Atlantic House Global Defined Returns Fund

This Supplement dated 30 April, 2021 contains specific information in relation to the **Atlantic House Global Defined Returns Fund** (the "**Fund**"), a sub-fund of GemCap Investment Funds (Ireland) plc (the "**Company**") which is an open-ended umbrella investment company with variable capital incorporated with limited liability and segregated liability between Funds.

This Supplement forms part of the Prospectus dated 4 October 2017 and should be read in the context of and together with the Prospectus including the general description of

- **the Company and its management and administration;**
- **its general management and fund charges;**
- **the taxation of the Company and of its Shareholders; and**
- **its risk warnings.**

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

It is the intention of the Company, in respect of the Fund, to invest in financial derivative instruments ("FDIs") for investment and/or efficient portfolio management and/or hedging purposes (as detailed in the Prospectus under the heading "Efficient Portfolio Management" and below under the heading "Investment Policy") where applicable.

Dividends in respect of Classes may be declared out of the capital of the Fund in order to preserve cash flow to Shareholders. In any such case, there is a greater risk that capital may be eroded, that the Fund's ability to sustain future capital growth may be diminished and distribution will be achieved in a manner that foregoes the potential for future capital growth of your investment. This cycle may continue until all capital is depleted. Dividends declared out of the capital of a Fund must be understood as a type of capital reimbursement and may have different tax consequences to distributions of income and the Directors recommend that investors seek their own tax advice in this regard.

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

1. Classes

The Classes of Shares of the Fund being offered are as follows:-

Share Class	**Currency**
Class A Accumulation Shares ("**Class A Shares**")	US Dollar
Class A (Hedged) Accumulation Shares ("**Class A (Hedged) Shares**")	Great Britain Pounds Euro Swiss Francs
Class B Accumulation Shares ("**Class B Shares**")	US Dollar
Class B (Hedged) Accumulation Shares ("**Class B (Hedged) Shares**")	Great Britain Pounds Euro Swiss Francs
Class C Distribution Shares ("**Class C Shares**")	US Dollar
Class C (Hedged) Distribution Shares ("**Class C (Hedged) Shares**")	Great Britain Pounds

	Euro Swiss Francs
Class D Distribution Shares (“**Class D Shares**”)	US Dollar
Class D (Hedged) Distribution Shares (“**Class D (Hedged) Shares**”)	Great Britain Pounds Euro Swiss Francs

However, as described in the section of the Prospectus entitled “**Hedging Risk**”, the Company shall enter into certain currency related transactions in respect of classes designated “hedged” in order to mitigate the exchange rate risk between the Base Currency of the Fund and the currency in which hedged Shares are designated (where that designated currency is different to the Base Currency of the Fund). Where the Company seeks to hedge against currency fluctuations at Class level, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, over-hedged positions will not exceed 105% of the Net Asset Value of the Class and under-hedged positions shall not fall short of 95% of the portion of the Net Asset Value of the Class which is to be hedged against currency risk. Hedged positions will be kept under review to ensure that over-hedged or under-hedged positions do not exceed/fall short of the permitted levels outlined above and are not carried forward from month to month.

2. Dealing Days for Subscriptions and Redemptions:

Every Business Day meaning a day on which banks in Ireland and United Kingdom are open for normal banking business and in any other financial centre that the Directors may determine to be relevant for the operations of the Fund, and such additional Business Day or Business Days as the Directors may determine, and notify in advance to Shareholders.

3. Dealing Deadline and Valuation Point

Midday Irish time on the Dealing Day or such other time as the Directors may determine and notify in advance to Shareholders provided always that the Dealing Deadline is not later than the Valuation Point. The Valuation Point will be the close of business of the relevant market on the Dealing Day.

4. Base Currency:

The base currency of the Fund is US Dollars.

5. Dividends:

The Class A Shares, Class A (Hedged) Shares, Class B Shares and Class B (Hedged) Shares are accumulating Classes (“**Accumulating Classes**”) and therefore, it is not currently intended for the Company to declare and distribute dividends to the Shareholders in these Classes. Any income and earnings and gains on these Accumulating Classes will be accumulated and reinvested on behalf of Shareholders.

The Class C Shares, Class C (Hedged) Shares, Class D Shares and Class D (Hedged) Shares are intended to be distribution Classes (the “**Distribution Classes**”) and as such the Company may, at its discretion, declare dividends quarterly as at May 4, August 4, November 4 and February 4 and/or at such other periodic intervals as shall be determined by the Company, and notified to Shareholders at that time.

It is intended that the Distribution Classes will distribute a quarterly dividend equal to 1% of the Fund’s Net Asset Value. Such distributions made may be declared out of the capital of the Fund. Such distributions, when declared, will be paid by electronic transfer within two months.

6. Investment Objective and Policy:

6.1 Investment Objective

The investment objective of the Fund is to generate capital growth over the medium to longer term.

6.2 Investment Policy

The Fund intends to achieve its investment objective by taking exposure to financial indices, equities and equity related securities through FDIs (exchange traded or over-the-counter) as outlined below, and by investing in government bonds, investment grade corporate bonds, equities and equity related securities directly, with the weightings between the types of securities to be determined on an ongoing basis following the investment selection process undertaken by the Investment Manager.

The Fund is considered to be actively managed in reference to the Solactive US Large Cap Net Total Return Index (the "**Benchmark**") by virtue of the fact that it is used for performance comparison purposes and as the reference index for the purposes of calculating the global exposure of the Fund using the Relative VaR methodology. However the Benchmark is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Benchmark.

The Fund may take long exposure (i) by investing directly or taking investment exposure via FDIs in a security or securities with the view that their value will rise, (ii) in instances where it may assist the Fund in achieving its investment policy (through providing the Fund with opportunities to make gains in negative or distressed market conditions and thus provide growth for the Fund in such markets) or (iii) by gaining exposure to investments via FDIs which may have the ability to generate a positive return in positive and moderately negative market conditions.

The securities targeted will be listed or traded on Recognised Exchanges with the exception of permitted investments in unlisted securities. The equity and equity-related securities targeted will be of companies located worldwide and may include, in the case of direct investment in common stock, preferred stock and securities convertible into or exchangeable for such equities. Examples of equity related securities in which the Fund may invest are securities whose performance is linked to that of developed market indices. An example of a security that is convertible from developed market indices, whereby the security is convertible into the issuer's underlying equity, is British Land Company plc.

Due to the intentionally broad nature of the Fund's strategy, it is not possible to comprehensively list all of the financial indices to which exposure may be taken, and they may change from time to time.

However an example of the type of index the Investment Manager may gain exposure to when seeking to achieve the investment objective of the Fund is the S&P 500 Index. The S&P 500 Index is an index based on the market capitalisations of 500 large companies having common stock listed on the NYSE or NASDAQ. The S&P 500 Index is rebalanced quarterly. Further information on the index can be found at www.standardandpoors.com.

Details of any financial indices used by the Fund will be provided to Shareholders by the Investment Manager on request and will be set out in the Company's semi-annual and annual accounts. Furthermore, the financial indices to which the Fund may gain exposure will typically be rebalanced on a monthly, quarterly, semi-annual or annual basis. The costs associated with gaining exposure to a financial index will be impacted by the frequency with which the relevant financial index is rebalanced. Where the weighting of a particular constituent in the financial index exceeds the UCITS investment restrictions, the Investment Manager will, as a priority objective, look to remedy the situation taking into account the interests of Shareholders and the Fund. Any such indices will meet the Central Bank's requirements.

The Fund is not subject to any industry sector or market capitalisation constraints on target investments.

No investment will be made in another sub-fund of the Company.

The Fund is prohibited from investing more than 10 per cent of the Net Asset Value of the Fund in aggregate in other collective investment schemes ("**CIS**").

The Fund may invest in government bonds issued by OECD governments and investment grade corporate bonds issued by companies located worldwide with fixed or floating interest rates (debt securities). Investment in fixed income securities, in developed markets, such as US Treasury, UK Gilts, and German Bunds, will be investment grade (i.e. at or above S&P rating BBB- or a rating sourced from another reputable rating agency, which is deemed equivalent by the Investment Manager).

The Fund may also, if this is considered appropriate to the investment objective, invest on a short term basis in cash, cash equivalents and money market instruments (including cash deposits, commercial paper and certificates of deposit).

Financial Derivative Instruments

The FDIs in which the Fund may invest or use for investment purposes will be limited to swaps, options, futures and forwards. See below for a description of the FDIs which may be utilised by the Fund.

In addition, the Fund may engage in transactions in the below listed FDIs (including taking short positions synthetically through the use of such FDIs) for the purposes of efficient portfolio management and/ or hedging purposes and/or to protect against exchange risks within the conditions and limits laid down by the Central Bank from time to time. The Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way. Such transactions may include foreign exchange transactions which alter the currency characteristics of transferable securities held by the Fund. Such techniques and instruments (details of which are outlined below) include futures, options, swaps, fx forwards and repurchase and reverse repurchase agreements.

Share purchase rights and convertible securities will not be directly acquired but may be issued to the Fund pursuant to its investment in a particular security and, in such cases, may be retained for the purposes of efficient portfolio management and traded or exercised when considered appropriate.

Futures
Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. The commercial purpose of futures contracts can be to allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Using futures to achieve a particular strategy instead of using the underlying or related security or index may result in lower transaction costs being incurred. The Fund may use futures to gain exposure to a particular equity index. The purpose of these will be to act as a hedge on exposures that exist within the Fund.

Options
An option contains the right to buy or sell a specific quantity of a specific asset at a fixed price at or before a specified future date. There are two forms of options: put or call options. Put options are contracts sold for a premium that give to the buyer the right, but not the obligation, to sell to the seller a specified quantity of a particular asset (or financial instrument) at a specified price. Call options are similar contracts sold for a premium that give the buyer the right, but not the obligation, to buy from the seller a specified quantity of a particular asset (or financial instrument) at a specified price. Options may

also be cash-settled. The Fund may be a seller or buyer of put and call options. The Fund may use such instruments to hedge against market risk or to gain exposure to a relevant underlying equity or equity related security. Any option entered into by the Fund will be in accordance with the limits prescribed by the UCITS Regulations.

Swaps
Swaps including interest rate swaps (an interest rate swap is an agreement negotiated between two parties to exchange interest rate cash flow calculated on notional principal amounts at specified intervals (payment dates) during the life of the swap), inflation linked swaps (an inflation linked swap is a contract under which a fixed payment is exchanged for a variable payment linked to a measure of inflation), equity swaps, Total Return Swaps and other swaps may be used to enable the Fund to gain exposure to securities and/or indices.

A Total Return Swap could be used if it provided exposure to a security or index position in a more cost-efficient manner than a direct investment in that security or index position. In a swap, the gross returns to be exchanged or "swapped" between the parties are calculated with respect to a "notional amount", i.e. the return or increase in value of the index. Total Return Swap agreements may be used by the Fund to gain exposure to an index, whereby the Fund agrees to pay a stream of payments based on an agreed interest rate in exchange for payments representing the total economic performance, over the life of the swap, of the asset or assets underlying the swap, in this case, the economic performance of the index.

FX Forwards
Forward currency contracts could be used to hedge against currency risk between the Base Currency of the Fund and the currency in which hedged Shares are designated (where this is different to the Base Currency of the Fund), as further outlined under the section entitled ‘Classes’ above.

Securities Financing Transactions
Subject to the conditions and limits set out in the Central Bank Rules and in accordance with the requirements of SFTR, the Fund may use repurchase agreements, reverse repurchase agreements and/or securities lending agreements for efficient portfolio management purposes only. Any type of assets that may be held by the Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The Fund may also use Total Return Swaps (as detailed above) and apply these to certain types of assets held by the Fund as disclosed in the **"Investment Policy"** section above. The expected proportion of assets that will be subject to repurchase agreements, reverse repurchase agreements and/or securities lending agreements is 0-20% (in respect of each type of Securities Financing Transaction). The expected proportion of assets that will be subject to Total Return Swaps is 0-100%. The maximum proportion of assets that will be subject to Securities Financing Transactions and/or Total Return Swaps may be 100%. In any case, the most recent semi-annual and annual report of the Fund will express as an absolute amount and as a percentage of the Fund's assets the amount of Fund assets subject to Securities Financing Transactions and Total Return Swaps. Please refer to the section of the Prospectus entitled "Efficient Portfolio Management" for further details.

The use of financial derivative instruments and efficient portfolio management techniques for the purposes outlined above will expose the Fund to the risks disclosed under the section of the Prospectus entitled "**Risk Factors**".

The Fund may enter into over-the-counter ("**OTC**") financial derivative instruments with approved counterparts. The Investment Manager monitors counterparty exposure and where applicable, takes into consideration any collateral held by the fund in determining the Fund’s exposure.

Where the Fund has entered into an OTC financial derivative instrument with a counterparty and the value of the financial derivative instrument is in favour of the Fund and the counterpart defaults on its obligation, there is a risk that the Fund will lose all or some of the value of that financial derivative instrument.

The Investment Manager monitors both counterparty and issuer risk to ensure that the Fund remains within the UCITS guidelines on issuer concentration and counterparty risk limits.

The Fund may experience high volatility from time to time. Please see the section headed "Risk Warnings" for further information in this regard.

Investment Selection

At the beginning of the selection process, the Investment Manager, considers which potential indices, equities or bonds may benefit the Fund, having regard to the Fund's investment objective and policy. This research will be conducted by the Investment Manager using their own databases and external services and may include (i) company specific research (e.g. annual and interim reports, meetings with management, database and investment commentary and statistical database), (ii) fund research (e.g. financial reports, manager presentations, sector analysis, external specialists, industry conferences and newsletters) and (iii) general market/economic data, views, opinions and insights through subscription services such as Bloomberg. They will also consider economic and market conditions, including inflation, interest rates, exchange rates, current market (index) levels, and economic indicators such as projected economic growth rates. The Investment Manager will also consider the current equity derivative pricing landscape.

The Investment Manager is likely to select a basket of government and corporate bonds that it deems appropriate to deliver investors their return of capital.

In respect of any indirect exposure taken on equities, based on the factors described above and if appropriate to the Fund's investment objective and policy, the Fund will gain exposure to global equity markets using only liquid derivatives on eligible equity indices. In order to potentially enhance investor returns and if consistent with the Fund's overall risk profile, the Fund may gain exposure to the relevant underlying index by, for example, selling out-of-the-money put options on such global equity index and using the proceeds to buy upside exposure on the same index.

The investments in government and corporate bonds and FDI may be spread between selected geographic areas. The primary focus of the basket of debt will be to deliver a relatively low-risk return of capital whilst the primary focus of the FDI will be to combine fundamental analysis of equity markets with derivative pricing to give the Fund an efficient way of earning a positive return over the medium to long-term. This is reviewed by the Investment Manager as economic and market conditions change.

Sustainability Risks

The Investment Manager does not integrate Sustainability Risks into its discretionary investment decisions in relation to the Fund given that the Fund is based on major financial indices and derivatives structured around major financial indices and as such the Investment Manager has determined that an ESG Event is not likely to cause an actual or potential material negative impact on the returns of the Fund.

6.3 Leverage

The Fund may utilise financial derivative instruments as described in the section headed "Investment Policy" above.

The Fund shall use the Relative Value at Risk ("VaR") model as part of its risk management process for the purposes of calculating global exposure for the Fund. The Fund shall use the Solactive US Large

Cap Net Total Return Index as its reference benchmark, whereby the VaR of the Fund shall not exceed twice the VaR of the Solactive US Large Cap Net Total Return Index.

Although the VaR methodology as described above is used to control and assess the Fund's exposures arising from the use of FDI, it does not explicitly measure leverage. Therefore, in accordance with the Central Bank Rules, the Fund also calculates leverage generated through the use of FDI which is calculated using the sum of the notional exposure of the FDI being used by the Fund. Generally, the level of leverage for the Fund arising from the use of FDIs calculated on this basis is expected to be between 0% and 300% of Net Asset Value of the Fund but may be higher from time to time.

When calculating the VaR daily the Investment Manager will take into account the following quantitative standards:

- The one-tailed confidence level will be 99%;
- The holding period should be 20 days;
- The historical observation period will not be less than 1 year, however a shorter observation period may be used if justified, (for example, as a result of significant recent changes in price volatility);
- Daily data set updates, or more frequent when market prices are subject to material changes;
- At least daily calculation.

The Company on behalf of the Fund has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks associated with the use of financial derivative instruments. Any financial derivative instrument not included in the risk management process will not be utilised until such time as a revised submission has been provided to the Central Bank. The Company will, on request, provide supplementary information to Shareholders 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.

6.4 Investor Profile

A typical investor in the Fund is an investor who wishes to allocate a portion of their total assets to an investment in a diversified portfolio of equities, equity related securities and government and investment grade corporate bonds or taking exposure to such equity and equity-related securities indirectly through financial derivative instruments (exchange traded or over-the-counter) that provide investment returns similar to those described above. It is suitable for investors who are seeking capital growth over a medium to long term horizon, but must be able to accept temporary capital losses due to the potentially volatile nature of the underlying assets. Further, in the event of significant deterioration in the value of the equities and equity related securities to which the financial derivative instruments are linked and/ or counterparty or issuer default, permanent loss of some or all of their investment.

7. Investment Manager for the Fund

Pursuant to the investment management agreement dated 16 April 2021 between Atlantic House Investments Limited (the Investment Manager), the Manager and the Company, as amended by an agreement dated 30 April 2021, the Investment Manager has been appointed by the Manager to provide investment management services to the Fund.

The Investment Manager has its registered office at One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ, United Kingdom and is authorised and regulated by the UK Financial Conduct Authority to provide investment management activities.

The Investment Manager makes investment decisions for the Fund and continuously reviews, supervises and administers the Fund's investment programme. The Manager supervises the

Investment Manager and establishes policies that the Investment Manager must follow in its management activities.

The investment management agreement states that the appointment of the Investment Manager shall continue unless and until terminated by either party giving not less than 90 days' notice. In certain circumstances set out in the investment management agreement, either party may terminate the investment management agreement upon the occurrence of certain events, such as the inability of either party to pay its debts or if either party shall go into liquidation. The investment management agreement contains certain indemnities in favour of the Investment Manager, which are restricted to exclude matters to the extent that they are attributable to the fraud, bad faith, negligence, wilful default or recklessness of the Investment Manager.

8. Issue of Shares:

Initial Issue Price
The Shares will be offered at an Initial Issue Price of 1.00 per Share denominated in the currency of the relevant Class of Shares.

Initial Offer Period
The Initial Offer Period for the Shares will open at 9.00am (Irish time) on 1 May 2021 and close at 5.00pm (Irish time) on 30 November 2021 unless such period is shortened or extended by the Directors, who may delegate the exercise of such discretion to any one Director, in accordance with the requirements of the Central Bank.

After the close of the Initial Offer Period in relation to each Class of Shares, the relevant Class of Shares will be continuously open for subscription on each Dealing Day at the Net Asset Value per Share.

Applications for Shares must be received by the Dealing Deadline (as defined above) in the manner set out in the Prospectus. For further information, please see the section headed "Subscription and Redemption for Shares" in this Prospectus.

Prior to subscription for Shares in the Fund, a Subscription Fee of up to 5% may be deducted from subscription monies before the remainder is used to subscribe for Shares in the Fund. Shareholders will be notified in advance if a Subscription Fee is to be applied to their subscription.

Unless otherwise specified, the minimum initial subscription is USD1 per Share or the equivalent denominated in the currency of the relevant Class of Shares.

There is no minimum for subsequent subscriptions. However, minimum initial subscriptions or minimum additional subscriptions which do not meet these thresholds may be accepted by the Directors. The price at which Shares will be issued on any particular Dealing Day will be the Subscription Price per Share calculated in the manner described under the Prospectus section headed "Valuation and Prices". Notwithstanding any provision of the Prospectus, fractions of shares in the Fund (whether issued, transferred or converted) shall be expressed as four decimal place fractions of a Share. Application monies representing smaller fractions of a Share will be retained by the Company.

9. Redemption of Shares

Shares in the Fund may be redeemed on every Dealing Day at the Net Asset Value per Share of the relevant Class subject to the procedures, terms and conditions set out in the Prospectus under the section heading "**Subscription and Redemption of Shares**". All requests for the redemption of Shares must be received by the Dealing Deadline (as defined above) in the manner set out in the Prospectus.

Redemption monies will normally be paid within 5 Business Days of the relevant Dealing Day for redemptions.

Prior to redemption proceeds being paid, on any Dealing Day when there are net redemptions, an anti-dilution levy of up to 2.00% may be deducted from redemption proceeds before the remainder is paid to the Shareholder. The anti-dilution levy may be charged to cover dealing costs and to preserve the value of the underlying assets of the Fund. Shareholders will be notified if an anti-dilution levy is to be applied to their redemption on any Dealing Day and may be given the option to reduce or cancel their redemption request in order to avoid any anti-dilution levy applied. Anti-dilution levies will be retained by the Fund.

10. Fees and Expenses

The following fees and expenses are payable out of the Fund. Details of how the fees and expenses are accrued and paid as well as details of other general management and fund charges are set out in the Prospectus under the heading "Fees and Expenses".

Net Total Operating Fees and Expenses

Management Fee

The Manager shall be entitled to receive out of the assets of the Fund a fee of up to 0.10% per annum of the Net Asset Value of the Fund payable monthly in arrears subject to a minimum annual fee of up to €75,000. The Manager will also be entitled to be reimbursed out of the assets of the Fund for all reasonable, vouched out-of-pocket expenses incurred by it on behalf of the Fund.

The Administrator's Fee (Fund Accounting, Financial Reporting and Transfer Agent Fees)

The Administrator is entitled to receive out of the assets of the Fund (with VAT thereon, if any) an annual fee of up to 0.0225% on a tiered basis of the Net Asset Value of the Fund which will be accrued and payable monthly in arrears, subject to a total of all of the minimum annual fees for the Fund of €32,250.

The Administrator shall be reimbursed out of the assets of the Fund for all reasonable and vouched out-of-pocket expenses incurred by it.

Investment Manager Fees

The Investment Manager will be paid a fee from the Company monthly in arrears at the rate of 0.55% per annum of the Net Asset Value of each Class A Shares, Class A (Hedged) Shares, Class C Shares and Class C (Hedged) Shares; and at the rate of 1% per annum of the Net Asset Value of each Class B Shares, Class B (Hedged) Shares, Class D Shares and Class D (Hedged) Shares.

Reasonable out-of-pocket expenses incurred by the Investment Manager in the performance of its duties will be reimbursed by the Company as may be approved from time to time by the Director.

Formation and Organisation Costs

The costs of forming the Fund, including the fees and expenses of legal advisers, product development fees and expenses, regulatory and listing fees and expenses and any other fees and expenses arising on the formation and launch of the Fund which are not expected to exceed €45,000 will be borne by the Fund and amortised over five years.

11. Risk Warnings:

Persons interested in purchasing Shares in the Fund should read the section headed "**Risk Warnings**" in the main body of this Prospectus.

The Fund will, on request, provide supplementary information to Shareholders 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.

The value of investments and income from them can go down as well as up (this may partly be the result of exchange rate fluctuations in investments which have an exposure to foreign currencies) and investors may not get back the full amount invested.

Financial Derivatives, Techniques and Instruments Risks

The prices of FDIs, including futures, options and swap prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, amongst other things, interest rate fluctuations. The use of these techniques and instruments also 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 price movements of the derivatives and price movements of related instruments, (3) the fact that skills needed to use these instruments are different from those needed to select the securities owned by any of the Funds, (4) the possible absence of a liquid market for any particular instrument at any particular time; which may result in possible impediments to effective portfolio management or the ability to meet redemption. Each Fund may invest in certain derivative instruments, which may involve the assumption of obligations as well as rights and assets. Assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

Forward Trading Risk

The underlying investment funds in which a Fund may invest, may enter into forward contracts and options thereon. Forward contracts do not have standard terms and are not traded on exchanges. Each transaction is carried out by individual agreements, with banks and dealers acting as principals. Trading in forwards and "cash" trading are both largely unregulated; there is no limitation on daily price movements and speculative position limits are not applicable to the markets, which can be highly illiquid because the principals involved are not obliged to make markets in the currencies or commodities they trade. At times, participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market because of unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading, to the possible detriment of a Fund. Market illiquidity or disruption could result in major losses to a Fund. A Fund may be exposed to credit risks on the counterparties and to risks associated with settlement default. Such risks could result in substantial losses to a Fund.

Futures and Options Risk

The Investment Manager may engage in various portfolio strategies on behalf of each Fund through the use of futures and options. Due to the nature of futures, cash to meet margin monies will be held by a broker with whom each Fund has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such monies will be returned to each Fund. On execution of an option, a Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

Over-the-Counter Markets Risk

Where any Fund acquires securities on over-the-counter markets, there is no guarantee that a Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

Lending of Securities

The Company may lend its securities to brokers, dealers and other financial institutions needing to borrow securities to complete certain transactions. The Company continues to be entitled to payments of amounts equal to the interest, dividends or other distributions payable in respect of the loaned securities, which affords the Company an opportunity to earn interest on the amount of the loan and on the loaned securities' collateral. In connection with any such transaction, the Company will receive collateral that will be marked to market on a daily basis and maintained at all times in an amount equal or exceeding 100% of the current market value of the loaned securities at all times. However, the Company might experience loss if the institution with which the Company has engaged in a portfolio loan transaction breaches its agreement with the Company. This may occur if the counterparty were to default at a time when the value of securities lent increased. In this case it is possible that the collateral held by the Fund would not cover the value of securities lost.

12. Listing

Application has been made for the Shares of the Fund to be admitted to the Official List and to trade on the Regulated Market of the Irish Stock Exchange plc, trading as Euronext Dublin.