurance coverage, pay taxes or pay maintenance costs. Such diverted revenues generally are not recoverable without a court-appointed receiver to control cash flow from the collateral. The holder of CMBS does not have a contractual relationship with the borrowers of the underlying commercial mortgage loans and typically has no right directly to enforce compliance by the borrowers with the terms of the loan agreements, nor any rights of set-off against the borrowers, nor will it have the right to object to certain changes to the underlying loan agreements, nor to move directly against the collateral supporting the related loans.

Subordinated classes of CMBS, which involve greater credit risk, tend to be less liquid and may be more difficult to value than senior classes of CMBS. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may substantially decrease the liquidity and value of subordinated CMBS, especially in a thinly traded market. Subordinated classes of CMBS may include lower-rated or unrated securities that are considered speculative with respect to the issuer's continuing ability to pay principal and interest in accordance with their terms.

Asset-Backed Securities

These securities may be subject to risks associated with the default of obligors, changes in interest rates and prepayment of underlying obligations similar to the risks of investment in mortgage-backed securities described in the section entitled "Risk Factors – Mortgage-Backed Securities".

Additionally, since the deterioration of worldwide economic and liquidity conditions that became acute in 2008, asset-backed securities have been subject to greater liquidity risk.

Payment of interest on asset-backed securities and repayment of principal largely depends on the cash flows generated by the underlying assets backing the securities and, in certain cases, may be supported by letters of credit, surety bonds, or other credit enhancements. The amount of market risk associated with asset-backed securities depends on many factors, including the deal structure (i.e., determination as to the amount of underlying assets or other support needed to produce the cash flows necessary to service interest and make principal payments), the quality of the underlying assets, the level of credit support, if any, provided for the securities, and the credit quality of the credit-support provider, if any. Asset-backed securities involve risk of loss of principal if obligors of the underlying obligations default in payment of the obligations and the defaulted obligations exceed the securities' credit support. This risk is particularly acute in circumstances in which the Fund is invested in securities which occupy the lower-rated tranches of an issuer and are subordinated to the more senior tranches in an issuer's capital structure in terms of priority for principal, interest and other payments. Those lower-rated securities may therefore be subject to greater credit risk than the more senior securities of that issuer.

The obligations of issuers (and obligors of underlying assets) also are subject to bankruptcy, insolvency and other laws affecting the rights and remedies of creditors. In addition, the existence of insurance on an asset-backed security does not guarantee that principal and/or interest will be paid because the insurer could default on its obligations. In recent years, a significant number of asset-backed security insurers have defaulted on their obligations.

The value of an asset-backed security may be affected by the factors described above and other factors, such as the availability of information concerning the pool and its structure, the creditworthiness of the servicing agent for the pool, the Originator of the underlying assets, or the entities providing the credit enhancement. The value of asset-backed securities also can depend on the ability of their servicers to service the underlying collateral and is, therefore, subject to risks associated with servicers' performance. In some circumstances, a servicer's or Originator's mishandling of documentation related to the underlying collateral (e.g., failure to properly document a security interest in the underlying collateral) may affect the rights of the security holders in and to the underlying collateral. In addition, the insolvency of entities that generate receivables or that utilise the underlying assets may result in a decline in the value of the underlying assets as well as costs and delays.

Certain types of asset-backed securities present additional risks that are not presented by mortgage-backed securities. In particular, certain types of asset-backed securities may not have the benefit of a security interest in the related assets. For example, many securities backed by credit-card receivables are unsecured. In addition, a Fund may invest in securities backed by pools of corporate or sovereign bonds, bank loans made to corporations, or a combination of these bonds and loans, many of which may be unsecured (commonly referred to as "collateralised debt obligations" or "collateralised loan obligations") (see "Risk Factors - Collateralised Debt Obligations"). Even when security interests are present, the ability of an issuer of certain types of asset- backed securities to enforce those interests may be more limited than that of an issuer of mortgage-backed securities. For instance, automobile receivables generally are secured, but by automobiles rather than by real property. Most issuers of automobile receivables permit loan servicers to retain possession of the underlying assets. In addition, because of the large number of underlying vehicles involved in a typical issue of asset-backed securities and technical requirements under law, the trustee for the holders of the automobile receivables may not have a proper security interest in all of the automobiles. Therefore, recoveries on repossessed automobiles may not be available to support payments on these securities.

In addition, certain types of asset-backed securities may experience losses on the underlying assets as a result of certain rights provided to consumer debtors under U.S. federal and state law. In the case of certain consumer debt, such as credit-card debt, debtors are entitled to the protection of a number of state and federal consumer credit laws, many of which give such debtors the right to set off certain amounts owed on their credit-cards (or other debt), thereby reducing their balances due. For instance, a debtor may be able to offset certain damages for which a court has determined that the creditor is liable to the debtor against amounts owed to the creditor by the debtor on his or her credit-card.

Loan Participations

The Fund may invest in floating rate commercial loans arranged through private negotiations between a corporation or other type of entity and one or more financial institutions (“Lender”). Such investment is expected to be in the form of participations in, or assignment of, the loans (“Participations”). The Participations shall be liquid and will provide for interest rate adjustments at least every 397 days. They are subject to the risk of default by the underlying borrower and in certain circumstances to the credit risk of the Lender if the Participation only provides for the Fund having a contractual relationship with the Lender, not the borrower. In connection with purchasing Participations, the Fund may have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan nor any rights of set-off against the borrower. Thus, the Fund may not directly benefit from any collateral supporting the loan in which it has purchased Participations. The Fund will purchase such Participations only through recognised, regulated dealers.

Exposure to Entities Which Use Margin Funding and Leverage

A Fund may obtain exposure to a Cayman fund entity (each an “Entity”) by investing (in accordance with the Fund’s investment policy) in SFI. Such instruments may provide the Fund with direct or indirect exposure to an Entity which uses financial derivative instruments which may or may not create leverage at the underlying Entity level to obtain an optimum return on their equity capital. Such Entities will also be subject to fees, ongoing expenses and other costs. The use of such techniques and the related costs may therefore increase the volatility or otherwise affect the returns of the Fund, as the Fund has an indirect exposure to such underlying instruments.

Securitisation Regulation

EU risk retention and due diligence requirements (the “EU Risk Retention Requirements”) have been in effect in Europe since 2011. These requirements are based on the indirect approach that requires various types of EU-regulated investors, including credit institutions, authorised alternative investment fund managers, investment firms and insurance and reinsurance undertakings (rather than the arrangers or Securitisation issuers) to satisfy themselves that certain Securitisation transactions they intend to invest in is compliant with the EU Risk Retention Requirements. Among other things, such requirements restrict a relevant investor from investing in Securitisations unless (i) that investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its investment position, the underlying assets and (in the case of certain types of investors) the relevant Originator, Sponsor or Original Lender and (ii) the Originator, Sponsor or Original Lender in respect of the relevant Securitisation has explicitly disclosed to the investor that it will retain, on an ongoing basis, a net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the EU Risk Retention Requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge on the securities acquired by the relevant investor.

On 17 January 2018, the new Securitisation Regulation came into force and applies across the EU from 1 January 2019. The Securitisation Regulation replaces the existing sector-specific approach to Securitisation regulation with a new set of rules that apply to all Securitisations. UCITS such as the Company are within scope of the Securitisation Regulation. Investors should be aware that there are material differences between the current EU risk retention requirements and the requirements which will apply under the Securitisation Regulation. The definition of “Securitisation” is intended to capture any transaction or scheme where the credit risk associated with an exposure or a pool of exposures is tranched. Essentially, the definition includes any investment with tranches or classes where payments in the transaction or scheme are dependent on the performance of the exposure or of the pool of exposures and the participation in losses differs between the tranches during the life of the transaction or scheme.

The Company must ensure that the Originator, Sponsor or Original Lender of a Securitisation retains at least a 5% net economic interest in the Securitisation. These rules will mean that the Investment Manager will need to conduct due diligence before an investment is made in a Securitisation Position and continue to perform due diligence during the period the investment continues in a Securitisation. Where a Fund is exposed to a Securitisation Position which does not meet the requirements of the Securitisation Regulation, the Company is required to, in the best interests of the Shareholders in the Fund, act and take corrective action, if appropriate.

The Securitisation Regulation applies to Securitisations the securities of which are issued on or after 1 January 2019 or which create new Securitisation Positions on or after that date. Pre-existing Securitisations will be required to continue to apply the rules in place (if any) immediately prior to the effective date of the Securitisation Regulation unless new securities are issued or new positions created. Though the Securitisation Regulation will apply to Securitisations the securities of which are issued on or after 1 January 2019, there can be no assurance as to whether the investments described herein made by a Fund will be affected by the Securitisation Regulation or any change thereto.

Corporate Debt Obligations
Each Fund may invest in corporate debt obligations and other forms of indebtedness, including commercial paper. Corporate debt obligations are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations (credit risk).

Collateralised Debt Obligations ("CDOs")
The risks of an investment in a CDO largely depend on the type of underlying collateral securities and the tranche in which a Fund invests. Each Fund may invest in any tranche of a CBO or CLO. Typically, CBOs, CLOs and other CDOs are privately offered and sold, and thus, are not registered under the securities laws. As a result, a Fund may characterise its investments in CDOs as less liquid, unless an active dealer market for a particular CDO allows the CDO to be purchased and sold in transactions under Rule 144A of the 1933 Act. However in all cases, the Fund will be required to ensure that the CDO securities are transferable securities within the meaning of the UCITS Regulations and, in particular, to demonstrate that the liquidity of the CDO securities does not compromise the ability of the Fund to satisfy redemption requests in accordance with Regulation 104(1) of the UCITS Regulations. CDOs are subject to the typical risks associated with debt instruments discussed elsewhere in this Prospectus, including interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates), default risk, prepayment risk, credit risk, liquidity risk, market risk, structural risk, and legal risk. The Fund may be invested in securities which occupy the lower-rated tranches of an issuer and are subordinated to the more senior tranches in an issuer's capital structure in terms of priority for principal, interest and other payments. Such securities will therefore be subject to greater credit risk than the more senior securities of that issuer.

Additional risks of CDOs include: (i) the possibility that distributions from collateral securities will be insufficient to make interest or other payments, (ii) the possibility that the quality of the collateral may decline in value or default, due to factors such as the availability of any credit enhancement, the level and timing of payments and recoveries on and the characteristics of the underlying receivables, loans or other assets that are being securitised, remoteness of those assets from the Originator or transferor, the adequacy of and ability to realise upon any related collateral and the capability of the servicer of the securitised assets, (iii) market and liquidity risks affecting the price of a structured finance investment, if required to be sold, at the time of sale, and (iv) if the particular structured product is invested in a security in which a Fund is also invested, this would tend to increase such Fund's overall exposure to the credit of the issuer of such securities, at least on an absolute, if not on a relative basis. In addition, due to the complex nature of a CDO, an investment in a CDO may not perform as expected. An investment in a CDO also is subject to the risk that the issuer and the investors may interpret the terms of the instrument differently, giving rise to disputes.

Investment via Bond Connect

It is anticipated that certain Funds may have exposure to Chinese bonds via the China Interbank Bond Market ("CIBM"). In addition to the general investment- and bond-related risks of investments including, in particular, the emerging market risks, the following are certain of the risks that relate to investments via Bond Connect:

China Interbank Bond Market Risk

A Fund may invest directly in Chinese bonds via the CIBM through brokers. In order to facilitate this, the Fund will make a filing with the People's Bank of China ("PBoC") and will appoint a local bond settlement agent which is qualified as a settlement agent in CIBM to provide it with trading and settlement agency service for bond transactions in CIBM. Investors should understand that the following is only intended to be a brief summary of the key risk factors associated with the relevant investments in the CIBM, rather than an exhaustive list of all the risks which may be involved in such investments.

Regulatory Risks with CIBM

Investment in the CIBM by the Fund is subject to regulatory risks. The relevant rules and regulations on investments in the CIBM (the "CIBM Investment Regulations") are subject to changes which may have potential retrospective effect. In the event that the relevant PRC authorities suspend accounts opening or trading in CIBM, the Fund's ability to invest in CIBM will be limited and, after exhausting other trading alternatives, the Fund may suffer a loss of the investment in the CIBM. In addition, any suspension to trading in CIBM may result in the Fund being unable to dispose of securities and may introduce difficulties in repatriating sales proceeds. In turn, this may increase liquidity risk. Moreover, although there is no quota restriction under the CIBM Investment Regulations, relevant information about the Fund's investments (such as the anticipated investment size and investment term) needs to be filed with PBoC and an updating filing will be required is there is any significant change to the filed information. It cannot be predicted whether PBoC will make any comments on or require any changes with respect to such information for the purpose of the filing. If so required, the Fund will need to follow PBoC instructions and make the relevant changes accordingly, which, may not be in the best interests of the Fund and the Shareholders from a commercial perspective.

Liquidity and Volatility with CIBM

Market volatility and potential lack of liquidity due to low trading volume of certain instruments in the CIBM may result in prices of such instruments traded on such market fluctuating significantly. In addition, certain instruments may rely on market makers to provide liquidity. The Fund investing in such instruments is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Fund may therefore incur significant trading and realisation costs in respect of the investment made in the CIBM and may even suffer losses when disposing of such investments.

Settlement Agent and Procedures for CIBM

An onshore trading and settlement agent shall be engaged to make the filing on behalf of the Fund and provide trading and settlement agency services to the Fund. To the extent that the Fund transacts in the CIBM, the Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The Fund is therefore subject to the risks of default or errors on the part of the onshore settlement agent. The counterparty which has entered into a transaction with the Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

Moreover, PBoC will exercise on-going supervision on the onshore settlement agent and the Fund's trading activities under the CIBM Investment Regulations. In the event of any non-compliance with these regulations by either the settlement agent or the Fund, PBoC may take relevant administrative actions such as suspension of trading and mandatory exit against the Fund. The Fund and the Shareholders may suffer substantial losses of the investment made in the CIBM due to such suspension or mandatory exit.

China Bond Connect

The Bond Connect is a bond trading link between China and Hong Kong which allows foreign institutional investors to invest in onshore Chinese Bond and other debt instruments traded on the CIBM. The Fund may invest directly in the instruments traded on the CIBM via the Bond Connect.

The Bond Connect is an initiative launched in July 2017 for mutual bond market access between Hong Kong and mainland China, established by China Foreign Exchange Trade System & National Interbank Funding Centre (CFETS), China Central Depositary & Clearing Co. Ltd, Shanghai Clearing House, Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit. Under the prevailing regulations in mainland China, eligible foreign investors may invest in the bonds traded on the CIBM through the northbound trading of the Bond Connect ("Northbound Trading Link"). There is no investment quota for the Northbound Trading Link.

Pursuant to the prevailing regulations in mainland China, an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit) must open omnibus nominee accounts with an onshore custody agent recognised by the PBoC (currently recognised onshore custody agents are the China Securities Depositary & Clearing Co. Ltd and Interbank Clearing Company Limited). All bonds traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such bonds as a nominee owner.

For investments via the Bond Connect, the relevant filings, registration with the PBoC and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent and/or other third parties. As such, the Fund is subject to the risks of default on the part of such third parties.

Issuer Risk

In the event of a default or credit rating downgrade of the issuers of the debt, the bonds' value will be adversely affected and investors may suffer a substantial loss as a result. The Fund may also encounter difficulties or delays in enforcing their rights against the issuer in relation to these bonds as the issuer is outside Hong Kong and subject to mainland Chinese laws.

Chinese treasury bonds and policy bank bonds are offered on an unsecured basis without collateral, and will rank equally with other unsecured debts of the relevant issuer (the Ministry of Finance of the PRC and the policy banks). As a result, if the issuer becomes bankrupt, proceeds from the liquidation of the issuer's assets will be paid to holders of treasury bonds and policy bank bonds only after all secured claims have been satisfied in full. The Fund will be fully exposed to the credit/insolvency risk of its treasury bonds and policy bank bonds issuer counterparties as an unsecured creditor.

Real Estate Investment Trusts

Each Fund may invest in REITs. REITs are subject to risks similar to those associated with direct ownership of real estate. Factors affecting real estate values include the supply of real property in particular markets, overbuilding, changes in zoning laws, casualty or condemnation losses, delays in completion of construction, changes in real estate values, changes in operations costs and property taxes, levels of occupancy, adequacy of rent to cover operating expenses, possible environmental liabilities, regulatory limitations on rent, fluctuations in rental income, increased competition and other risks related to local and regional market conditions. The value of real-estate related investments also may be affected by changes in interest rates, macroeconomic developments, and social and economic trends. For instance, during periods of declining interest rates, certain mortgage REITs may hold mortgages that the mortgagors elect to prepay, which prepayment may diminish the yield on securities issued by those REITs. Some REITs have relatively small market capitalisations, which can tend to increase the volatility of the market price of their securities.

In general, the value of a REIT's shares changes in light of factors affecting the real estate industry. REITs are also subject to the risk of fluctuations in income from underlying real estate assets, poor performance by the REIT's manager and the Investment Manager's inability to manage cash flows generated by the REIT's assets, prepayments and defaults by borrowers, self-liquidation, adverse changes in the tax laws, and, with regard to U.S. REITs, the risk of failing to qualify for tax-free pass-through of income under the U.S. Internal Revenue Code of 1986, as amended, and/or to maintain exempt status under the 1940 Act. Securities of such issuers may lack sufficient market liquidity to enable the Funds to effect sales at an advantageous time or without a substantial drop in price. Additionally, rising interest rates may cause REIT investors to demand a higher annual yield, which may, in turn, cause a decline in the market price of the equity securities issued by a REIT. Some REITs may utilise leverage, which increases investment risk and may potentially increase a Fund's losses.

By investing in REITs indirectly through a Fund, investors will bear not only their proportionate share of the expenses of such Fund, but also, indirectly, similar expenses of REITs. In addition, REITs depend generally on their ability to generate cash flow to make distributions to investors. Investments in REITs are subject to risks associated with the direct ownership of real estate.

Royalty Trusts
Royalty trusts are investment trusts whose securities are listed on a stock exchange and typically control underlying companies whose business relates to, without limitation, the acquisition, exploitation, production, and sale of oil and natural gas. A sustained decline in demand for crude oil, natural gas, and refined petroleum products could adversely affect income and royalty trust revenues and cash flows. Factors that could lead to a decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. A rising interest rate environment could adversely impact the performance of royalty trusts. Rising interest rates could limit the capital appreciation of royalty trusts because of the increased availability of alternative investments at more competitive yields.

Income Trusts
Income trusts typically hold income-producing assets such as debt instruments the income from which is passed on to the interestholders. Income trusts may be constituents of equity indices in, for example, the United States and Canada and in other jurisdictions. Interests in income trusts, depending on their structure, can be either transferable securities or units in collective investment schemes within the meaning of the UCITS Regulations.

Municipal Securities
Municipal obligations are issued by or on behalf of countries, states, territories and their political subdivisions, agencies and instrumentalities to obtain funds for various public purposes. Municipal obligations are subject to more credit risk than U.S. government securities that are supported by the full faith and credit of the United States. The ability of municipalities to meet their obligations will depend on the availability of tax and other revenues, economic, political and other conditions within the state and municipality, and the underlying fiscal condition of the state and municipality. As with other fixed income securities, municipal securities also expose their holders to market risk because their values typically change as interest rates fluctuate. The two principal classifications of municipal obligations are "notes" and "bonds."

Commodity-Related Investments
The Fund may invest in SFI or FDI which provide exposure to commodities. An SFI achieves this exposure through debt securities. An FDI provides exposure to eligible commodity indices whose

values are based on the value of an eligible commodity index or other readily-measurable economic variables dependent upon changes in the value of the commodities markets (“commodity-related FDI”). Commodity-related FDI are highly volatile and are influenced by factors such as changing supply and demand relationships, government programs and policies, national and international political and economic events and changes in interest rates.

The value of commodity-related FDI fluctuates based on changes in the values of the underlying commodity index (and, indirectly, the commodities underlying the index) or other economic variable to which they are related. Additionally, economic leverage will increase the volatility of these instruments as they may increase or decrease in value more quickly than the underlying commodity index or other relevant economic variable.

Commodity prices can be extremely volatile and may be directly or indirectly affected by many factors, including changes in overall market movements, real or perceived inflationary trends, commodity index volatility, decreases in production of a commodity or in the volume of a commodity available for transportation, processing, storage or distribution, changes in interest rates or currency exchange rates, population growth and changing demographics, and factors affecting a particular industry or commodity, such as drought, floods, or other weather conditions, depletion of natural reserves or deposits, terrorist or criminal activity, failures of infrastructure, livestock disease, trade embargoes, competition from substitute products, transportation bottlenecks or shortages, fluctuations in supply and demand, tariffs, and international regulatory, political, and economic developments (e.g., regime changes and changes in economic activity levels). In addition, some commodities are subject to limited pricing flexibility because of supply and demand factors, and others are subject to broad price fluctuations as a result of the volatility of prices for certain raw materials and the instability of supplies of other materials.

Actions of and changes in governments, and political and economic instability, in commodity-producing and -exporting countries may affect the production and marketing of commodities. In addition, commodity-related industries throughout the world are subject to greater political, environmental, and other governmental regulation than many other industries. Changes in government policies and the need for regulatory approvals may adversely affect the products and services of companies in the commodities industries. For example, the exploration, development, and distribution of coal, oil, and gas in the United States are subject to significant federal and state regulation, which may affect rates of return on coal, oil, and gas and the kinds of services that the federal and state governments may offer to companies in those industries. In addition, compliance with environmental and other safety regulations has caused many companies in commodity-related industries to incur production delays and significant costs. Government regulation may also impede the development of new technologies. The effect of future regulations affecting commodity-related industries cannot be predicted.

Short Selling
Each Fund may engage in synthetic short sales. A Fund will not physically short assets but instead will hold any short positions exclusively through FDI of the types referred to herein. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, selling securities short creates the risk of losing an amount greater than the amount invested and exposes the short seller to unlimited risk (at least theoretically). A synthetic short sale may result in a sudden and substantial loss if, for example, an acquisition proposal is made for the subject company at a substantial premium over the market price. Irrespective of the risk control objectives of a Fund’s multi-asset, multi-manager approach, such a high degree of leverage necessarily entails a high degree of risk. In the event that a Fund enters into an advisory agreement with the Investment Manager or the Investment Manager enters into a sub-adviser agreement with respect to a Fund that utilises leverage in its investment program, such Fund may be subject to claims by financial intermediaries that provide leverage to the Fund.

There can be no assurance that the synthetic short positions that a Fund holds will act as an effective hedge against its long positions. Any decrease in negative correlation or increase in positive correlation between the positions a manager anticipated would be offsetting (such as short and long positions in securities or currencies held by a Fund) could result in significant losses for a Fund.

If a Sub-Adviser's short positions or its strategy become generally known, it could have a significant effect on the Sub-Adviser's ability to implement its investment strategy. In particular, it would make it more likely that other investors could cause a "short squeeze" in the securities held short by such Sub-Adviser forcing the Fund to cover its positions at a loss. It may also limit such Sub-Adviser's ability to access management and other personnel at certain companies where the Sub-Adviser seeks to take a short position. In addition, if other investors engage in copycat behaviour by taking positions in the same issuers as a Sub-Adviser, its cost of borrowing securities to sell short could increase drastically and the availability of such securities to the Fund could decrease drastically. In response to recent dislocations in the financial services industry and other market events, securities regulators of many jurisdictions have implemented, or are considering implementing, certain prohibitions and disclosure requirements on short selling of securities, and the overall regulatory environment surrounding short selling remains marked by substantial uncertainty. Such events, and these and other restrictions on a Sub-Adviser's ability to engage in short sales, could make such Sub-Adviser unable to execute its investment strategies and cause significant losses to the Fund.

Measurement of Market Risk and Leverage using the Commitment Approach and VaR

Each Fund will seek to limit the market risk and leverage created through the use of derivatives by using either the commitment approach or by using a sophisticated risk measurement technique known as "value-at-risk". The risk measurement methodology used by a Fund will be disclosed in the relevant Supplement.

VaR is a statistical methodology that seeks to predict, using historical data, the likely maximum loss that a Fund could suffer, calculated to a specific (e.g., 99%) confidence level. A Fund may use an "absolute" VaR model where the measurement of VaR is relative to the Net Asset Value of such Fund or a Fund may use a relative VaR model where the measurement of VaR is relative to a derivatives free comparable benchmark or equivalent portfolio. A VaR model has certain inherent limitations and it cannot be relied upon to predict or guarantee that the size or frequency of losses incurred by a Fund will be limited to any extent. As the VaR model relies on historical market data as one of its key inputs, if current market conditions differ from those during the historical observation period, the effectiveness of the VaR model in predicting the VaR of a Fund may be materially impaired. The effectiveness of the VaR model could be impaired in a similar fashion if other assumptions or components comprised in the VaR model prove to be inadequate or incorrect. Because of these limitations Shareholders may suffer serious financial consequences in abnormal market conditions or conditions that otherwise differ from those during the historical observation period.

Where a Fund uses an absolute VaR model, in accordance with the requirements of the Central Bank, the Fund is subject to an absolute VaR limit of 20% of the Fund's Net Asset Value, based on a 20 Business Day holding period and a 99% confidence interval. However, the Fund may from time to time experience a change in Net Asset Value over a 20 Business Day holding period greater than 20% of Net Asset Value. This would represent a VaR greater than the limit applicable to the Fund and the Fund is required to take steps to address such a situation in accordance with the requirements of the Central Bank.

Sustainability Risks

As noted in the "Investment Techniques and Instruments" section above, the SFDR defines "sustainability risks" as ESG events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of an investment. Blackstone, the Company (or its delegate), a Fund, the issuers in which the Fund invests, and other parties, such as service providers or

Fund counterparties, may be negatively affected by sustainability risks. If appropriate for an investment, the Company (or its delegate) may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the investment; however, there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date the risk materialises. Blackstone, the Company (or its delegate), each Fund, the issuers in which such Fund invests, and other parties may maintain insurance to protect against certain sustainability risks, where available on reasonable commercial terms, although such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all losses. Sustainability risks may therefore adversely affect the performance of a Fund and its investments.

European Commission Action Plan on Financing Sustainable Growth

The European regulatory environment for fund managers and financial services firms continues to evolve and increase in complexity, making compliance more costly and time-consuming. In March 2018, the European Commission published an Action Plan on Financing Sustainable Growth (the "EU Action Plan") to set out an EU strategy for sustainable finance. The EU Action Plan identified several legislative initiatives, including the Sustainable Finance Disclosure Regulation (the "SFDR") which began to apply on 10 March 2021. The SFDR requires transparency with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in a fund manager's processes and the provision of sustainability-related information with respect to a fund which may have an impact on the Sub-Advisers, the Investment Manager, the Company and the Fund.

The Company, the Sub-Advisers and the Investment Manager may be subject to the requirements of the SFDR, which include: (i) publishing information on their respective websites about their policies on the integration of sustainability risks in their respective investment decision-making processes, (ii) publishing on their respective websites: (A) a detailed statement on their respective due diligence policies with respect to principal adverse impacts of investment decisions on sustainability factors, taking into account the size, nature and scale of their activities, or (B) clear reasons for why they do not do so, including, where relevant, information as to whether and when they intend to consider such adverse impacts, (iii) publishing on their respective websites and including in their respective remuneration policies, maintained in accordance with sectoral legislation, information on how remuneration policies are consistent with the integration of sustainability risks, and (iv) ensuring that marketing communications do not contradict the information disclosed pursuant to the SFDR. The SFDR also requires alternative investment fund managers to include sustainability related information in pre-contractual disclosures and periodic reports of their respective funds under management, and, depending on the strategy of their respective fund, on websites.

The Company, the Sub-Advisers and Adviser may be subject to remuneration requirements under the SFDR. Any required changes to compensation structures and practices could make it harder for each of the Company, the Sub-Advisers and the Investment Manager to recruit and retain key personnel, thereby potentially affecting the Fund. The SFDR could expose the Sub-Advisers and the Investment Manager (and/or its delegate) to conflicting regulatory requirements in the United States.

The Fund will bear the costs and expenses of compliance with the SFDR and any other applicable legislation or regulations related to the EU Action Plan, including costs and expenses of collecting and calculating data and the preparation of policies, disclosures and reports, in addition to other matters that relate solely to marketing and regulatory matters. It is difficult to predict the full extent of the impact of the SFDR and the EU Action Plan on the Company, the Sub-Advisers, the Investment Manager and the Fund. The Company and the Investment Manager will each reserve the right to adopt such arrangements as it deems necessary or desirable to comply with any applicable requirements of the SFDR and any other applicable legislation or regulations related to the EU Action Plan.

Sustainability Risks

The Company, the Investment Manager, the Sub-Advisers, the Fund, and other parties, such as service providers or Fund counterparties, may be negatively affected by sustainability risks. If appropriate for an investment, the Company, the Investment Manager or a Sub-Adviser may conduct sustainability risk-related due diligence and/or take steps to mitigate sustainability risks and preserve the value of the Investment; however, there can be no assurance that all such risks will be mitigated in whole or in part, nor identified prior to the date the risk materialises. The Managers, the Fund, and other parties may maintain insurance to protect against certain sustainability risks, where available on reasonable commercial terms, although such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all losses. Sustainability risks may therefore adversely affect the performance of the Fund and its investments.

Environmental Matters

Environmental laws, regulations and regulatory initiatives play a significant role in certain industries and can have a substantial impact on investments made by a Fund in these industries. Certain industries will continue to face considerable oversight from environmental regulatory authorities and significant influence from non-governmental organisations and special interest groups. A Fund may invest in investments that are subject to changing and increasingly stringent environmental and health and safety laws, regulations and permit requirements. New and more stringent environmental and health and safety laws, regulations and permit requirements or stricter interpretations of current laws or regulations could impose substantial additional costs on investments or potential investments. Environmental hazards could expose such investments to material liabilities for damages, personal injuries or other environmental harm. Moreover, failure to comply with regulatory or legal requirements could have a material adverse effect on the Fund, the Investment Manager, and/or the Sub-Adviser, and in turn the Fund. Any noncompliance with these laws and regulations could subject the Fund, the Investment Manager and/or the Sub-Adviser to material administrative, civil or criminal penalties or other liabilities.

FEES AND EXPENSES

Each Fund shall pay all of its expenses and its allocable share of any expenses incurred by the Company. These expenses may include the costs of: (i) maintaining the Company and the relevant Fund and registering the Company, the relevant Fund, and the Shares with any governmental or regulatory authority or with any stock exchange; (ii) management, administration, custodial, compliance and related services; (iii) preparation, printing, and posting of prospectuses, sales literature and reports to Shareholders, the Central Bank and other governmental agencies; (iv) marketing expenses; (v) taxes; (vi) commissions and brokerage fees, exchange fees and liquidity add/remove fees; (vii) expenses incurred in connection with the acquisition and disposal of the assets of the Company; (viii) auditing, tax, compliance and legal fees (including expenses arising in respect of legal or administrative proceedings); (ix) research, investment-related due diligence (including related travel), data feeds and consulting fees related to the portfolio management and risk management of the Company; (x) insurance premiums; (xi) fees and expenses of distributors, financial intermediaries, paying agents, local representatives and similar agents, such fees and expenses to be charged at normal commercial rates; (xii) listing fees; (xiii) fees and expenses of proxy voting agents, vendors of accounting, recordkeeping, middle- and back-office, technology and other similar services, and similar service providers; and (xiv) other operating expenses.

The Directors shall be entitled to be paid a fee from the assets of the Company by way of remuneration for their services at a rate to be determined from time to time by the Directors, provided that the aggregate amount of Directors’ remuneration in any one year shall not exceed €85,000 or such other maximum amount as may be determined by the Directors and notified in advance to the Shareholders from time to time and disclosed in the Prospectus or the Company’s annual or half-yearly report. The Directors will be entitled to be reimbursed by the Company for all reasonable disbursements and out-of-pocket expenses incurred by them.

The expenses relating to the establishment of the Company will be discharged out of the assets of the Funds and will be amortised over the first five financial years of the Company’s operation and amortised and allocated among the Funds on a basis deemed fair and equitable by the Directors. The

Directors may in their absolute discretion, following consultation with the Depositary, shorten the period over which said expenses are amortised.

Costs and expenses incurred in relation to the creation of any new Funds will be allocated to the relevant Fund.

The following fees will be borne by the Company:

Investment Management and Distribution Fee

Details of the fees (including performance fees) and expenses payable to the Investment Manager in respect of each Fund will be disclosed in the relevant Supplement. The Investment Manager may waive or reduce the management fee and/or performance fee charged to certain Shareholders at its sole discretion and has entered into arrangements for certain Classes to so waive a portion of the fees charged to early stage Shareholders as well as Shareholders that are affiliated with the Investment Manager. Any such waiver may be effected either by way of rebate to the relevant Shareholder's account or by the purchase of additional Shares by the Investment Manager for the Shareholder. The Investment Manager uses some of its investment management and distribution fee to remunerate certain financial intermediaries and may, at its sole discretion, enter in further arrangements whereby some or all of its investment management and distribution fee and/or performance fee is used to remunerate certain financial intermediaries. The Investment Management also may pay reimbursements or rebates to certain institutional Shareholders in circumstances where its fees are charged directly to such intermediaries and/or institutional Shareholders and not to a Fund. The Investment Manager also may pay trail or service fees out of its investment management and distribution fee to certain Sub-Advisers or financial intermediaries provided such payments comply with applicable law.

The Investment Management Agreement provides that the Investment Manager may voluntarily undertake to reduce or waive its investment management fee or to make other arrangements to reduce Specified Expenses (as defined in the relevant Supplement) of a Fund to the extent that such expenses exceed such lower expense limitation as the Investment Manager may, by notice to the Shareholders, voluntarily declare to be effective (a "Voluntary Waiver"). Detail of the Voluntary Waiver, if any, will be set out in the relevant Supplement.

Sub-Adviser Fees

Except in the case where Performance Fees are payable by the Company, the Investment Manager shall discharge all fees payable to the Sub-Advisers.

Administrator's Fees

The Administrator will be entitled to receive out of the assets of each Fund an annual fee of U.S.$125,000 per Fund (plus Value Added Tax, if any) together with transaction charges at normal commercial rates and reasonable out-of-pocket expenses incurred by the Administrator in the performance of its duties. The Administrator shall also be entitled to receive out of the assets of each Fund fees for accounting services that will not exceed 0.12% per annum of the Net Asset Value of each Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Administrator's fees would be subject to the Voluntary Waiver, if any. Please see the relevant Supplement for further details.

Depositary's Fees

The Depositary will be entitled to receive out of the assets of each Fund an annual trustee and depositary fee that will not exceed 0.035% per annum of the Net Asset Value of each Fund. This fee shall accrue daily and be calculated on each Dealing Day and shall be payable monthly in arrears. The

Depositary shall, subject to a minimum fee of U.S.$35,000 per annum per Fund (together with Value Added Tax, if any, thereon), also be entitled to receive out of the assets of the Fund all agreed sub-custodian fees and transaction charges (which will be charged at normal commercial rates). The Depositary is authorised to deduct its remuneration, reasonable and properly vouched expenses and disbursements on account of the Company including, without limitation, any tax paid or to be paid on behalf of the Company, from any one or more of the Company's cash accounts with it upon the prior notification and approval of the Company. The Depositary's fees are subject to the Voluntary Waiver, if any. Please see the relevant Supplement for further details.

Paying Agent / Representative Agent Fees

The fees and expenses of any paying agents or representative agents appointed in respect of the Funds, which will be charged at normal commercial rates together with VAT, if any, thereon, will be borne by the Company or the Fund in respect of which a paying agent or representative agent has been appointed.

Initial Charge and Redemption Charge

Shareholders may be subject to an initial charge calculated as a percentage of the Net Asset Value per Share and payable on subscription for certain Shares as specified in the relevant Supplement.

Shareholders may be subject to a redemption charge calculated as a percentage of the Net Asset Value per Share and payable on the redemption of certain Shares as specified in the relevant Supplement.

The Company may waive both the initial charge and the redemption charge at its sole discretion.

Charging Fees and Expenses to Capital

As disclosed in the relevant Supplement, certain Classes may charge fees and expenses to capital.

ADMINISTRATION OF THE COMPANY

Determination of Net Asset Value

The Administrator shall determine the Net Asset Value per Share of each class, as at the Valuation Point on the basis set forth below and in accordance with the Articles.

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

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

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

The Net Asset Value per Share shall be rounded upwards or downwards as appropriate to the nearest two decimal places of the currency in which the Class is denominated or such other number of decimal places or whole unit as the Directors may from time to time determine.

In determining the value of the assets of a Fund, each investment listed, traded or dealt in on a Regulated Market for which market quotations are readily available shall be valued at the last traded price at the Valuation Point in the relevant Regulated Market, provided that the value of the investment listed, traded or dealt in on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange may be valued, taking into account the level of premium or discount as at the date of valuation of the investment and the Depositary must ensure that the adoption of such procedure is justifiable in the context of establishing the probable realisation value of the investment. If the investment is normally listed, traded or dealt in on or under the rules of more than one Regulated Market, the relevant Regulated Market shall be that which constitutes the main market for the investment. If prices for an investment listed, traded or dealt in on the relevant Regulated Market are not available at the relevant time or are unrepresentative, or in the event that any investments are not listed or traded on any Regulated Market, such investment shall be valued at such value as shall be certified with care and good faith as the probable realisation value of the investment by a competent professional person appointed by the Directors and approved for such purpose by the Depositary which may be the Investment Manager. Neither the Investment Manager, nor the Administrator shall be under any liability if a price reasonably believed by them to be the latest available price for the time being may be found not to be such. In the case of securities purchased by a Fund in initial public offerings, the probable realisation value of such securities shall be the offering price until such time as the securities are listed or traded on a Regulated Market (from which time they shall be valued in accordance with the relevant provisions above).

Exchange traded FDI will be valued at the Valuation Point at the settlement price for such instruments on such market, provided that if the settlement price of an exchange traded FDI is not available, the value of such instrument shall be the probable realisation value estimated with care and in good faith by a competent person appointed by the Directors and approved for the purpose by the Depositary. Over-the-counter FDI shall be valued daily using either the counterparty valuation or an alternative valuation, such as a valuation calculated by the Company or by an independent pricing vendor appointed by the Company provided the Company or other party has adequate human and technical means to perform the valuation and approved for that purpose by the Depositary. The counterparty to FDI not traded on an exchange must be prepared to value the contract and to close out the transaction at the request of the Company at fair value. Where the counterparty valuation is used, the valuation must be approved or verified by an independent party who is approved for the purpose by the Depositary and who is independent of the counterparty at least weekly. The independent verification shall be carried out at least weekly. Where an alternative valuation is used, the Company shall follow international best practice and shall adhere to the principles on the valuation of over-the-counter instruments established by bodies such as IOSCO and AIMA. Such valuation shall be reconciled on a monthly basis to the valuation provided by the counterparty to such instrument. Where significant differences arise these will be promptly investigated and explained. Forward foreign exchange contracts shall be valued by reference to the price at which a new forward contract of the same size and maturity could be undertaken as of the close of business on the day of the relevant Valuation Point.

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

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

The Funds may apply an amortised cost method of valuation in respect of money market instruments in a non-money market fund in accordance with the requirements of the Central Bank.

The Directors may adjust the Net Asset Value per Share where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant.

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

Application for Shares

Applicants should confirm that the Shares are not being acquired either directly or indirectly by or on behalf of any U.S. Person or on behalf of any person in any other jurisdiction that would be restricted or prohibited from acquiring Shares and that the investor will not sell, transfer, or otherwise dispose of any such Shares, directly or indirectly, to or for the account of any U.S. Person or in the U.S. or to or for the account of any person in such jurisdiction to whom it is unlawful to make such an offer or solicitation. Please see the section entitled "Restrictions on the Distribution and Sale of Shares" on page iii for further information.

Application forms for Shares may be obtained from the Administrator. Shares may be issued on any Dealing Day to eligible investors who have forwarded the completed application form and provided satisfactory proof of identification to the Administrator, so that the application form shall be received by the Administrator no later than the Trade Cut-Off Time. Subscriptions received by or on behalf of the Company after the Trade Cut-Off Time but before the Valuation Point may, in exceptional circumstances which will be fully documented and at the sole discretion of the Company, be accepted.

The Company and/or Administrator reserves the right to request further details or evidence of identity from an applicant for Shares. Applicants must provide such declarations as are reasonably required by the Company and/or Administrator, including, without limitation, declarations as to matters of Irish and U.S. taxation. In this regard, investors should take into account the considerations set out in the section entitled "Taxation". Initial subscriptions may be made by way of signed original application form or by way of faxed application form in accordance with the requirements of the Central Bank. In the case of a faxed application form the signed original application form and all supporting anti-money laundering documentation must be promptly received. No redemption or distribution payments may be made until the original application form and all anti-money laundering documentation have been received from the investor and all anti-money laundering procedures have been carried out.

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

Applications for Shares by in specie transfer may be made by agreement with the Investment Manager on a case-by-case basis and subject to the approval of the Depositary. In such cases the Company shall issue Shares in exchange for investments which the Company may acquire in accordance with its investment objectives, policies and restrictions and may hold or sell, dispose of or otherwise convert such securities into cash. No Shares shall be issued until the investments are vested in the Depositary or its nominee. The value of the Shares to be issued shall be calculated on the same basis as the valuation of Shares to be issued for cash. The Depositary shall be satisfied that the terms on which the Shares are issued shall not be such as are likely to result in any material prejudice to the existing Shareholders of the relevant Fund.

Anti-Money Laundering Procedures

The Administrator reserves the right, working in conjunction with the designated anti-money laundering reporting officer of the Company, to reject any application for Shares or to request further details or evidence of identity from an applicant for, or transferee of, Shares.

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

Measures aimed at the prevention of money laundering may require an applicant to verify its identity and source of funds and source of wealth to the Administrator. The Administrator, working in conjunction with the designated anti-money laundering reporting officer of the Company, will notify applicants if additional proof of identity is required. By way of example, an individual may be required to produce a copy of a passport or identification card together with evidence of the applicant's address, such as a utility bill or bank statement. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), bye-laws, memorandum and articles of association (or equivalent), and the names and addresses of all directors and beneficial owners.

In certain circumstances, Shares will not be issued until such time as the Administrator has received and is satisfied with all the information and documentation required to verify the identity of the applicant. This may result in Shares being issued on a Dealing Day subsequent to the Dealing Day on which an applicant initially wished to have Shares issued to him. It is further acknowledged that the Administrator shall be held harmless by the applicant against any loss arising as a result of the failure to process the subscription if such information as has been requested by the Administrator has not been provided by the applicant. If insufficient information is provided by an investor in order to satisfy applicable anti-money laundering requirements (whether at the point of initial onboarding of an applicant investor or subsequent to such onboarding), each of the Company, the Administrator and the Investment Manager may take such steps as it deems necessary to meet applicable anti-money laundering requirements including, without limitation, the discontinuance of the relationship with the investor as required by applicable law and regulation..

Subsequent Subscriptions

Subsequent subscriptions (i.e., subsequent to an initial subscription for Shares within a Fund) may be made by a Shareholder by submitting a subscription form to the Administrator by the Trade Cut-Off Time in writing, by fax or electronic means in accordance with the requirements of the Central Bank. Subsequent subscriptions received by or on behalf of the Company after the Trade Cut-Off Time but before the Valuation Point may, in exceptional circumstances which will be fully documented and at the sole discretion of the Company, be accepted.

Subsequent faxed subscription requests may be processed without a requirement to submit original documentation.

Amendments to a Shareholder's registration details and payment instruction will only be effected on receipt of original documentation.

Subscription Price

The subscription price per Share shall be the Net Asset Value per Share determined on a Dealing Day.

Shareholders may be subject to an initial charge calculated as a percentage of the Net Asset Value per Share and payable on subscription for Shares as specified in the relevant Supplement.

Written Confirmations of Ownership

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

Redemption Requests

Shares may be redeemed on a Dealing Day by providing to the Administrator a signed redemption request (in writing, by fax or electronic means in accordance with the requirements of the Central Bank) received by the Administrator no later than the Trade Cut-Off Time.

In the case of faxed and electronic redemption requests, payment will only be made to the bank account of record.

Redemption requests received subsequent to the Trade Cut-Off Time shall generally be effective on the next succeeding Dealing Day. However, redemption requests received by or on behalf of the Company after the Trade Cut-Off Time but before the Valuation Point may, in exceptional circumstances which will be fully documented and at the sole discretion of the Company, be accepted.

If redemption requests on any Dealing Day exceed 10% of the Net Asset Value of a Fund, the Company may defer the excess redemption requests to subsequent Dealing Days, in which case all the relevant requests will be scaled down pro rata to the number of Shares requested to be repurchased in the Fund and shall treat the redemption requests as if they were received on each subsequent Dealing Day (in relation to which the Company has the same power of deferral at the then prevailing limit) until all the Shares to which the original request related have been redeemed.

Redemption Price

Shares shall be redeemed at the applicable Net Asset Value per Share on the Dealing Day on which the redemption is effected.

Shareholders may be subject to a redemption charge calculated as a percentage of the Net Asset Value per Share and payable on the redemption of Shares as specified in the relevant Supplement.

All payments of redemption monies shall be made in accordance with the Settlement Time specified in the relevant Supplement but in any event within 10 Business Days of the Trade Cut-Off Time by which the redemption request was made. The redemption proceeds shall be made by wire transfer at the Shareholder's expense to the Shareholder's bank account, details of which shall be set out by the Shareholder to the Administrator in the application form. Redemption proceeds cannot be released until the signed original application form and all documents required in connection with the obligation to prevent money laundering have been received by the Administrator and all anti-money laundering procedures have been completed.

At the discretion of the Company and with the consent of the Shareholder making such redemption request, assets may be transferred to a Shareholder in satisfaction of the redemption monies payable on the redemption of Shares, provided that such distribution is equitable and not materially prejudicial to the interests of the remaining Shareholders. The allocation of such assets shall be subject to the approval of the Depositary.

Anti-Dilution Levy

In calculating the subscription/redemption price for Shares, the Company may, in the Company's reasonable discretion, on any Dealing Day on which there are net subscriptions/redemptions that result in a Fund incurring dealing costs adjust the subscription/redemption price for the relevant Fund by adding/deducting an anti-dilution levy of up to 2.5% of the Net Asset Value per Share to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund. Any anti-dilution levy will be retained by the relevant Fund. It is not currently intended to apply an anti-dilution levy in the ordinary course of the Funds' activities. However, this intention may change if liquditiy conditions across the markets generally or affecting a Fund's assets particularly change in a material respect or other exceptional circumstances apply and the Company considers, in its reasonable discretion, that it is appropriate to apply an anti-dilution levy.

Mandatory Redemption of Shares

The Company reserves the right to redeem or require the transfer of any Shares held by any Shareholder for any reason without notice, including, in particular, if any Shares are or become owned, directly or indirectly, by a U.S. Person or other person, if the holding of the Shares by such other person is unlawful or, in the opinion of the Directors, the holding might result in the Company, a Fund or the Shareholders as a whole incurring any liability to taxation or suffering pecuniary or material administrative disadvantage which the Company, the Fund or the Shareholders as a whole might not otherwise suffer or incur.

Shareholders are required to notify the Administrator and the Company immediately in the event that they become U.S. Persons. Shareholders who become U.S. Persons may be required to dispose of their Shares to non-U.S. Persons on the next Dealing Day thereafter unless the Shares are held pursuant to an exemption which would allow them to hold the Shares.

Transfer of Shares

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

Directors may reasonably require together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. Such evidence may include a declaration that the proposed transferee is not a U.S. Person or a U.S. Reportable Account, for compliance with FATCA, and that upon transfer the Shares will not be held by or for the account of any U.S. Person or U.S. Reportable Account.

Withholdings and Deductions

If a Shareholder fails to provide information as required by the U.S. Internal Revenue Service and/or other applicable tax authorities, such Shareholder may be subject to significant withholding taxes. In the event that the Company is required to deduct, withhold or account for tax on a disposal of Shares by a Shareholder (whether upon a redemption of Shares, a transfer of Shares or otherwise), upon the payment of a distribution to a Shareholder (whether in cash or otherwise) or in any other circumstances in which a taxation liability arises, the Directors shall be entitled to arrange for the redemption and cancellation of such number of the Shares of such Shareholder as are sufficient after the deduction of any redemption charges to discharge any such tax liability. The Company reserves the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's residency or status in the form prescribed by the Revenue Commissioners of Ireland.

Conversion of Shares

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

Conversion will take place in accordance with the following formula:

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

where:

NS = the number of Shares which will be issued in the new Fund;

A = the number of the Shares to be converted;

B = the redemption price of the Shares to be converted;

C = the currency conversion factor (if any) as determined by the Directors;

D = the issue price of Shares in the new Fund on the relevant Dealing Day; and

TC = the transaction charge incurred in connection with the proposed transaction which shall not in any event exceed 5% of the Net Asset Value per Share.

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

The length of time for completion of a conversion will vary depending on the Funds involved and the time when the conversion is initiated. In general, the length of time for completion of a conversion will depend upon the time required to obtain payment of redemption proceeds from the Fund whose Shares are being acquired. As the conversion of Shares requires the consent of the Directors, once a request is made the need for such consent may result in Shares being converted on a Dealing Day subsequent to the Dealing Day on which the Shareholder initially wished to have the Shares converted.

Mandatory Conversion of Shares

The Directors shall be entitled in their discretion to mandatorily convert any Shares held by a Shareholder in one Class of a Fund into Shares of another Class of the same Fund where it has come to the notice of the Directors that any Shares are acquired or held directly or beneficially by any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold Shares in the former Class (which procedure shall be hereafter referred to as “Mandatory Conversion”).

The Mandatory Conversion shall occur on the Dealing Day referred to in the notice to the affected Shareholder which shall be at least ten Business Days after the date of dispatch of the notice (the “Mandatory Conversion Date”). The Mandatory Conversion shall not take effect if the relevant Shares are redeemed in advance of the Mandatory Conversion Date. The Mandatory Conversion shall result in the Shareholder being issued with Shares in an existing class in which the Shareholder is otherwise eligible to invest.

The number of Shares to be issued upon a Mandatory Conversion shall be determined by the Company in accordance (or as nearly as may be in accordance) with the formula set out above in the section entitled “Conversion of Shares” provided that no transaction charge shall be levied.

Excessive Trading

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

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

Transactions routed through a financial intermediary in violation of the Company’s excessive trading policy are not deemed accepted by the Company and may be cancelled or revoked by the Company on the next Business Day following receipt.

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

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

Umbrella Cash Accounts

Cash accounts arrangements have been put in place in respect of the Company and the Funds as a consequence of the introduction of new requirements relating to the subscription and/or redemption collection accounts. The following is a description of how such cash accounts arrangements are expected to operate. These cash accounts are not subject to the protections of the Investor Money Regulations and instead will be subject to the guidance issued by the Central Bank from time to time in relation to umbrella cash accounts.

Investor Monies will be held in a single Umbrella Cash Account in respect of a particular currency. The assets in the Umbrella Cash Account will be assets of the Company (for the relevant Fund). If subscription monies are received by a Fund in advance of the issue of Shares (which occurs on the relevant Dealing Day), then such monies will be held in the Umbrella Cash Account and will be treated as an asset of the relevant Fund. The subscribing investors will be unsecured creditors of the relevant Fund with respect to their subscription monies until the Shares are issued to them on the relevant Dealing Day. The subscribing investors will be exposed to the credit risk of the institution at which the Umbrella Cash Account has been opened. Such investors will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights in respect of the subscription monies (including dividend entitlements) until such time as the Shares are issued on the relevant Dealing Day.

Redeeming investors will cease to be Shareholders of the redeemed Shares from the relevant Dealing Day. Redemption and dividend payments will, pending payment to the relevant investors, be held in the Umbrella Cash Account. Redeeming investors and investors entitled to dividend payments held in the Umbrella Cash Account will be unsecured creditors of the relevant Fund with respect to those monies. Where the redemption and dividend payments cannot be transferred to the relevant investors, for example, where the investors have failed to supply such information as is required to allow the Company to comply with its obligations under applicable anti-money laundering and counter terrorist legislation, the redemption and dividend payments will be retained in the Umbrella Cash Account, and investors should address the outstanding issues promptly. Redeeming investors will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including, without limitation, the entitlement to future dividends) in respect of such amounts.

For information on the risks associated with Umbrella Cash Accounts, see "Risks Associated with Umbrella Cash Accounts" in the "Risk Factors" section herein.

Disclosure of Portfolio Information

A list of the Funds' investments will be made available on a periodic basis by request to the Investment Manager to any Shareholder that requires such information for regulatory purposes.

In addition, information regarding the Funds' investments, such as asset class, sector and geographic allocation, will be made available to any Shareholder on a periodic basis by request to the Investment Manager.

Any publication of a list of Fund investments or portfolio information shall be for information purposes only and does not form part of this Prospectus. There will be an appropriate time-lag between the purchase/sale of the relevant Fund's investments and the time at which such publication occurs.

Publication of the Price of the Shares

Except where the determination of the Net Asset Value has been temporarily suspended in the circumstances described below, the Net Asset Value per Share shall be published on the Business Day immediately succeeding each Dealing Day at the internet address www.blackstone.com/bxdms. In addition, the Net Asset Value per Share shall be made public at the office of the Administrator on each Dealing Day. Shareholders may obtain the Net Asset Value per Share by contacting the Administrator during normal business hours in Ireland. Such information shall relate to the Net Asset Value per Share for the previous Dealing Day, is published for information purposes only and does not form part of this Prospectus. In addition, an indicative Net Asset Value per Share may be calculated on each Dealing Day and made available upon request from the Investment Manager. Publication of the Net Asset Value per Share and/or the indicative Net Asset Value per Share is not an invitation to subscribe for, redeem or convert Shares at that Net Asset Value per Share or indicative Net Asset Value per Share.

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

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

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

(b) any period during which the disposal or valuation of investments which constitute a substantial portion of the assets of the Fund is not practically feasible or if feasible would be possible only on terms materially disadvantageous to Shareholders;

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

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

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

(f) any period when a notice to terminate the Fund has been served or when a meeting of Shareholders has been convened to consider a motion to terminate a Fund;

(g) upon the occurrence of an event or decision causing a Fund to terminate; or

(h) in exceptional cases, where the circumstances so require, and where the Directors consider it justifiable to do so having regard to the best interests of the Shareholders as a whole.

A suspension of repurchases may be made at any time prior to the payment of the repurchase monies and the removal of the Shareholder's name from the register of members. A suspension of subscriptions may be made at any time prior to the entry of a Shareholder's name on the register of members or adjustment of an existing entry for that Shareholder.

Any such suspension shall be notified to the Shareholders of the Fund by the Company if, in the opinion of the Company, such suspension is likely to continue for a period exceeding 14 days and any such suspension shall be notified immediately (without delay) and in any event within the same Business Day to the Central Bank. Where possible, all reasonable steps will be taken to bring a period of suspension to an end as soon as possible.

Data Protection Notice

Investors should note that by completing the application form they have provided personal information, which may constitute "personal data" within the meaning of the Irish Data Protection Acts 1988 to 2018, the General Data Protection Regulation (Regulation (EU) 2016/679), the EU ePrivacy Directive 2002/58/EC (as amended) and any relevant transposition of, or successor or replacement to, those laws (including, when it comes into force, the successor to the ePrivacy Directive) (together, the "Data Protection Legislation").

Investors' personal data will be used by the Company for the following purposes:

(a) to manage and administer an investor's holding in the Company and any related accounts on an ongoing basis in accordance with the contract between the investor and the Company;

(b) to carry out statistical analysis and market research as the Company's legitimate business interest;

(c) to comply with legal and regulatory obligations applicable to the investor and the Company from time to time including applicable anti-money laundering and counter terrorist financing legislation. In particular, in order to comply with the information reporting regimes set out in Section 891C and Section 891E to Section 891G (inclusive) of the Taxes Consolidation Act 1997 (as amended) and regulations made pursuant to those sections), Shareholders' personal data (including financial information) may be shared with the Irish Revenue Commissioners. They in turn may exchange information (including personal data and financial information) with foreign tax authorities (including the U.S. Internal Revenue Service and foreign tax authorities located outside the European Economic Area). Please consult the AEOI (Automatic Exchange of Information) webpage on www.revenue.ie for further information in this regard; and

(d) for any other specific purposes where the investor has given specific consent.

Investors' personal data may be disclosed by the Company to its delegates, professional advisors, service providers, regulatory bodies, auditors, technology providers and any duly authorised agents or related, associated or affiliated companies of the foregoing for the same or related purposes.

Investors' personal data may be transferred to countries which may not have the same or equivalent data protection laws as Ireland. If such transfer occurs, the Company is required to ensure that such processing of investors' personal data is in compliance with Data Protection Legislation and, in particular, that appropriate measures are in place such as entering into model contractual clauses (as published by the European Commission) or ensuring that the recipient is "Privacy Shield" certified, if appropriate. For more information on the means of transfer of investors' data or a copy of the relevant safeguards, please contact PrivacyOffice@StateStreet.com.

Pursuant to the Data Protection Legislation, investors have a number of rights which may be exercised in respect of their personal data, i.e.:

(a) the right of access to personal data held by the Company;

(b) the right to amend and rectify any inaccuracies in personal data held by the Company;

(c) the right to erase personal data held by the Company;

(d) the right to data portability of personal data held by the Company; and

(e) the right to request restriction of the processing of personal data held by the Company; and

(f) the right to object to processing of personal data by the Company.

These rights will be exercisable subject to limitations as provided for in the Data Protection Legislation. In certain circumstances it may not be feasible for the Company to discharge these rights, for example because of the structure of the Company or the manner in which the Shareholder holds Shares in a Fund. Investors may make a request to the Company to exercise these rights by contacting PrivacyOffice@StateStreet.com.

Please note that personal data may be retained by the Company for the duration of an investor's investment and afterwards in accordance with the Company's legal and regulatory obligations, including but not limited to the Company's record retention policy.

The Company is a data controller within the meaning of the Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with the Data Protection Legislation. For queries, requests or comments in respect of this notice or the way in which the Company uses investors' personal data, please contact PrivacyOffice@StateStreet.com. Investors have the right to lodge a complaint with the Office of the Data Protection Commissioner if they are dissatisfied with the manner in which their personal data is used by the Company.

For the avoidance of doubt, the Company is the data controller and State Street Fund Services (Ireland) Limited, as data processor, has agreed to provide the above email address as a contact point to support the Company in discharging its obligations as data controller.

MANAGEMENT AND ADMINISTRATION

The Board of Directors

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

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

Gerald Brady (Irish) is an independent, non-executive director and consultant in the regulated, international financial services industry. Mr. Brady has over 25 years' experience of the funds industry, both as a director and full-time executive, and has held senior executive management positions in Bank of Bermuda, Capita Financial Group and Northern Trust. Mr. Brady has worked both abroad and in Ireland and is a past Council member of the Irish Funds Industry Association (IFIA) and former Executive Board member of Financial Services Ireland/Irish Business and Employers Confederation (FSI/IBEC). Mr. Brady has a First Class Honours degree in Economics and is a Fellow of the Institute of Chartered Accountants of Ireland (FCA) and a Chartered Financial Analyst (CFA).

Peter Koffler is a Senior Managing Director in the Legal & Compliance Group, focusing on Blackstone Alternative Asset Management L.P. ("BAAM"). His previous positions at Blackstone include General Counsel of BAAM, Global Chief Compliance Officer of Blackstone and Chief Compliance Officer of BAAM.

Mr. Koffler serves as a trustee/director of various public and private funds managed by Blackstone and is a member of the Board of Directors of Hamilton Insurance Group, Ltd.

Prior to joining Blackstone in 2006, Mr. Koffler served as General Counsel and Chief Compliance Officer of Twenty-First Securities Corporation, an institutional trading and investment firm. Mr. Koffler began his legal career at Baer Marks & Upham. Mr. Koffler received a BA from the State University of New York at Binghamton. He received a JD, with honors, from Hofstra University School of Law, where he served as an editor of the Law Review.

Chloe Kyprianou is a Managing Director of the Blackstone Hedge Fund Solutions Group based in London. Ms. Kyprianou handles institutional client coverage and business development for the Group's Continental European investors. Before joining Blackstone in 2014, Ms. Kyprianou spent six years in Investment Banking at Lehman Brothers and Nomura focusing primarily on origination, advisory and execution of Equity Capital Markets transactions by European issuers. Ms. Kyprianou received a Bachelor of Science in Economics from the Wharton School of the University of Pennsylvania.

Carl O'Sullivan (Irish) was a partner in the firm of Arthur Cox where he specialised in financial services law until he retired on 31 December 2012. He qualified as a solicitor in 1983 and was employed as a legal adviser with Irish Distillers Group Plc from 1983 to 1987 and Waterford Wedgwood Plc from 1987 to 1990. He joined Arthur Cox in 1990. He is a director of a number of companies operating in the International Financial Services Centre. He holds a B.A. Moderatorship in Legal Science from the University of Dublin and a Masters of Business Administration from University College Dublin.

The Company Secretary is Bradwell Limited.

The Articles of Association do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The Articles of Association provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may not vote in respect of any contract in which he has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5% or more of the issued shares of any class of such company or of the voting rights available to members of such company. A Director may also vote in respect of any proposal concerning an offer of shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement, and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in part.

The Investment Manager and Distributor

Blackstone Alternative Investment Advisors LLC ("BAIA") is the Investment Manager of the Company. BAIA is also the Distributor of the Company and, in such capacity, is responsible for promoting the Company.

BAIA, a limited liability company organised under the laws of the State of Delaware, United States, is an indirect wholly-owned subsidiary of Blackstone Inc. BAIA is registered as an investment adviser with the SEC. Founded in 2012, BAIA had approximately $6.1 billion (unaudited) in assets under management as of 31 January 2021.

The terms relating to the appointment of the Investment Manager and Distributor are set out in the Investment Management Agreement between the Company and BAIA. The Investment Management Agreement provides that BAIA shall provide a continuous investment program for the Funds. In this regard, BAIA will manage the investment and reinvestment of Fund assets, continuously review, supervise and administer the investment program of the Fund, and supervise and arrange the day-to-day operations of the Fund. Under the terms of the Investment Management Agreement, BAIA may delegate all or part of its investment management and/or distribution functions to one or more investment advisers, sub-investment managers, sub-distributors or other delegates duly appointed by BAIA, provided that BAIA shall exercise due care and diligence in the appointment and oversight of such delegates and no such delegation shall relieve BAIA of any of its obligations under the Investment Management Agreement.

BAIA will not be liable for any loss suffered by the Company, the Funds or a Shareholder except a loss resulting from the wilful default, fraud, bad faith, negligence or reckless disregard on the part of BAIA in the performance of its obligations and duties under the Investment Management Agreement. Without limiting the generality of the foregoing and for the avoidance of doubt, in the absence of wilful default, fraud, bad faith, negligence or reckless disregard on the part of BAIA in the appointment and oversight of any Sub-Adviser or other delegate appointed by it, BAIA shall not be liable to the Company, the Funds or any Shareholder for the any of the acts or omissions in the course of, or connected in any way with, such Sub-Adviser or other delegate rendering the services provided for in the Investment Management Agreement or for any losses which may be sustained in the purchase, holding or sale of any of the investments of the Funds. If BAIA, the Company or any Fund has any direct or indirect right of action or claim whatsoever against such delegate in respect of such acts, omissions or losses, BAIA shall use all reasonable endeavours to pursue, prosecute and vindicate such rights of action and claims. In addition, BAIA shall provide any and all cooperation reasonably required by the Company in circumstances in which the Company itself seeks to pursue such rights of action and claims. In addition, the Company has agreed to indemnify and hold harmless BAIA, its affiliates and their employees and directors from and against all costs, demands, loss and expenses (including legal and professional expenses costs) that are incurred by BAIA by reason of its performance of its responsibilities under the Investment Management Agreement, other than due to the wilful default, fraud, bad faith, negligence or reckless disregard in the performance by BAIA, its servants or agents of its obligations or functions under the Investment Management Agreement.

The Investment Management Agreement shall continue in full force until terminated by either party on 90 days' notice in writing to the other party, provided that either party may terminate the Investment Management Agreement in writing to the other if at any time: (i) either party shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the other party) or be unable to pay its debts or commit any act of bankruptcy under the laws of Ireland or if a receiver is appointed over any of the assets of the other party or if some event having an equivalent effect occurs; (ii) BAIA ceases to be permitted to act as investment manager to the Company under any applicable laws; (iii) either party commits any material breach of the Investment Management Agreement and shall not have remedied such breach (if capable of remedy) within thirty (30) days of notice requiring the same to be remedied; or (iv) an examiner, administrator or similar person is appointed to either party.

The Sub-Advisers

The Company, under the Investment Management Agreement, authorises the Investment Manager to engage one or more discretionary and non-discretionary Sub-Advisers for the purpose of assisting it with carrying out its duties and responsibilities as investment manager to the Funds, provided that the appointment of each Sub-Adviser is in accordance with the requirements of the Central Bank.

The Central Bank has granted permission to the Investment Manager to appoint discretionary Sub-Advisers without having to comply with the Central Bank's formal pre-clearance requirements generally applicable to discretionary investment managers/advisers. This permission has been granted subject to various conditions, including the requirement that retrospective approval of each Sub-Adviser must be sought from the Central Bank immediately following its appointment and the appointment of any Sub-Adviser must be terminated immediately where retrospective approval is not granted by the Central Bank.

Information concerning the Sub-Advisers will be provided by the Investment Manager, free of charge, upon a Shareholder's request and shall be available at the internet address www.blackstone.com/bxdms. For investment advisers registered with the SEC, additional information is available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. Such information is published for information purposes only and does not form part of the Prospectus. Information concerning the Sub-Advisers will also be contained in the Company's latest annual and half-yearly reports.

The Investment Manager manages assets not allocated to a Sub-Adviser.

The Administrator

The Company has appointed State Street Fund Services (Ireland) Limited to act as the administrator, registrar and transfer agent of Company with responsibility for performing the day-to-day administration of Company, including the calculation of the Net Asset Value and the Net Asset Value per Share.

The Administrator is a limited liability company incorporated in Ireland on 23 March 1992 with registered number IE186184 and is ultimately owned by State Street Corporation. The authorised share capital of the Administrator is GBP 5,000,000 with an issued and paid up share capital of GBP 350,000.

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

The Administration Agreement shall continue in force until terminated by either party on ninety (90) days' prior written notice to the other party. The Administration Agreement may be terminated forthwith without the payment of any penalty by either party giving notice in writing to the other party if at any time: (i) the party notified shall go into liquidation or receivership or an examiner shall be appointed (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party) or be unable to pay its debts as they fall due; (ii) the party notified shall commit any material breach of the provisions of the Administration Agreement and, if such breach is capable of remedy, shall not have remedied that within thirty (30) days after the service of written notice requiring it to be remedied; or (iii) any of the representations, warranties or covenants contained in the Administration Agreement cease to be true or accurate in any material respect in relation to the party notified. The Administration Agreement may also be terminated by the Company if the Administrator is no longer permitted to act as an administrator by the Central Bank.

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

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

The Depositary

The Company has appointed State Street Custodial Services (Ireland) Limited to act as Depositary of the Company and to ensure that the issue, redemption and transfer of Shares by the Company and the calculation of the Net Asset Value is carried out and that all investments are made in accordance with the Articles of Association. The Depositary will be responsible for the safe keeping of the Company's assets. In addition, the Depositary is obliged to enquire into the conduct of the Company in each financial year and report thereon to the Shareholders.

The Depositary's principal business is the provision of custodial and trustee services for collective investment schemes and other portfolios.

The Depositary is a limited liability company incorporated in Ireland on 22 May 1991 with registered number 174330 and is ultimately owned by State Street Corporation. Its authorised share capital is GBP£5,000,000 and its issued and paid up capital is GBP£200,000. The Depositary is regulated by the Central Bank and as at 31 March 2016 the Depositary had assets under custody of U.S.$614.6 billion.

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

The duty of the Depositary is to provide safekeeping, oversight and asset verification services in respect of the assets of the Company and each Fund in accordance with the provisions of the UCITS Rules and the Directive. The Depositary will also provide cash monitoring services in respect of each Fund's cash flows and subscriptions.

The Depositary will be obliged, inter alia, to ensure that the sale, issue, redemption and cancellation of Shares in the Company is carried out in accordance with the UCITS Regulations and the Articles of Association. The Depositary will carry out the instructions of the Company, unless they conflict with the UCITS Regulations or the Articles of Association. The Depositary is also obliged to enquire into the conduct of the Company in each financial year and report thereon to Shareholders.

The Depositary will be liable to the Company and the Shareholder for any loss suffered by them arising from of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Directive. The Depositary shall be liable to the Company and the Shareholder for the loss of financial investments held in custody by the Depositary or a third party to whom the custody of financial investments held in custody has been delegated. In the event of a loss of financial investments held in custody, the Depositary shall return financial instruments of identical type or the corresponding amount to the Company without undue delay. The Depositary shall not be liable to the Company or any other person if it can prove that the loss of financial investments held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary has power to delegate the whole or any part of its depositary functions, however, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary has delegated its safe-keeping duties in respect of financial instruments in custody to State Street Bank and Trust Company. The list of sub-delegates appointed by State Street Bank and Trust Company is set out in Schedule V hereto. The use of particular sub-delegates will depend on the markets in which the Company invests. From time to time conflicts may arise between the Depositary and the delegates or sub-delegates, for example where an appointed delegate or sub-delegate is an affiliated group company which receives remuneration for another custodial service it provides to the Funds. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to the applicable laws.

Up-to-date information regarding the duties of the Depositary, any conflicts of interest that may arise and the Depositary's delegation arrangements will be made available to investors by the Company on request.

The Depositary Agreement between the Company and the Depositary may be terminated by either party on ninety (90) days' notice in writing to the other party. The Company may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor Depositary shall have been appointed in accordance with the Articles of Association, provided such successor Depositary itself and its appointment is approved in advance by the Central Bank. Either party may terminate the Depositary Agreement immediately without the payment of any penalty by giving notice in writing to the other party if: (i) the party notified shall be unable to pay its debts as they fall due or go into liquidation or receivership or an examiner shall be appointed (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party); (ii) either party commits any material breach of the Depositary Agreement and, if such breach is capable of remedy, shall not have been remedied within thirty (30) days of the other party serving notice upon that party requiring it to remedy same; (iii) any of the representations, warranties or covenants contained in the Depositary Agreement cease to be true or accurate in any material respect in relation to the party notified or (iv) the Central Bank replaces the Depositary with another Depositary. The Depositary Agreement may also be terminated by the Company if the Depositary is no longer permitted to act as a depositary or trustee by the Central Bank.

The Paying Agents

It is intended that the Company will appoint various paying agents in connection with the public distribution of its Shares in certain jurisdictions. Local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary entity rather than directly to the Depositary (e.g., a sub-distributor or agent in the local jurisdiction) bear a credit risk against that intermediate entity with respect to (i) subscription monies prior to the transmission of such monies to the Depositary for the account of the Company; and (ii) redemption monies payable by such intermediate entity to the relevant redeeming Shareholder.

TAXATION

The following is a brief summary relevant to investors in the Company of the Irish tax system applicable to the Company and details of the withholding taxes or deductions that may be made at source from the income and capital gains paid by the Company to certain investors in the Company who are the beneficial owners of Shares in the Company. It does not purport to deal with all of the tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules. The tax consequences of an investement in Shares in the Company will depend not only on the nature of the Company's operations and the then applicable tax principles, but also on certain factual determinations which cannot be made at this time. For instance, it does not address the tax position of Shareholders whose acquisition of Shares in the Company would be regarded as a shareholding in a Personal Portfolio Investment Undertaking (PPIU). Accordingly, its applicability will depend on the particular circumstances of each Shareholder. It does not constitute tax advice and Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this document. Legislative, administrative or judicial changes may modify the tax consequences described below and as is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made will endure indefinitely.

Taxation of the Company

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

As a result of changes introduced in Finance Act 2016, a new regime applies to IREFs (i.e. Irish Real Estate Funds) which imposes a 20% withholding tax on "IREF taxable events". These changes primarily target non-Irish resident investors. On the basis that the Company is a UCITS, it is excluded from the definition of an IREF and so these provisions should not be relevant and are not discussed further.

Chargeable Event

Although the Company is not chargeable to Irish tax on its income and gains, Irish tax (at rates currently ranging from 25% to 60%) can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any payments or distributions to Shareholders, any encashment, repurchase, redemption, cancellation or transfer of Shares and any deemed disposal of Shares as described below for Irish tax purposes arising as a result of holding Shares in the Company for a period of eight years or more. Where a chargeable event occurs, the Company is required to account for the Irish tax thereon.

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

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

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

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

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

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

A chargeable event does not include:

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

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

- an exchange by a Shareholder, effected by way of arm's length bargain, of Shares in the Company for other Shares in the Company; or

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

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

Irish Courts Service

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

Exempt Irish Resident Shareholders

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

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

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

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

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

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

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

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

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

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

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

(k) the National Asset Management Agency;

(l) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance of Ireland is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency;

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

(n) in certain circumstances, a company within the charge to corporation tax in accordance with Section 739G(2) of the TCA in respect of payments made to it by the Company; or

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

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

Taxation of Non-Irish Resident Shareholders

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

Unless the Company is in possession of written notice of approval from the Revenue Commissioners of Ireland to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not been withdrawn, in the event that a non-resident Shareholder (or an intermediary acting on its behalf) fails to make the necessary declaration of non-residence, tax will be deducted as described above on the happening of a chargeable event and notwithstanding that the Shareholder is not resident or ordinarily resident in Ireland any such tax deducted will generally not be refundable.

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

Taxation of Irish Resident Shareholders

Deduction of Tax

Tax will be deducted and remitted to the Revenue Commissioners of Ireland by the Company from any distributions made by the Company to an Irish Resident Shareholder who is not an Exempt Irish Resident or any gain arising on an encashment, repurchase, redemption, cancellation or other disposal of Shares by such a Shareholder at the rate of 41%. Any gain will be computed as the difference between the value of the Shareholder's investment in the Company at the date of the chargeable event and the original cost of the investment as calculated under special rules.

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

Deemed Disposals

A deemed disposal of Shares will occur on each and every eight anniversary of the acquisition of Shares in the Company held by Irish Resident Shareholders who are not Exempt Irish Residents. The Company may elect not to account for Irish tax in respect of deemed disposals in certain circumstances. Where the total value of Shares held by Shareholders who are Irish Resident and who are not Exempt Irish Residents is 10% or more of the Net Asset Value of the Fund, the Company will be liable to account for the tax arising on a deemed disposal in respect of Shares in that Fund. However, where the total value of Shares in the Fund held by such Shareholders is less than 10% of the Net Asset Value of the Fund, the Company may, and it is expected that the Company will, elect not to account for tax on the deemed disposal. In this instance, the Company will notify relevant

Shareholders that it has made such an election and those Shareholders will be obliged to account for the tax arising under the self-assessment system themselves.

The deemed gain will be calculated as the difference between the value of the Shares held by the Shareholder on the relevant eighth year anniversary or, where the Company so elects, the value of the Shares on the later of the 30 June or 31 December prior to the date of the deemed disposal and the relevant cost of those Shares. The excess arising will be taxable at the rate of 41% (or in the case of Irish resident corporate Shareholders where a relevant declaration has been made, at the rate of 25%). Tax paid on a deemed disposal should be creditable against the tax liability on an actual disposal of those Shares.

Irish Resident Shareholders who have suffered a withholding tax should consult their tax advisers to determine their resident Irish tax liability, if any.

Automatic Exchange of Information

Ireland has implemented the "Standard for Automatic Exchange of Financial Account Information", also known as the Common Reporting Standard ("CRS"), into Irish law.

The CRS is a single global standard on Automatic Exchange of Information ("AEOI") which was approved by the Council of the OECD in July 2014. It draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. The CRS sets out details of the financial information to be exchanged, the financial institutions required to report, together with common due diligence standards to be followed by financial institutions.

Under the CRS, participating jurisdictions are required to exchange certain information held by financial institutions regarding their non-resident customers. In order to comply with its obligations under the CRS (or similar information sharing arrangements), the Company may require additional information from Shareholders. The Company may disclose the information, certifications or other documentation that it receives from or in relation to Shareholders to the Revenue Commissioners of Ireland who may in turn exchange this information with tax authorities in other territories.

By signing the application form to subscribe for Shares in the Company, each Shareholder is agreeing to provide such information and documentation upon request from the Company or its delegate. The non-provision of such information may result in mandatory redemption of Shares or other appropriate action taken by the Company. Shareholders refusing to provide the requisite information to the Company may also be reported to the Revenue Commissioners of Ireland or other parties as necessary to comply with the CRS.

Each prospective investor should consult its own tax advisers on the requirements applicable to its own situation under these arrangements.

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

The provisions of the Foreign Account Tax Compliance Act are designed to require certain U.S. persons' direct and indirect ownership of certain non-U.S. accounts and non-U.S. entities to be reported by foreign financial institutions ("FFI") to the U.S. Internal Revenue Service ("IRS"). The Company may be regarded as a FFI for FATCA purposes. FATCA may impose a withholding tax of up to 30% with respect to certain U.S. source income (including dividends and interest) and, after 31 December 2016, gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends paid to a FFI. Ireland has entered into an intergovernmental agreement with the U.S. to simplify the FATCA compliance process and minimise the risk of withholding tax. Under this agreement, FATCA compliance will be enforced under Irish tax legislation, including the Financial Accounts Reporting (United States of America) Regulations 2014 (the "Irish FATCA

Regulations"), and reporting rules and practices. The Company may require additional information from Shareholders in order to comply with these provisions. The Company may disclose the information, certificates or other documentation that it receives from (or concerning) its Shareholders to the Revenue Commissioners of Ireland as necessary to comply with the Irish tax legislation and reporting rules and practices relating to FATCA, related intergovernmental agreements or other applicable law or regulation. The Revenue Commissioners of Ireland will, in turn, report such information to the IRS. If a Shareholder causes the Company to suffer a withholding for or on account of FATCA ("FATCA Deduction") or other financial penalty, cost, expense or liability, the Company may compulsorily redeem any Shares of such Shareholder and/or take any action required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically borne by such Shareholder. Each prospective investor is urged to consult its tax adviser regarding the applicability of FATCA and any other reporting requirements with respect to the prospective investor's own situation. If applicable, investors should contact their intermediary regarding the application of this regime to their investments in the Company.

GENERAL

Conflicts of Interest and Best Execution

The Company has adopted a policy to address conflicts of interest and to seek to ensure, when conflicts of interest cannot be avoided, that the Funds and their Shareholders are fairly treated.

The Directors, Investment Manager, the Sub-Adviser, the Depositary, the Administrator and the Distributor may from time to time act as directors, investment manager, investment adviser, depositary, administrator, company secretary, dealer or distributor in relation to, or be otherwise involved in, other funds and accounts established by parties other than the Company which have similar investment objectives to those of the Company and any Fund. Such other funds and accounts may give rise to potential conflicts of interests if they have different objectives, benchmarks, time horizons, or pay higher fees than the Fund or performance-based fees for such services. The Manager and its affiliates shall not be under any obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of (or share with the Company or inform the Company of) any such transaction or any benefit received by any of them from any such transaction, but will allocate any such opportunities in accordance with their respective compliance policies and procedures, taking into consideration the investment objectives, investment limitations, capital available for investment by the Company and other clients. The Manager may hold Shares in any Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Company and a Fund. Each will, at all times, have regard in such event to its obligations to the Company and the Fund and will ensure that such conflicts are resolved in accordance with their respective policies and procedures. As applicable, references to a "Manager" refer to any one or more of the Investment Manager and the Sub-Advisers.

Connected Party Transactions

"**Connected Person**" means the Company or the Depositary, and the delegates or sub-delegates of the Company or the Depositary (excluding any non-group company sub-custodians appointed by the Depositary), and any associated or group company of the Company, the Depositary, any delegate or sub-delegate;

The Company is required to ensure that any transaction between the Company and a Connected Person is conducted at arm's length and is in the best interests of Shareholders.

The Company may enter into a transaction with a Connected Person if at least one of the conditions in the following paragraphs (a), (b) or (c) is complied with:

(a) the value of the transaction is certified by either: (i) a person who has been approved by the Depositary as being independent and competent; or (ii) a person who has been approved by the Directors as being independent and competent in the case of transactions involving the Depositary;

(b) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of the relevant exchange; or

(c) the transaction is executed on terms which the Depositary is or, in the case of a transaction involving the Depositary, the Directors are, satisfied conformed to the requirement that transactions with Connected Persons be conducted at arm's length and in the best interests of Shareholders.

The Depositary or, in the case of a transaction involving the Depositary, the Directors, shall document how it or they complied with the requirements of (a), (b) or (c) above. Where transactions are conducted in accordance with (c) above, the Depositary or, in the case of a transaction involving the Depositary, the Directors, shall document its or their rationale for being satisfied that the transaction conformed to the requirement that transactions with Connected Persons be conducted at arm's length and in the best interests of Shareholders.

Allocation of Assets Between Investment Manager and Sub-Advisers

The Investment Manager determines the allocation of each Fund's assets among directly managed strategies and strategies managed by Sub-Advisers. Except in cases where a Performance Fee is due directly by the Company, the Investment Manager compensates the Sub-Advisers out of the fees that it receives from the Company. Fees received by the Investment Manager with respect to assets allocated to directly managed strategies are not reduced by payments to Sub-Advisers, which creates an incentive for Investment Manager to allocate more of each Fund's assets to directly managed strategies.

Allocation of Assets Between Sub-Advisers

Except in cases where a Performance Fee is due directly by the Company, the Investment Manager compensates the Sub-Advisers out of the fee it receives from each Fund. This creates an incentive for the Investment Manager to select Sub-Advisers with lower fee rates. The Investment Manager also has an incentive to select Sub-Advisers that are affiliated with the Investment Manager. In allocating a Fund's assets, the Investment Manager considers a number of quantitative and qualitative factors, including, without limitation, macroeconomic scenarios, diversification, strategy capacity, regulatory constraints, and the fees associated with the strategy. The Investment Manager will provide the Directors with information showing the impact of changes to the allocations among Sub-Advisers.

Allocation of Investment Opportunities

Most Managers, or their affiliates, manage multiple funds and/or accounts (including those in which the Manager, its affiliates and/or their personnel have an interest) that have investment objectives that are similar to a Fund and that seek to make or sell investments in the same securities or other instruments, sectors, or strategies as such Fund. If an investment opportunity is appropriate for a Fund and one or more other funds/accounts for which the Manager (or one of its affiliates) acts as investment manager, the Manager may be required to choose among that Fund and the other funds/accounts in allocating the investment opportunity. Each Manager will determine allocations of such opportunities in accordance with its compliance policies and procedures, which are governed by the principle of fair and equitable allocation, taking into account the relevant investment objectives, strategies, risk parameters, time horizons and other criteria, which may include, among other things, the relative sizes of the funds/accounts and amounts of capital available for investments, relative exposure to market trends, available capacity, liquidity needs, volatility and leverage considerations, diversification considerations, and other market risk factors, contractual restrictions and guidelines, minimum and maximum investment sizes, tax and operational considerations, legal and regulatory factors, and similar factors. As such, strategies and investment opportunities may not be implemented in the same manner, or at all, for a Manager's and/or its affiliates' clients, even if the strategy or investment opportunity is consistent with the objectives and strategies of the clients.

It is typical for Managers to receive different fees from different funds/accounts that they manage, beacuse of this, Managers face a conflict of interest in making allocation decisions and may, for example, benefit by allocating the most attractive investment opportunities to higher fee funds/accounts. There can be no assurance that any conflict of interest a Manager faces in making allocation decisions will be resolved in favour of a Fund or that the returns of any Fund investment will be equivalent or better than the returns obtained by a Manager's other clients participating in the same investment.

Morever, a Fund may not be given the opportunity to participate in strategies or investments that are identified by a Manager's affiliates, or a Fund may be given the opportunity to participate in such investments only after a Manager's affiliate's other clients have been given the opportunity to participate to the full extent desired. An affiliate of a Manager is ordinarily under no obligation or other duty to provide investment opportunities to clients of the Manager, including a Fund, but may do so in its discretion when consistent with its fiduciary duty to its own clients. In the event that an affiliate of the Investment Manager makes an investment opportunity available to the Investment Manager's clients, the Investment Manager, and not its affiliate, would decide independently whether or not the Fund would invest. See "Blackstone Policies and Procedures" below for additional information specific to the Investment Manager and its affiliates.

In addition, a Fund may co-invest alongside other clients of a Manager. In such cases, other clients of the Manager often receive a priority allocation in the relevant opportunity.

Allocation of Models or Investment Techniques

If a model, strategy, or risk management, optimisation, execution or other investment technique is available to a Manager, including newly developed trading strategies or investment opportunities, (each an "Analytic") and is consistent with the investment mandate for the Fund and one or more of a Manager's other clients, the decision by a Manager on how to allocate an Analytic among the Fund and such other clients (including the relative exposure the Fund and other clients have to an Analytic) may vary for one or more reasons, including, but not limited to: (i) the Analytic may have sufficiently limited capacity such that it is not practical to be used for one or more clients of the Manager; (ii) the Analytic involves asset classes outside the investment mandate of one or more clients of the Manager; (iii) the Analytic is not appropriate or suitable given the client's investment objective, policies and restrictions and/or applicable regulatory restrictions; (iv) the Analytic is hedged by taking smaller or larger exposures (as applicable) to certain style factors, sectors or other directional risks than that targeted by one or more clients of the Manager; (v) the Analytic involves greater liquidity or other risk than that targeted by one or more clients of the Manager; (vi) the price point or strategic fit of the Analytic is not desired for one or more clients of the Manager; and/or (vii) the natural diversity of practice and subjectivity relating to decisions that are not automated and that may be made by different personnel. Some of the items noted are inherent structural limitations or constraints to the strategy, implemented by the Manager, that were designed to minimise the impact of the Fund on other clients of the Manager or its affiliates. The net result(s) could be that one or more clients of the Manager, including the Fund, would not have access (or would have reduced or restrained access) to certain Analytics that are expected to produce higher rates of return, lower volatility, or shorter trading horizons than those Analytics utilised (in degree and/or manner) by other clients of the Manager.

A Manager and its affiliates will have no obligation to make available any information regarding their proprietary activities or Analytics, or the activities or Analytics used for other funds and/or accounts managed by them, for the benefit of a Fund. The proprietary activities, processes or Analytics of a Manager and its affiliates could conflict with the transactions and strategies employed by the Manager in managing a Fund. A Manager, its affiliates and their personnel have conflicts of interest in allocating Analytics, certain other finite resources, and expenses among the Funds and their other clients. The results of a Fund's investment activities may differ significantly from the results achieved by a Manager and its affiliates for their proprietary accounts or other funds and/or accounts managed or advised by them. It is possible that one or more accounts managed by a Manager or its affiliate will achieve investment results that are substantially more or less favorable than the results achieved by a Fund. Moreover, it is possible that a Fund will sustain losses during periods in which a Manager or its affiliates achieve significant profits on their trading for proprietary or other funds and/or accounts. The opposite result is also possible.

Where a client pays higher fees to a Manager than does a Fund, or where a Manager (or personnel thereof) has an economic interest in the client, the Manager has a greater financial interest in the performance of that client than the performance of such Fund. Similarly, a Manager has an incentive to favour clients with the potential to pay greater fees (including performance-based fees or allocations) when allocating investment opportunities or when designing certain strategies. This incentive creates a conflict of interest in allocating Analytics among the Funds and other clients, particularly where the availability or liquidity of an investment opportunity is limited. Subject to the considerations described above, the Manager seeks to allocate any such available Analytics on an equitable basis between the Fund and its other clients in accordance with its allocation policies and procedures.

A Manager may license an Analytic from an affiliate or third party. A licensor may have complete discretion regarding which of its Analytics (including proprietary strategies and/or models and including newly developed Analytics that may meet the investment objectives of the Funds) it elects to license to (and correspondingly withhold from) the Manager. An affiliated or third-party licensor may revoke any or all licenses granted to the Manager for any reason or no reason at all, including that the licensor has a greater financial interest in utilising the full capacity available in an Analytic for itself or its clients.

Financial Interests in Managers

Affiliates of the Investment Manager currently (or in the future may) hold ownership or other economic interests in, or are (or in the future may be) otherwise affiliated with, various investment managers ("Blackstone Affiliated Managers"). These ownership interests range from minority to 100%. Blackstone could receive a substantial portion of the revenues attributable to Blackstone Affiliated Managers. Such financial interests give rise to conflicts of interest between a Fund and other investment vehicles managed by other asset managers. For example, such financial interests create an incentive for the Investment Manager to hire a Blackstone Affiliated Manager as a Sub-Adviser and to allocate the Fund's assets to such manager. Further, in the event that a Blackstone Affiliated Manager is hired as a Sub-Adviser, there may be a conflict between the Investment Manager's obligations to a Fund, on the one hand, and the Investment Manager's (or its affiliate's) interest in the success of the Blackstone Affiliated Manager, on the other hand. Any allocation by the Investment Manager to a subsidiary or other Blackstone Affiliated Manager benefits Blackstone and any redemption or reduction of such allocation would be detrimental to Blackstone, creating potential conflicts of interest in allocation decisions.

The Investment Manager and its affiliates will endeavour to manage these potential conflicts in a fair and equitable manner, subject to legal, regulatory, contractual or other applicable considerations. In certain circumstances, such management may involve rebates to a Fund of revenue related to the Fund's retention of a Sub-Adviser. In certain circumstances, such management may involve rebates to a Fund of revenue related to the Investment Manager's retention of a Sub-Adviser in respect of a Fund.

Examples of Blackstone Affiliated Managers include, but are not limited to:

- Blackstone Real Estate Special Situations Advisors L.L.C.
- Blackstone Liquid Credit Strategies LLC

Examples of other financial interests in Blackstone Affiliated Managers include, but are not limited to:

- Blackstone Strategic Alliance Advisors L.L.C. ("BSAA"), an affiliate of the Investment Manager, manages certain funds (the "BSAA Funds") that make seed investments in investment vehicles managed by emerging fund managers ("Emerging Managers"). In connection with these seed investments, the BSAA funds generally receive economic participation in the Emerging Managers in the form of profit sharing or equity interests, or other contractual means of participating in the business of the Emerging Managers. There is significant overlap between the Investment Manager's and BSAA's investment committees.

- Blackstone Strategic Capital Advisors L.L.C. ("BSCA"), an affiliate of the Investment Manager, manages certain funds (the "BSCA Funds") that make investments (typically in the form of equity interests or revenue shares) in established alternative asset managers (the "Strategic Capital Managers"). From time to time the Investment Manager may retain one or more Strategic Capital Managers to serve as Sub-Advisers in respect of a Fund. There is significant overlap between the Investment Manager's and BSCA's investment committees.

In managing the conflicts noted above, the Investment Manager may adopt limitations on assets managed directly and through affiliated Sub-Advisers. Such limits may change from time to time. A Shareholder may obtain upon request from the Investment Manager information about any such limitations currently in effect. Such information is published for information purposes only and does not form part of this Prospectus.

Blackstone Policies and Procedures

Specified policies and procedures implemented by Blackstone to mitigate actual and potential conflicts of interest and to address certain regulatory requirements and contractual restrictions will from time to time reduce the synergies across Blackstone's various businesses that a Fund expects to draw on for purposes of identifying and pursuing attractive investment opportunities. Because Blackstone has many different asset management and advisory businesses, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight, and more legal and contractual restrictions than it would if it had just one line of business. In addressing these conflicts and regulatory, legal, and contractual requirements across its various businesses, Blackstone has implemented certain policies and procedures (e.g., information walls) that may reduce the positive synergies that a Fund expects to utilise for purposes of identifying and pursuing attractive investment opportunities. For example, the Investment Manager generally will be restricted from investing in issuers with respect to which any investment advisor in the Blackstone Hedge Fund Solutions group has received material non-public information (the "Restricted Issuers"). Also, the Investment Manager generally will be restricted from investing in "Blackstone portfolio companies", although Blackstone Diversified Multi-Strategy Fund has invested, and it and other Funds may in the future invest, in securities of Blackstone portfolio companies, subject to compliance with applicable laws and regulations. The Investment Manager could be forced to sell or hold existing investments or be precluded from making new investments, as a result of a relationship that Blackstone may have or enter into investments that Blackstone or its affiliates may hold or make in the future. In addition, in keeping with Blackstone's internal policies, the Investment Manager may be restricted from certain investment activity that overlaps with the investment strategies of certain of its affiliates outside the Blackstone Hedge Fund Solutions Group. These restrictions generally will not apply to Sub-Advisers that are not affiliates of Blackstone.

In addition, Blackstone maintains information barriers that are designed to protect against the improper possession and/or use of material non-public information. Generally, no employee of the Investment Manager is permitted to contact an employee of another Blackstone group outside of the Blackstone Hedge Fund Solutions group, and vice versa, about a substantive business matter, without consent of the compliance department of the Investment Manager and, if appropriate, having the compliance department chaperone such contact. Prior to receiving confidential information, each Blackstone group typically seeks to limit the impact that such receipt may have on other Blackstone groups by, among other things, limiting the applicability of any confidentiality agreement to the particular Blackstone group(s) receiving the confidential information. However, the operation of these information barriers means that there are circumstances in which the Investment Manager will not have access to information held in other parts of Blackstone that may be relevant to a Fund's investment program.

Other Activities of the Investment Manager, the Sub-Advisers, and their Affiliates

The Managers devote to the Funds as much time as is necessary or appropriate, in their judgment, to manage the Funds' activities. Certain inherent conflicts of interest arise from the fact that the Managers and their affiliates act on behalf of the Funds and carry on investment activities for a significant number of other clients (including other investment funds sponsored by Blackstone, the Sub-Advisers, or their affiliates) in which the Funds have no interest. In certain instances, the investment strategies and objectives of these other clients are similar to, or overlap with the investment objective and strategy of the Funds. These activities could be viewed as creating a conflict of interest in that the time of the Managers will not be devoted exclusively to the business of the Funds but such time will be allocated among the Funds and the Managers' other clients.

Investment activities by a Manager, including the establishment of other investment funds and providing advisory services to discretionary or non-discretionary clients, may give rise to additional conflicts of interest. A Manager has no obligation to purchase or sell, or recommend for purchase or sale for the Funds, any investment that the Manager or its affiliates may purchase or sell, or recommend for purchase or sale for their own accounts, for the accounts of family members or for the account of any other client or investment fund. Situations may arise in which investment funds or accounts managed by a Manager or its affiliates have made investments which would have been suitable for investment by a Fund but, for various reasons, were not pursued by, or available to, the Fund.

A Manager or its affiliates may also engage in business activities unrelated to the Funds that create conflicts of interest. For example, certain affiliates of the Investment Manager or a Sub-Adviser may be engaged to service loans underlying a CLO or to provide similar services to vehicles in which the Funds may invest, which may give rise to conflicts of interest.

The Managers, Blackstone, their affiliates and any of their respective officers, directors, retired partners, partners, members or employees, may invest for their own account in various investment opportunities, including in hedge funds and other investment vehicles, in which the Funds have no interest. A Manager may determine that an investment opportunity in a particular investment is appropriate for a particular account, or for itself, but not for the Funds. Shareholders will not receive any benefit from any such investments.

Other Activities of Blackstone and its Affiliates

As part of its regular business, Blackstone engages in a broad spectrum of activities. In addition, from time to time Blackstone will provide services in the future beyond those currently provided. The Funds will not receive any benefit from any fees relating to such services.

In the regular course of Blackstone's other businesses, Blackstone participates, or represents participants, in transactions that could give rise to other investment opportunities that are suitable for the Funds. In such cases, those opportunites may not be available to the Funds. Blackstone will be under no obligation to decline to participate in transactions in the regular course of its other businesses in order to make an investment opportunity available to the Funds.

In connection with its other businesses, Blackstone comes into possession of information that limits its ability to engage in potential transactions, although Blackstone maintains information barriers governing communications between employees of the Manager and employees of other Blackstone groups outside of the Blackstone Hedge Fund Solutions group (*see* "Blackstone Policies and Procedures" above). The Funds' investment activities may to be constrained as a result of such information barriers or other restrictions on using certain information.

The Funds from time to time invests in securities of the same issuers as other Blackstone clients, investment vehicles, or proprietary accounts. To the extent that the Funds hold interests that are different (or more senior or junior) than those held by such other Blackstone clients, investment vehicles, or proprietary accounts, the Manager may be presented with decisions involving circumstances where the interests of such other Blackstone clients, investment vehicles, or proprietary accounts are in conflict with those of the Funds. Furthermore, it is possible the Funds' interest could be subordinated or otherwise adversely affected by virtue of Blackstone's other involvement and actions relating to its investment. For example, from time to time the Funds and other Blackstone clients make investments at different levels of an issuer's capital structure or otherwise in different classes of an issuer's loans or securities. If the issuer becomes insolvent, restructures, or is under or later suffers financial distress, there may be a conflict between the interests of a Fund and other Blackstone clients insofar as the issuer may be unable (or in the case of a restructuring prior to bankruptcy may be expected to be unable) to satisfy the claims of all classes of its creditors and security holders of a Fund, and such other Blackstone clients may have competing claims for the remaining assets of such issuers. Under these circumstances it may not be feasible for the Investment Manager to reconcile the conflicting interests of a Fund and such other Blackstone clients in a way that furthers the Fund's interests. Under certain circumstances, such investments inherently give rise to conflicts of interest or perceived conflicts of interest between or among the various classes of loans or securities that may be held by such entities. Blackstone Diversified Multi-Strategy Fund has invested, and it and other Funds may in the future invest, in (1) debt, equity and/or other financial instruments of Blackstone portfolio companies, and (2) different parts of a company's or other issuer's capital structure (including, without limitation, with respect to a Blackstone portfolio company) than those in which one or more other Managers invest. The activities in which Managers and their affiliates are involved will limit or preclude the Funds' flexibility to participate in certain investments. For example: (i) the Manager could be forced to sell or hold existing investments, or be precluded from making new investments, as a result of a relationship that Blackstone has or investments that Blackstone and its affiliates make; of (ii) the Funds may elect to, or be required to, waive voting rights, delegate voting rights to a third party, or vote in the manner determined by the majority of the applicable voting class.

Middle- and Back-Office Services

Blackstone Alternative Asset Management L.P. ("BAAM"), an affiliate of the Investment Manager, owns a non-controlling, minority equity interest in Arcesium LLC ("Arcesium") and the Chief Operating Officer of BAAM and the Investment Manager serves on the board of Arcesium. The parent company of a Sub-Adviser to the Fund owns a controlling, majority interest in Arcesium. Arcesium provides certain middle-office and back-office services and technology to the Investment Manager and certain Sub-Advisers. The Investment Manager utilises technology offered by Arcesium to provide services to a Fund and each Fund pays the fees for the services that it receives. The services and technology provided by Arcesium support various post-trade activities, including trade capture, cash and position reconciliations, asset servicing, margin and collateral monitoring, pricing-related services, portfolio data warehousing, related recordkeeping and other services and technology as agreed between the applicable entity and Arcesium. BAAM has in the past and may in the future recommend Arcesium's services to certain Sub-Advisers, and certain Sub-Advisers from time to time may hire Arcesium. Neither BAAM nor the Investment Manager will require any Sub-Advisers to hire Arcesium as a condition to hiring them nor will the Investment Manager favour Sub-Advisers who use Arcesium over Sub-Advisers who use other qualified middle- and back-office services providers when hiring Sub-Advisers for a Fund's portfolio.

In return for its services, Arcesium typically receives a one-time upfront implementation fee, an annual software use and service fee (based on the Fund's aggregate net asset value), and an annual financial operations services fee (also based on the relevant fund's net asset value) (such fees in the aggregate, the "Arcesium Fees"). The Arcesium Fees have been negotiated at arm's-length and the Investment Manager believes them to be reasonable in relation to the services provided and consistent with prevailing charges from third party providers of the same or substantially similar services to the extent any exist. The Arcesium Fees paid by the Fund are consistent with those charged to other Arcesium clients. The Investment Manager does not intend to engage in any ongoing benchmarking or market check to determine whether the Arcesium Fees are consistent with market rates, as certain services being provided by Arcesium are bespoke and customized services and the Investment Manager is not aware of any direct competitors to Arcesium that provide the same services. Accordingly, there can be no assurance that an unaffiliated third party would not charge a lower fee. Additional information regarding the Arcesium Fees is available from the Investment Manager upon request and the periodic reports of the Company will provide an update on the Arcesium Fees borne by a Fund during the relevant period.

In connection with BAAM's minority equity ownership interest in Arcesium, BAAM is expected to receive cash distributions from Arcesium from time to time. Cash received by BAAM from Arcesium will be applied to reimburse funds/accounts that are managed by BAAM or its affiliates (including the Investment Manager) for the amount of Arcesium Fees paid by such entities to Arcesium. The allocation of such reimbursements as among the Fund and other clients of the Investment Manager, BAAM or its affiliates will require judgments as to methodology that the Investment Manager, BAAM and their affiliates make in good faith but in its sole discretion. Certain Managers' investment vehicles also pay the Arcesium Fees and any cash distributions from Arcesium will not be applied to reimburse such investment vehicles, even though the Arcesium Fees borne by such investment vehicles are therefore borne indirectly by the Fund to the extent of its ownership of such investment vehicle. Further, any reimbursement to the Fund for the Arcesium Fees will be limited to the amount of any such cash distributions from Arcesium.This means that the Fund may be reimbursed in full for its payment of Arcesium Fees; however, there is no guarantee of reimbursement in any event. In addition, in the event that cash distributions received by BAAM from Arcesium exceed the Arcesium Fees paid by such funds/accounts, any excess amounts will be retained by BAAM. In the event that Arcesium is sold to a third-party, BAAM would not be expected to continue to receive any such cash distributions from Arcesium and that such funds/accounts will be reimbursed for any portion of the Arcesium Fees paid by it.

In addition, the Investment Manager, BAAM and their affiliates have a further incentive to engage Arcesium to provide services to the Fund and other clients, as such engagement provides consistency in such services across the platform, increased scalability to support future growth across its business, and improved data centralization and accessibility, each of which also benefits the Investment Manager, BAAM, and their affiliates.Since the Company's inception, it has used various pricing services, including Thompson Reuters, to value portfolio investments and determine the Net Asset Value of the Funds' Shares. On 1 October 2018, a consortium led by Blackstone announced that private equity funds managed by Blackstone had completed an acquisition of Thomson Reuters' Financial & Risk business, now known as Refinitiv. As of the closing date of the transaction, the Blackstone-led consortium owned a 55% equity stake in Refinitiv. Refinitiv operates a pricing service that provides valuation services to the mutual fund industry, including the Fund. The pricing information provided by Refinitiv to the Fund is the same as the pricing information provided by Refinitiv to all other customers.

Allocation of Expenses

From time to time, the Investment Manager will be required to decide whether costs and expenses are to be borne by the Funds, on the one hand, or the Investment Manager, a Sub-Adviser, or the Administrator, on the other, and/or whether certain costs and expenses should be allocated between or among the Funds and other parties. The Investment Manager will make all such allocation judgments in its fair and reasonable discretion, notwithstanding its interest in the outcome, and will make corrective allocations should it determine, based on periodic reviews, that such corrections are necessary or advisable. There can be no assurance that a different manner of allocation would not result in the Funds bearing less (or more) expenses.

Capital Introduction Events

From time to time, Blackstone personnel may speak at conferences and programs for potential investors interested in investing in funds, which are sponsored by investment firms that either provide services to the Funds or have a relationship with the Investment Manager and/or Blackstone. Through such "capital introduction" events, prospective investors in the Funds have the opportunity to meet with the Investment Manager or its affiliates. Neither the Investment Manager nor the Funds compensate the sponsors for organising such events or for investments ultimately made by prospective investors attending such events. However, these events and other services (including, without limitation, capital introduction services) may influence Blackstone and the Investment Manager in deciding whether to do business with or employ the services of the investment firms consistent with their obligations to the Funds.

Investment banks or other financial institutions, as well as Blackstone employees, may also be investors in the Funds. These institutions and employees are a potential source of information and ideas that could benefit the Funds. The Investment Manager has procedures in place designed to prevent the inappropriate use of such information by the Funds.

Employee and Service Provider Misconduct

Misconduct by employees of the Investment Manager, portfolio managers, or third-party service providers, including, without limitation, accountants, administrators, lenders, bankers, brokers, attorneys, consultants, title agents, research providers, investment or commercial banking firms, advisors, counterparties and vendors (each third-party service provider, a "Service Provider") could cause significant losses to a Fund. Employee misconduct may include binding a Fund to transactions that exceed authorised limits or present unacceptable risks and unauthorised trading activities or concealing unsuccessful trading activities (which, in either case, may result in unknown and unmanaged risks or losses). Losses could also result from actions by Service Providers, including, without limitation, failing to properly process trades and misappropriating assets. In addition, employees and Service Providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Fund's business prospects or future marketing activities. No assurances can be given that the oversight or due diligence performed by the Investment Manager will identify or prevent any such misconduct.

Transactions Between the Funds and Its Affiliates

The Investment Manager, to the extent permitted by applicable law, may cause the Fund to purchase investments from, to sell investments to, or to exchange investments with, any of its or Blackstone's affiliates. Any such purchases, sales, or exchanges will be effected in accordance with the Company's policy regarding connected party transactions.

Valuation of Fund Securities

The Investment Manager may be responsible for valuing certain assets held by the Funds. The Investment Manager is paid a fee which is a percentage of the Net Asset Value of each Fund.

Consequently a conflict of interest could arise between its interests and those of a Fund. In the event of such a conflict of interests, the Investment Manager shall have regard to its obligations to the Company and the Fund and will ensure that such a conflict is resolved fairly and in the best interests of the Shareholders.

Financial Derivative Instruments

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

Best Execution and Soft Dollars

The Company has adopted a policy designed to ensure that its service providers act in a Fund's best interests when executing decisions to deal and placing orders to deal on behalf of the Fund in the context of managing the Fund's portfolio. In this regard, the Manager must take all reasonable steps to obtain the best possible result for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order capability of the broker-dealer, the reliability, integrity and financial condition of the broker-dealer; and the value of the expected contribution of the broker-dealer to the investment performance of the Fund's investment strategies on a continuing basis. In particular, the Manager considers the following factors: (i) the ability to effect prompt and reliable executions at favourable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker; (iv) the broker firm's risk in positioning a block of securities; (v) the quality, comprehensiveness and frequency of available research and brokerage related services and products ("Research Services"); and (vi) the competitiveness of commission rates in comparison with other brokers satisfying other selection criteria of the Manager. The Manager conducts initial and on-going due diligence to ascertain Sub-Advisers' policies and procedure to ensure reasonableness as based on the best qualitative selection criteria outlined above. Information about the Company's execution policy and any material changes to the policy are available to Shareholders at no charge upon request. Such information is published for information purposes only and does not form part of the Prospectus.

The Manager is not required to weigh any of these factors equally and may consider referrals of investors in selecting brokers. The Manager may pay higher prices for the purchase of securities from or accept lower prices for the sale of securities to brokerage firms that provide it with Research Services or to pay higher commissions to such firms if the Manager determines such prices or commissions are reasonable in relation to the overall services provided. Research Services furnished by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services; discussions with research personnel; and invitations to attend conferences or meetings with management or industry consultants. Information so received is in addition to and not in lieu of services required to be performed by the Manager, and any compensation due from the Fund to the Manager or its affiliates is not reduced as a consequence of the receipt of such supplemental Research Services. Research Services provided by broker-dealers used by the Fund may be utilised by the Manager or its affiliates in connection with its investment services for other accounts and, likewise, research services provided by broker-dealers used for transactions of other accounts may be utilised by the Manager or their affiliates in performing its services for the Fund. Since commission rates in the United States are negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable.

If the Manager determines in good faith that the amount of transaction costs (*e.g.*, commissions, markups and markdowns) imposed by a broker, bank or dealer is reasonable in relation to the value of the products or services (including Research Services) provided by such broker, bank or dealer, the Manager may incur transaction costs to such broker, bank or dealer in an amount greater than the amount that might be incurred if another firm were used.

The use of brokerage commissions to obtain Research Services and to pay for the administrative costs and expenses of the Manager creates a conflict of interest between the Manager and the Fund, because the Fund pays for such products and services that are not exclusively for the benefit of the Fund and that may be primarily or exclusively for the benefit of the Manager or its affiliates. To the extent that the Manager is able to acquire these products and services without expending its own resources (including management fees paid by the Fund), the use of "soft-dollars" would tend to increase the profitability of the Manager or its affiliates, as applicable. In addition, the availability of these nonmonetary benefits may influence the Manager to select one broker rather than another to perform services for the Fund.

The Manager and the Fund may agree to alter the foregoing policies and procedures with respect to any investment.

Proxy Voting

The Company has developed a strategy for determining when and how voting rights are exercised. Details of the actions taken on the basis of those strategies are available to Shareholders free of charge upon request. Such information is published for information purposes only and does not form part of this Prospectus.

Complaints

Information regarding the Company's complaint procedures is available to Shareholders free of charge upon request. Such information is published for information purposes only and does not form part of this Prospectus. Shareholders may file complaints about the Company free of charge at the registered office of the Company.

The Share Capital

The share capital of the Company shall at all times equal the Net Asset Value of the Company. The Directors are empowered to issue up to 500 billion Shares of no par value in the Company at the Net Asset Value per Share on such terms as they may deem fit. There are no rights of pre-emption upon the issue of Shares in the Company. As of the date of this document the Company has Subscriber Shares in issue. The Subscriber Shares do not participate in the assets of any Fund. The Company reserves the right to redeem some or all of the Subscriber Shares.

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

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

The Directors reserve the right to redesignate any class of Shares from time to time, provided that shareholders in that class shall first have been notified by the Company that the Shares will be redesignated and shall have been given the opportunity to have their Shares redeemed by the Company, except that this requirement shall not apply where the Directors redesignate Shares in issue in order to facilitate the creation of an additional class of Shares.

Each of the Shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those Shares. No class of Shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and distributions of any other class of Shares or any voting rights in relation to matters relating solely to any other class of Shares.

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

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

The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company but do not entitle the holders to participate in the distributions or net assets of any Fund or of the Company.

The Funds and Segregation of Liability

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Separate records shall be maintained in respect of each Fund.

Termination

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

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

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

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

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

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

Meetings

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

Reports and Other Investor Communications

In each year the Directors shall arrange to be prepared an annual report and audited annual accounts for the Company. These will be made available to Shareholders (by electronic mail or other form of electronic communication, including by posting them on the Investment Manager's website at www.blackstone.com/bxdms) within 90 calendar days of the end of the financial year. In addition, the Company shall prepare and make available to Shareholders within two months of the end of the relevant period a half-yearly report which shall include unaudited half-yearly accounts for the Company in the same manner.

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

Audited annual reports and unaudited half-yearly reports shall be provided to a Shareholder on request free of charge and the reports may be delivered in paper copy if a Shareholder so requests.

The consent of a Shareholder with regard to electronic communications and the use of a website for the purposes of the delivery of annual and semi-annual reports, notices or other documents shall be deemed to have been satisfied where the Shareholder subscribes for or holds Shares in the Company as the Shareholder is bound by the relevant provisions of the Articles of Association as if they had been signed by such Shareholder. A Shareholder may at any time revoke such consent by requesting the Company to communicate with that Shareholder in documented form; provided however, that this requirement to communicate in documented form shall not take effect until 30 days after written notice of the requirement is received by the Company.

Remuneration Policy

The Company has adopted a remuneration policy as required by the UCITS Regulations (the "Remuneration Policy"). As at the date of this Prospectus, the Remuneration Policy applies to those Directors who receive a fee for their services to the Company and the Directors and Designated Persons who do not receive remuneration from the Company due to their affiliation with the Investment Manager. Due to the size and internal organisation of the Company and the nature, scope and complexity of its activities, a remuneration committee has not been established by the Company. Any fee arrangements with Directors of the Company shall be subject to the approval of the board of Directors. Please see the section entitled "Fees and Expenses" for details of the fees and expenses payable to the Directors. Further information on the current remuneration policy of the Company, including a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, is available at www.blackstone.com/bxdms. A paper copy of this information is available free of charge upon request from the Investment Manager.

Material Contracts

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

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

(b) The Depositary Agreement between the Company and the Depositary pursuant to which the latter acts as depositary in relation to the Company.

(c) The Administration Agreement between the Company and the Administrator pursuant to which the latter acts as administrator, registrar and transfer agent of the Company.

Supply and Inspection of Documents

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

(a) the certificate of incorporation and constitution of the Company; and

(b) the UCITS Regulations and the Central Bank Regulations.

Copies of the constitution of the Company (each as amended from time to time in accordance with the requirements of the Central Bank) and the latest financial reports of the Company, as appropriate, may be obtained, free of charge, upon request at the registered office of the Company.

SCHEDULE I

The Regulated Markets

The following is a list of regulated stock exchanges and markets in which the assets of each Fund may be listed and/or traded from time to time and is set out in accordance with the Central Bank's requirements. The following list shall be deemed to include all legal successors to the exchanges and markets listed below provided that such successors continue to meet the criteria to be a Regulated Market in accordance with the Central Bank's requirements and, in the event of a change of name to any of the exchanges and markets, it shall be deemed to include the new name of the relevant exchange or market. With the exception of permitted investments in unlisted securities, each Fund will only invest in securities traded on a stock exchange or market which meets the regulatory criteria (regulated, operating regularly, be recognised and open to the public) and which is listed in this Prospectus. The Central Bank does not issue a list of approved stock exchanges or markets. A Regulated Market shall comprise any stock exchange or regulated market which is located in any Member State or in any of the following countries: Australia, Canada, Japan, Hong Kong, New Zealand, Norway, Switzerland, the United States of America or the U.K. (in the event the U.K. is no longer a Member State) or any stock exchange or regulated market included in the following list:

Argentina-the stock exchanges in Buenos Aires, Cordoba, Mendoza, Rosario and La Plata, the Mercado Abierto Electronico (MAE); Bahrain-the stock exchange in Manama; Bangladesh – the stock exchange in Chittagong and Dhaka; Barbados – Barbados Stock Exchange; Bermuda – Bermuda Stock Exchange; Botswana - the stock exchange in Serowe; Brazil – the stock exchanges in Sao Paulo, Brasilia, Bahia-Sergipe-Alagoas, Extremo Sul Porto Alegre, Parana Curitiba, Regional Fortaleza, Santos, Pernambuco e Bahia Recife and Rio de Janeiro; Chile – the stock exchange in Santiago; and Valparaiso; China – the stock exchanges in Shanghai and Shenzhen, the China Interbank Bond Market; Colombia – the stock exchange in Bogota and Medellin; Costa Rica - Bolsa Nacional de Valores; Côte d'Ivoire - Bourse des Valeurs Mobilieres; Croatia – The Zagreb Stock Exchange; Egypt – the stock exchanges in Cairo and Alexandria; Ghana – the stock exchange in Accra; Hong Kong – the stock exchange in Hong Kong; Iceland – the stock exchange in Reykjavik; India – the Bombay Stock Exchange, the National Stock Exchange, the Mumbai Stock Exchange, the stock exchanges in Madras, Delhi, Ahmedabab, Bangalore, Cochin, Gauhati, Magadh, Pune, Hyderabad, Ludhiana, Uttar Pradesh and Calcutta; Indonesia – the stock exchanges in Jakarta and Surabaya; Israel – the stock exchange in Tel Aviv; Jordan – the stock exchange in Amman; Kazakhstan – Kazakhstan stock exchange; Kenya – the stock exchange in Nairobi; Korea – the stock exchange in Seoul; Kuwait - Boursa Kuwait; Lebanon - the Beirut Stock Exchange; Mauritius – the stock exchange in Mauritius; Malaysia – the stock exchange in Kuala Lumpur; Mexico – the stock exchange in Mexico City and Bolsa Mexicana de Valores; Montenegro - Montenegro Stock Exchange; Morocco the stock exchange in Casablanca; Namibia – Namibian Stock Exchange; Nigeria – the Nigerian Stock Exchange; Oman – Muscat Securities Market; Pakistan – the stock exchange in Karachi, the Lahore Stock Exchange; Palestine – the Palestine Stock Exchange; Peru – the stock exchange in Lima; Philippines – the Philippine Stock Exchange; Qatar – the Qatar Stock Exchange; Romania – the Bucharest Stock Exchange; Saudi Arabia – Saudi Stock Exchange; Singapore – the stock exchange in Singapore; Serbia – the Serbian stock exchange; South Africa – the stock exchange in Johannesburg; Sri Lanka – the stock exchange in Colombo; Taiwan – the Taiwan Stock Exchange and the Taipei Exchange; Thailand – the stock exchange in Bangkok; Tunisia – the stock exchange in Tunis; Turkey – the stock exchange in Istanbul; Uganda – the Uganda Securities Exchange; Ukraine – the Ukraine stock exchange in Kiev; United Arab Emirates – Abu Dhabi Exchange, NASDAQ Dubai, Dubai Financial Market; Uruguay – Montevideo Stock Exchange; Venezuela – the stock exchanges in Caracas and Maracaibo; Viet Nam – the Stock Trading Center of Viet Nam in Ho Chi Minh City; Zambia – the Zambian stock exchange; Zimbabwe – the stock exchange in Harare; or any of the following: Russian Trading System 1 (RTS1) and Russian Trading System 2 (RTS2) and Moscow Interbank Currency Exchange (MICEX); the market organised by the International Capital Markets Association; the "listed money market institutions", as described in the Bank of England publication "The Regulation of the Wholesale Cash and OTC Derivatives Markets *in Sterling, Foreign Currency and Bullion" dated April, 1988 (as amended from time to time); the market comprising dealers which are regulated by the Federal Reserve Bank of New York; the over the counter market conducted by primary and secondary dealers comprising dealers which are regulated by the United States Financial Industry Regulatory Authority and the United States Securities and Exchange Commission; NASDAQ; and the Over-the-Counter market in Japan regulated by the Securities Dealers Association of Japan.*

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

(i) all derivatives exchanges or markets:

- *in a Member State;*
- *in a Member State of the European Economic Area (EEA) (excluding Iceland and Liechtenstein i.e. Norway); and*
- *the U.K. in the event the U.K. is no longer a Member State.*

(ii) any derivatives exchange or market included in the following list:

Argentina
- *Mercado a Termino Buenos Aires*
- *Rosario Futures Exchange*

Australia
- *Australian Securities Exchange*
- *ASX Trade24*
- *Sydney Futures Exchange*

Brazil
- *BM&FBovespa*
- *Brazilian Mercantile & Futures Exchange*

Canada
- *ICE Futures Canada*
- *Montreal Exchange*
- *TSX Group Exchange*
- *the over-the-counter market in Canadian government bonds regulated by the Investment Dealers Association of Canada*

China
- *China Financial Futures Exchange (CFFEX)*
- *Dalian Commodity Exchange*
- *Hong Kong Exchanges and Clearing*
- *Shanghai Futures Exchange*
- *Zhengzhou Commodity Exchange*

Colombia
- *Colombia Stock Exchange*

Fiji
- *MEFF Renta Fiji;*

Hong Kong
- *Hong Kong Futures Exchange*

India
- *Bombay Stock Exchange*
- *MCX Stock*
- *Metropolitan Stock Exchange of India*

- *Multi Commodity Exchange of India*
- *National Commodity & Derivatives Exchange*
- *National Stock Exchange*
- *OTC Exchange of India*

Indonesia

- *Indonesia Commodity & Derivatives Exchange*

Israel

- *Tel Aviv Stock Exchange*

Japan

- *Osaka Dojima Commodity Exchange*
- *Osaka Exchange*
- *Tokyo Commodity Exchange*
- *Tokyo Financial Exchange*
- *Tokyo International Financial Futures Exchange*

Malaysia

- *Bursa Malaysia*

Mexico

- *Mexican Derivatives Exchange*

New Zealand

- *New Zealand Exchange*

Pakistan

- *Pakistan Mercantile Exchange*

Russia

- *Moscow Exchange*

Singapore

- *ICE Futures Singapore*
- *Singapore Exchange*

South Africa

- *Johannesburg Stock Exchange*
- *South Africa Futures Exchange (SAFEX)*

South Korea

- *Korea Exchange*
- *Korean Futures Exchange*

Taiwan

- *Taiwan Futures Exchange*

Thailand

- *Thailand Futures Exchange*

Turkey

- *Borsa Istanbul*

United Arab Emirates

- *Dubai Gold & Commodities Exchange (DGCX)*
- *Dubai Mercantile Exchange*

United Kingdom

- *AIM – the Alternative Investment Market in the U.K., regulated by the London Stock Exchange*
- *CME Europe*
- *CurveGlobal*
- *Euronext.liffe*
- *Financial Futures and Options Exchange*
- *ICE Futures Europe*
- *LME Benchmark Monitor*
- *LME 3rd Wednesday*

- *LME Swaps*
- *London Derivatives Exchange (LDX)*
- *London Stock Exchange*
- *Nasdaq NLX*
- *NYSE Liffe*
- *Turquoise Derivatives*

United States

- *Boston Options Exchange*
- *Coffee, Sugar and Cocoa Exchange*
- *C2 Options Exchange*
- *CBOE Futures Exchange*
- *Chicago Board Options Exchange*
- *Chicago Board of Trade*
- *Chicago Mercantile Exchange*
- *COMEX division of NYMEX*
- *EDGX Options Exchange*
- *ELX Futures*
- *Eris Exchange*
- *ICE Futures US*
- *International Monetary Market*
- *International Securities Exchange*
- *International Securities Exchange Gemini*
- *International Securities Exchange Mercury*
- *Kansas City Board of Trade*
- *Miami International Securities Exchange*
- *Midwest Stock Exchange*
- *Minneapolis Grain Exchange*
- *Nasdaq Boston*
- *NASDAQ Futures Exchange*
- *Nasdaq Options Market*
- *Nasdaq PHLX*
- *New York Mercantile Exchange*
- *New York Stock Exchange*
- *North American Derivative Exchange*
- *NYSE Amex*
- *NYSE Arca*
- *OneChicago*
- *Pacific Stock Exchange*
- *Philadelphia Board of Trade*

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

SCHEDULE II

Investment Restrictions applicable to the Funds

1	**Permitted Investments**
	Investments of a UCITS are confined to:
1.1	Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
1.2	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
1.3	Money market instruments other than those dealt on a regulated market.
1.4	Units of UCITS.
1.5	Units of alternative investment funds.
1.6	Deposits with credit institutions.
1.7	Financial derivative instruments.
2	**Investment Restrictions**
2.1	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
2.2	Recently Issued Transferable Securities Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of the UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply. Paragraph (1) does not apply to an investment by a responsible person in US Securities known as “Rule 144 A securities” provided that; (a) the relevant securities are issued with an undertaking to register the securities with the SEC within one year of issue; and (b) the securities are not illiquid securities i.e. they may be realised by the Fund within 7 days at the price, or approximately at the price, at which they are valued by the UCITS.
2.3	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body, provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
2.4	The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS. This provision will not be availed of

without the prior approval of the Central Bank.

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

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

2.7 A UCITS shall not invest more than 20% of its assets in deposits made with the same body.

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

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

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

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

2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

2.12 A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.

The individual issuers must be listed in the prospectus and may be drawn from the following list:
OECD Governments (provided the relevant issues are investment grade), Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, Government of the People's Republic of China, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.

The UCITS must hold securities from at least 6 different issues, with securities from any

	one issue not exceeding 30% of net assets.
3	**Investment in Collective Investment Schemes ("CIS")**
3.1	A UCITS may not invest more than 20% of net assets in any one CIS.
3.2	Investment in non-UCITS may not, in aggregate, exceed 30% of net assets.
3.3	The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.
3.4	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.
3.5	Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.
4	**Index Tracking UCITS**
4.1	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the UCITS Rules and is recognised by the Central Bank
4.2	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
5	**General Provisions**
5.1	An investment company, ICAV, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
5.2	A UCITS may acquire no more than: (i) 10% of the non-voting shares of any single issuing body; (ii) 10% of the debt securities of any single issuing body; (iii) 25% of the units of any single CIS; (iv) 10% of the money market instruments of any single issuing body. NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.
5.3	5.1 and 5.2 shall not be applicable to: (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities; (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State; (iii) transferable securities and money market instruments issued by public international

	bodies of which one or more Member States are members; (iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed. (v) Shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.
5.4	UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
5.5	The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
5.6	If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.
5.7	Neither an investment company, ICAV, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of: - transferable securities; - money market instruments*; - units of investment funds; or - financial derivative instruments.
5.8	A UCITS may hold ancillary liquid assets.
6	**Financial Derivative Instruments ('FDIs')**
6.1	The UCITS' global exposure relating to FDI must not exceed its total net asset value.
6.2	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS Rules. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the UCITS Rules.)
6.3	UCITS may invest in FDIs dealt in over-the-counter (OTC), provided that - The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

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

6.4	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank

SCHEDULE III

Investment Techniques and Instruments

Permitted FDI

A Fund may invest in FDI, provided that:

(i) the relevant reference items or indices, consist of one or more of the following:
- instruments referred to in Regulation 68(1)(a) – (f) and (h) of the UCITS Regulations, including financial instruments having one or several characteristics of those assets;
- financial indices;
- interest rates;
- foreign exchange rates;
- currencies;

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

(iii) the FDI do not cause the Fund to diverge from its investment objectives; and

(iv) the reference in (i) above to financial indices shall be understood as a reference to indices which fulfil the following criteria and the provisions of the UCITS Rules:

(a) they are sufficiently diversified, in that the following criteria are fulfilled:
(i) the index is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;
(ii) where the index is composed of assets referred to in Regulation 68(1) of the UCITS Regulations, its composition is at least diversified in accordance with Regulation 71 of the UCITS Regulations;
(iii) where the index is composed of assets other than those referred to in Regulation 68(1) of the UCITS Regulations, it is diversified in a way which is equivalent to that provided for in Regulation 71 of the UCITS Regulations;

(b) they represent an adequate benchmark for the market to which they refer, in that the following criteria are fulfilled:
(i) the index measures the performance of a representative group of underlyings in a relevant and appropriate way;
(ii) the index is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers following criteria which are publicly available;
(iii) the underlyings are sufficiently liquid, which allows users to replicate the index, if necessary;

(c) they are published in an appropriate manner, in that the following criteria are fulfilled:
(i) their publication process relies on sound procedures to collect prices and to calculate and to subsequently publish the index value, including pricing procedures for components where a market price is not available;
(ii) material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

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

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

Credit derivatives are permitted where:

(i) they allow the transfer of the credit risk of an asset as referred to above, independently from the other risks associated with that asset;

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

(iii) they comply with the criteria for OTC derivatives set out below;

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

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

Notwithstanding the above, a Fund may invest in FDI dealt in over-the-counter, “OTC derivatives” provided that:

(i) the counterparty (a) is a credit institution that is within any of the categories set out in Regulation 7 of the Central Bank Regulations; (b) is an investment firm authorised in accordance with the Markets in Financial Instruments Directive; (c) is a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve; or (d) belongs to such other category of counterparties as are permitted by the Central Bank;

(ii) where a counterparty within sub-paragraphs (b) or (c) of paragraph (i) above: (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the responsible person in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) of this paragraph (ii) this shall result in a new credit assessment being conducted of the counterparty by the responsible person without delay. In the case of subsequent novation of the OTC FDI contract, the counterparty must be one of: (i) the entities set out above or; (ii) a central counterparty (“CCP”) authorised, or recognised by ESMA, under Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (“EMIR”) or, pending recognition by ESMA under Article 25 of EMIR, an entity classified as a derivatives clearing organisation by the Commodity Futures Trading Commission or a clearing agency by the SEC (both CCP);

(iii) risk exposure to the counterparty does not exceed the limits set out in Regulation 70(1)(c) of the UCITS Regulations. The Fund shall calculate the counterparty exposure using the positive mark-to-market value of the OTC derivative contract with that counterparty. The Fund may net its derivative positions with the same counterparty, provided that the Fund is able to legally enforce netting arrangements with the counterparty. Netting is only permissible with respect to OTC derivative instruments with the same counterparty and not in relation to any other exposures the Fund may have to that counterparty. The Fund may take account of collateral received by the Fund in order to reduce the exposure to the counterparty, provided that the collateral meets with the requirements specified in paragraphs (3), (4), (5), (6), (7), (8), (9) and (10) of Regulation 24 of the Central Bank Regulations; and

(iv) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

Risk exposure to an OTC derivative counterparty may be reduced where the counterparty will provide the Fund with collateral.

The Fund may disregard the counterparty risk on the condition that the value of the collateral, valued at market price and taking into account appropriate discounts, exceeds the value of the amount exposed to risk at any given time.

Collateral received must at all times meet with the requirements set out below.

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

Calculation of Issuer Concentration Risk and Counterparty Exposure Risk

Each Fund must calculate issuer concentration limits as referred to in Regulation 70 of the UCITS Regulations on the basis of the underlying exposure created through the use of FDI pursuant to the commitment approach. The risk exposures to a counterparty arising from OTC FDI transactions and efficient portfolio management techniques must be combined when calculating the OTC counterparty limit as referred to in Regulation 70(1)(c). A Fund must calculate exposure arising from initial margin posted to and variation margin receivable from a broker relating to exchange-traded or OTC derivatives, which is not protected by client money rules or other similar arrangements to protect the Fund against the insolvency of the broker, and that exposure cannot exceed the OTC counterparty limit referred to in Regulation 70(1)(c) of the UCITS Regulations.

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

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

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

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

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

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

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

Cover Requirements

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

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

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

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

- the underlying assets consists of highly liquid fixed income securities; and/or

- the Fund considers that the exposure can be adequately covered without the need to hold the underlying assets, the specific FDI are addressed in the risk management process, which is described under “Risk Management” immediately below, and details are provided in the prospectus.

Risk Management

Each Fund using FDI employs either the “commitment approach” or “value-at-risk” to measure global exposure.

(i) The Funds must employ a risk management process to enable them to accurately measure, monitor and manage the risks attached to FDI positions;

(ii) The Funds must provide the Central Bank with details of their proposed risk management process in respect of FDI activity. The initial filing is required to include the following information:

- permitted types of FDI, including embedded derivatives in transferable securities and money market instruments;

- details of the underlying risks;

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

- methods for estimating risks.

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

Any FDI not included in the risk management process will not be utilised until such time as a revised risk management process addressing the FDI has been provided to the Central Bank.

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

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

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

Repurchase Agreements, Reverse Repurchase Agreements and Stocklending Agreements

A portion of each Fund's assets may be held in ancillary liquid assets. For efficient portfolio management purposes, each Fund may enter into repurchase agreements, reverse repurchase agreements and stocklending agreements subject to the conditions and limits set out in the UCITS Rules. Repurchase agreements are transactions in which a Fund purchases securities from a bank or recognised securities dealer and simultaneously commits to resell the securities to the bank or dealer at an agreed-upon date and price reflecting a market rate of interest unrelated to the coupon rate of maturity of the purchased securities. A reverse repurchase agreement involves the sale of securities with an agreement to repurchase the securities at an agreed upon price, date and interest payment. A Fund may also lend securities to a counterparty approved by the Investment Manager.

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

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

(b) they are entered into for one or more of the following specific aims:

  (i) reduction of risk;
  (ii) reduction of cost;
  (iii) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in Regulation 71 of the UCITS Regulations;

(c) their risks are adequately captured by the risk management process of the Fund, and

(d) they cannot result in a change to the Funds' declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

Repurchase/reverse repurchase agreements ("repo contracts") and stocklending agreements may only be effected in accordance with normal market practice.

The assets of the Funds held in custody by the Depositary may be reused where:

(a) the reuse of the assets is executed for the account of the relevant Fund;

(b) the Depositary is carrying out the instructions of the Company on behalf of the relevant Fund;

(c) the reuse is for the benefit of the relevant Fund and in the interests of its Shareholders; and

(d) the transaction is covered by high-quality and liquid collateral received by the relevant Fund under a title transfer arrangement where the market value of the collateral amounts, at all times, to at least the market value of the reused assets plus a premium.

Subject to (a) to (d) above, the assets held in custody by the Depositary shall not be reused by the Depositary, or by any third party to which the custody function has been delegated, for their own account, and for the purposes of this paragraph, reuse means any transaction of assets held in custody including, but not limited to, transferring, pledging, selling and lending.

All assets received by a Fund in the context of efficient portfolio management techniques should be considered as collateral and should comply with the criteria set down below.
Collateral must, at all times, meet with the following criteria:

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

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

  (iii) **Issuer credit quality:** Collateral received should be of high quality. The Fund shall ensure that:

(a) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the responsible person in the credit assessment process; and

(b) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in sub-paragraph (a) this shall result in a new credit assessment being conducted of the issuer by the Fund without delay;

(iv) **Correlation:** Collateral received should be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Fund to expect that it would not display a high correlation with the performance of the counterparty.

(v) **Diversification (asset concentration):**

(a) Subject to sub-paragraph (b) below, collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When Funds are exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer;

(ii) It is intended that a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. The Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund's Net Asset Value. The Member States, local authorities, third countries, or public international bodies or issuing or guaranteeing securities which the Fund is able to accept as collateral for more than 20% of its Net Asset Value shall be drawn from the following list:

OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, IMF, Euratom, The Asian Development Bank, ECB, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, EU, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority and Straight-A Funding LLC; and

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

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

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

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

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

(i) deposits with a credit institution referred to in Regulation 7 of the Central Bank Regulations;

(ii) high-quality government bonds;

(iii) reverse repurchase agreements provided the transactions are with a credit institution referred to Regulation 7 of the Central Bank Regulations and the Fund is able to recall at any time the full amount of cash on an accrued basis;

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

Invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or connected to the counterparty.

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

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

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

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

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

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

Where a counterparty to a repurchase or a securities lending agreement which has been entered into by a Fund: (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the responsible person in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in sub-paragraph (a) this shall result in a new credit assessment being conducted of the counterparty by the Fund without delay.

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

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

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

Repo contracts, mortgage dollar roll, stock borrowing and stocklending agreements do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively of the UCITS Regulations.

SCHEDULE IV

Definition of U.S. Person, U.S. Reportable Person, U.S. Taxpayer and Related Terms

Definition of U.S. Person

(1) Pursuant to Regulation S of the 1933 Act, "U.S. Person" means:

(i) any natural person resident in the United States;

(ii) any partnership or corporation organised or incorporated under the laws of the United States;

(iii) any estate of which any executor or administrator is a U.S. Person;

(iv) any trust of which any trustee is a U.S. Person;

(v) any agency or branch of a foreign entity located in the United States;

(vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;

(vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; or

(viii) any partnership or corporation if:

(a) organised or incorporated under the laws of any non-U.S. jurisdiction, and

(b) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.

(2) "U.S. Person" does not include:

(i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or, if an individual, resident in the U.S.;

(ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if:

(a) an executor or administrator of the estate who is not a U.S Person has sole or shared investment discretion with respect to the assets of the estate; and

(b) the estate is governed by non-U.S. law;

(iii) any trust of which any professional fiduciary acting as trustee is a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person;

(iv) an employee benefit plan established and administered in accordance with the law of a country other than the U.S. and customary practices and documentation of such country;

(v) any agency or branch of a U.S. Person located outside the U.S. if:

(a) the agency or branch operates for valid business reasons; and

(b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located;

(vi) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations and their agencies, affiliates and pension plans and any other similar international organisations, their agencies, affiliates and pension plans; and

(viii) any entity excluded or exempted from the definition of "U.S. Person" in reliance on or with reference to interpretations or positions of the SEC or its staff.

Definition of the term "Resident" for purposes of Regulation S

(1) For purposes of the definition of "U.S. Person" in (1) above with respect to natural persons, a natural person shall be resident in the U.S. if such person:

(i) holds an Alien Registration Card (a "green card") issued by the U.S. Immigration and Naturalisation Service; or

(ii) meets a "substantial presence test."

(2) The "substantial presence" test is generally met with respect to any current calendar year if:

(i) the individual was present in the U.S. on at least 31 days during such year, and

(ii) the sum of the number of days on which such individual was present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days.

Persons Excluded From the Definition of U.S. Person

Rule 4.7 of the U.S. Commodity Exchange Act regulations currently provides in relevant part that the following persons are considered "Non-United States persons": (a) a natural person who is not a resident of the U.S.; (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction; (c) an estate or trust, the income of which is not subject to U.S. income tax regardless of source; (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided that units of participation in the entity held by persons who do not qualify as non-U.S. Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as non-U.S. Persons in a pool with respect to which the operator is exempt from certain requirements of the U.S. Commodity Futures Trading Commission's regulations by virtue of its participants being non-U.S. Persons; and (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside of the U.S.

Definition of U.S. Reportable Person

(1) For U.S. federal income tax purposes, "U.S. Reportable Person" means:

(i) a U.S. Taxpayer who is not an Excluded U.S. Taxpayer, or

(ii) a Passive U.S. Controlled Foreign Entity.

(2) For purposes of the definition of U.S. Reportable Person, "U.S. Taxpayer" includes:

(i) a U.S. citizen or resident alien of the U.S. (as defined for U.S. federal income tax purposes);

(ii) any entity treated as a partnership or corporation for U.S. tax purposes that is created or organised in, or under the laws of, the U.S. or any state thereof;

(iii) any other partnership that is treated as a U.S. Person under U.S. Treasury Department regulations;

(iv) any estate, the income of which is subject to U.S. income taxation regardless of source; and

(v) any trust over whose administration a court within the U.S. has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries.

Persons who have lost their U.S. citizenship and who live outside the U.S. may nonetheless, in some circumstances, be treated as U.S. Taxpayers. An investor may be a U.S. Taxpayer for federal income tax purposes but not a "U.S. Person" for purposes of investor qualification for a Fund. For example, an individual who is a U.S. citizen residing outside of the U.S. is not a "U.S. Person" but is a U.S. Taxpayer for federal income tax purposes.

(3) For purposes of the definition of U.S. Reportable Person, "Excluded U.S. Taxpayer" includes a U.S. Taxpayer that is:

(i) a corporation the stock of which is regularly traded on one or more established securities markets;

(ii) any corporation that is a member of the same expanded affiliated group, as defined in Section 1471(e)(2) of the Code, as a corporation described in clause (i);

(iii) the United States or any wholly-owned agency or instrumentality thereof;

(iv) any state of the United States, any U.S. territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing;

(v) any organisation exempt from taxation under Section 501(a) or an individual retirement plan as defined in Section 7701(a)(37) of the Code;

(vi) any bank as defined in Section 581 of the Code;

(vii) any real estate investment trust as defined in Section 856 of the Code;

(viii) any regulated investment company as defined in Section 851 of the Code or any entity registered with the Securities Exchange Commission under the 1940 Act;

(ix) any common trust fund as defined in Section 584(a) of the Code;

(x) any trust that is exempt from tax under Section 664(c) of the Code;

(xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state thereof; or

(xii) a broker as defined in Section 6045(c) of the Code.

(4) For purposes of the definition of U.S. Reportable Person, "Passive U.S. Controlled Foreign Entity" includes an entity that is not a U.S. Taxpayer or Financial Institution and that has one or more "Controlling U.S. Persons" as owners of equity in such entity.

(i) For this purpose, a Controlling U.S. Person means an individual who is a U.S. Taxpayer and exercises control over an entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions.

SCHEDULE V

Sub-delegates appointed by State Street Bank and Trust Company

The Depositary has appointed State Street Bank and Trust Company with registered office at Copley Place 100, Huntington Avenue, Boston, Massachusetts 02116, USA as its global sub-custodian.

State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network as listed below:

Market	Sub-custodian
Albania	Raiffeisen Bank sh.a.
Argentina	Citibank, N.A.
Australia	The Hongkong and Shanghai Banking Corporation Limited
Austria	Deutsche Bank AG (operating through its Frankfurt branch with support from its Vienna branch)
	UniCredit Bank Austria AG
Bahrain	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Bangladesh	Standard Chartered Bank
Belgium	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Brussels branch)
Benin	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Bermuda	HSBC Bank Bermuda Limited
Federation of Bosnia and Herzegovina	UniCredit Bank d.d.
Botswana	Standard Chartered Bank Botswana Limited
Brazil	Citibank, N.A.
Bulgaria	Citibank Europe plc, Bulgaria Branch
	UniCredit Bulbank AD
Burkina Faso	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Canada	State Street Trust Company Canada
Chile	Itaú CorpBanca S.A.
People's Republic of China	HSBC Bank (China) Company Limited(as delegate of The Hongkong and Shanghai Banking Corporation Limited)
	China Construction Bank Corporation
China Connect	Citibank N.A.
	The Hongkong and Shanghai Banking Corporation Limited
	Standard Chartered Bank (Hong Kong) Limited
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco BCT S.A.
Croatia	Privredna Banka Zagreb d.d.
	Zagrebacka Banka d.d.
Cyprus	BNP Paribas Securities Services, S.C.A., Greece (operating through its Athens branch)
Czech Republic	Československá obchodní banka, a.s.
	UniCredit Bank Czech Republic and Slovakia, a.s.

Market	Sub-custodian
Denmark	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Copenhagen branch)
Egypt	HSBC Bank Egypt S.A.E. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Estonia	AS SEB Pank
Finland	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), Finnish branch)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch)
France	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Paris branch)
Republic of Georgia	JSC Bank of Georgia
Germany	State Street Bank International GmbH
	Deutsche Bank AG
Ghana	Standard Chartered Bank Ghana Limited
Greece	BNP Paribas Securities Services, S.C.A.
Guinea-Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Hong Kong	Standard Chartered Bank (Hong Kong) Limited
Hungary	Citibank Europe plc Magyarországi Fióktelepe
	UniCredit Bank Hungary Zrt.
Iceland	Landsbankinn hf.
India	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Indonesia	Deutsche Bank AG
Ireland	State Street Bank and Trust Company, United Kingdom branch
Israel	Bank Hapoalim B.M.
Italy	Deutsche Bank S.p.A.
Ivory Coast	Standard Chartered Bank Côte d'Ivoire S.A.
Japan	Mizuho Bank, Limited
	The Hongkong and Shanghai Banking Corporation Limited
Jordan	Standard Chartered Bank, Shmeissani Branch
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya Limited
Republic of Korea	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Kuwait	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Latvia	AS SEB banka
Lithuania	AB SEB bankas
Malawi	Standard Bank Limited
Malaysia	Deutsche Bank (Malaysia) Berhad
	Standard Chartered Bank Malaysia Berhad

Market	Sub-custodian
Mali	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Mexico	Banco Nacional de México, S.A.
Morocco	Citibank Maghreb
Namibia	Standard Bank Namibia Limited
Netherlands	Deutsche Bank AG
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Niger	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Nigeria	Stanbic IBTC Bank Plc.
Norway	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), filial i Norge)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch)
Oman	HSBC Bank Oman S.A.O.G. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Pakistan	Deutsche Bank AG
Panama	Citibank, N.A.
Peru	Citibank del Perú, S.A.
Philippines	Deutsche Bank AG
Poland	Bank Handlowy w Warszawie S.A.
	Bank Polska Kasa Opieki S.A.
Portugal	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Lisbon branch)
Qatar	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Romania	Citibank Europe plc, Dublin – Romania Branch
Russia	AO Citibank
Saudi Arabia	HSBC Saudi Arabia (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
	Saudi British Bank (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Senegal	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Serbia	UniCredit Bank Serbia JSC
Singapore	Citibank N.A.
	United Overseas Bank Limited
Slovak Republic	UniCredit Bank Czech Republic and Slovakia, a.s.
Slovenia	UniCredit Banka Slovenija d.d.
South Africa	FirstRand Bank Limited
	Standard Bank of South Africa Limited
Spain	Deutsche Bank S.A.E.
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited
Republic of Srpska	UniCredit Bank d.d.
Swaziland	Standard Bank Swaziland Limited
Sweden	Nordea Bank AB (publ)

Market	**Sub-custodian**
	Skandinaviska Enskilda Banken AB (publ)
Switzerland	Credit Suisse (Switzerland) Limited
	UBS Switzerland AG
Taiwan - R.O.C.	Deutsche Bank AG
	Standard Chartered Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Tanzania) Limited
Thailand	Standard Chartered Bank (Thai) Public Company Limited
Togo	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.Ş.
	Deutsche Bank A.Ş.
Uganda	Standard Chartered Bank Uganda Limited
Ukraine	PJSC Citibank
United Arab Emirates Dubai Financial Market	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates Dubai International Financial Centre	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates Abu Dhabi	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Kingdom	State Street Bank and Trust Company, United Kingdom branch
United States	State Street Bank and Trust Company
Uruguay	Banco Itaú Uruguay S.A.
Vietnam	HSBC Bank (Vietnam) Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Zambia	Standard Chartered Bank Zambia Plc.
Zimbabwe	Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited)